

DATED 9 March 2012

ROYAL MAIL PENSION PLAN

**Statement of Amendments
to the Royal Mail Pension Plan
to be effected by the Postal Services Act 2011
(Transfer of Accrued Pension Rights)
Order 2012 (S.I. 2012/687)**

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London
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Reference: SZZM/JZCC

511333479

THIRD PRINCIPAL DEED

OPERATIVE PROVISIONS:

- Operative date 1. As of and from 1 April 2010 (the “**Effective Date**”) the Principal Deed and Existing Schedules shall cease to apply and instead the provisions of this Third Principal Deed (the “**Deed**”) and of its schedules (the “**Schedules**”) shall without in any way constituting any new trust take effect as follows:
- (a) in relation to persons who were active Members on the Effective Date the Principal Deed and Existing Schedules shall be deleted and replaced with this Deed and the Schedules;
 - (b) in relation to the rights and benefits of all Members who on the Effective Date are entitled to a deferred pension or who are currently drawing benefits from the Scheme, such rights and benefits shall be determined in accordance with the Scheme's governing documentation in force at the time they ceased to be active Members except that the following provisions of this Deed and the Schedules shall nonetheless apply (as applicable) to all such Members:
 - (ia) the definition of “RMSPS AVC Only Beneficiary” in Clause 1A;
 - (i) Clause 1B (Civil Partners);
 - (ii) Clause 27A (AVC partial transfer);
 - (iii) Clause 31 and Schedule 13 (Finance Act);
 - (iia) Rule 1A of Schedule 1 and General Rule 1B of Schedule 2 (no benefit entitlements under the Scheme in respect of any period of membership ending on or before the Cut-Off Date);
 - (iv) the removal of the requirement for an illegitimate child to be dependent in order to receive a child's pension (Section B Rule 14(1) proviso (i) and the definition of “Pensionable Child” in Section C Rule 1); and
 - (v) ~~flexible retirement from service (Section B Rule 20A(8), Section B Rule 28 and Section C Rule 9C); and **DELETED**~~
 - (vi) any other provision of the Deed or Schedules which the Trustees and Principal Employer agree should apply to some or all of such Members;

- (c) in relation to the rights and benefits of all Members who, prior to 1 April 2000, left POPS entitled to a deferred pension or who were drawing benefits from POPS on that date, such rights and benefits shall be the same under the Scheme as applied to them immediately prior to 1 April 2000 under POPS except that the following provisions of the Deed and Schedules shall nonetheless apply to all such Members:

(ia) the definition of "RMSPS AVC Only Beneficiary" in Clause 1A;

(i) Clause 1B (Civil Partners);

(ii) Clause 27A (AVC partial transfer);

(iii) Clause 31 and Schedule 13 (Finance Act);

(iiia) Rule 1A of Schedule 1 and General Rule 1B of Schedule 2 (no benefit entitlements under the Scheme in respect of any period of membership ending on or before the Cut-Off Date);

(iv) Section C Rule 1 (definition of Pensionable Child) - the removal of the requirement for an illegitimate child to be dependent in order to receive a child's pension; and

(v) ~~Section C Rule 9C (flexible retirement from service);~~ and DELETED

(vi) any other provision of the Deed or Schedules which the Trustees and Principal Employer agree should apply to some or all of such Members.

References in this Clause 1(c) to POPS shall include (if applicable) SPOPS.

- (d) Should any provision of the Scheme be held by a court or competent tribunal to have been ineffective, all other provisions of the Deed and Schedules shall continue to apply to the Scheme.

Provided however that this clause shall not operate to preclude the Principal Employer and the Trustees from making any specific amendment within their power under this Deed to the provisions of the Principal Deed and Existing Schedules or otherwise under the Scheme relating to such Members or any of them.

Definitions and interpretation

1A

In this Deed and the Schedules the following expressions have the following meanings unless the context otherwise requires:

"**1969 Act**" means the Post Office Act 1969;

"**1981 Act**" means the British Telecommunications Act 1981;

"**2011 Act**" means the Postal Services Act 2011;

"**Actuary**" means a Fellow of the Institute or Faculty of Actuaries or (where this does not conflict with the requirements of Section 47 of the Pensions Act 1995 (professional advisers)) a firm the majority of whose partners are Fellows of the Institute or Faculty of Actuaries appointed by the Trustees to be the Actuary for the purpose of this Deed in accordance with Clause 15(2) hereof;

"**Associated Employer**" means a company associated with or a subsidiary of the Principal Employer which has entered into a Deed of Participation with the Principal Employer and the Trustees on the terms set out in Schedule 12 hereto and is participating in the Scheme in accordance with that Schedule but for the avoidance of doubt does not include POL;

"**Auditor**" means a person who is qualified by law to act as auditor of a company (not being a Member, Employer or Trustee or an employee or director of an Employer or Trustee) or a firm the majority of whose partners are such persons appointed by the Trustees to be the Auditor for the purpose of this Deed in accordance with Clause 15(2) hereof;

"**British Telecommunications Scheme**" means the pension scheme established by British Telecommunications under Section 32 of the 1981 Act;

"**Clause**" means a clause of this Deed;

"**Contracting-out Laws**" means the contracting-out laws of the Pension Schemes Act 1993 (including anti-franking);

"**Custodian Trustee**" means a trustee responsible for holding some or all of the Fund and appointed in accordance with the provisions of Clause 7 of this Deed;

"**Cut-Off Date**" means 31 March 2012, being the date on which the "qualifying time" falls for the purposes of Part 2 of the 2011 Act;

"**Employer**" means the Principal Employer ~~and/or~~ an Associated Employer and/or POL;

"**Family Benefits**" means pensions or benefits paid under Section A or Section B to or in respect of the Member or Pensioner's widow, widower or children;

"**Fund**" means all monies from time to time held by or on account of

the Trustees and any Custodian Trustee in pursuance of this Deed and the investments and securities for the time being representing the same;

"General Rules" means the general rules of the contributory part of the Scheme set out in Schedule 2 and a reference to a **"General Rule"** is a reference to one of the General Rules;

"GMP" means guaranteed minimum pension as that term is used for the purposes of the Pension Schemes Act 1993;

"HMRC" means Her Majesty's Revenue and Customs;

"Interest" means compound interest at such rate and (unless a period is specified in this Deed) for such period or periods as may be determined by the Trustees at their discretion (less tax at such rate as applies from time to time);

"Insurance Company" has the meaning given to in section 275 of the Finance Act 2004;

"LCIA Rules" means the rules of the London Court of International Arbitration;

"Member" means both a person accruing benefits under the Scheme and a Pensioner;

"Non-Contributory Section Rules" means the Rules of the non-contributory part of the Scheme as set out in Schedule 1;

"Normal Retiring Age" means, except where this would be lower because of service in unhealthy places:

- (a) the age of 60 in respect of Members subject to either the Non-Contributory Section Rules or to the Section A Rules;
- (b) the ages specified in Rule 1 of the Section B Rules for Members subject to the Section B Rules; and
- (c) the ages specified in Rule 1 of the Section C Rules for Members subject to the Section C Rules;

"Pensioner" means a person who is immediately or prospectively entitled under the Scheme to receive payment of any pension referable to the former membership of the Scheme by that person (but for the avoidance of doubt does not include an RMSPS AVC Only Beneficiary);

"Preservation Laws" means laws as to preservation of benefit set out

in Chapter I Part IV of the Pension Schemes Act 1993;

"POL" means Post Office Limited, which was admitted to participate as an Employer in the Scheme under the 2011 Act;

"POL Fund" means the segregated section of the Fund described as such in Clause 11;

"POPS" means the Post Office Pension Scheme, a scheme which was merged into the Scheme under the terms of a transfer agreement dated 22 December 1999;

"Post Office" means The Post Office, the predecessor of the Principal Employer as principal employer of the Scheme;

"QAR Reconfiguration Deed" means the supplemental deed amending the Scheme dated 30 March 2012;

"QROPS" means a qualifying recognised overseas pension scheme as that term is defined in Section 169 of the Finance Act 2004;

"Registered" means the status of a scheme registered in accordance with Chapter 2 of Part 4 of the Finance Act 2004;

"Revaluation Laws" means the laws as to revaluation of accrued benefits set out in Chapter II of Part IV of the Pension Schemes Act 1993;

"RMG Fund" means the segregated section of the Fund which is not the POL Fund;

"RMSPS" means the Royal Mail Statutory Pension Scheme, being the "new public scheme" established under Part 2 of the 2011 Act;

"RMSPS AVC Only Beneficiary" means a person who on the Cut-Off Date was a Pensioner who was not accruing benefits under the Scheme but who had uncrystallised rights to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, Rule 3C of the Section C Rules in respect of AVCs, Rule 6 of the Section D Rules in respect of an Accumulated Fund, or any previous provision of the Scheme;

"Rules" means the Non-Contributory Section Rules, the General Rules, the Section A Rules, the Section B Rules, the Section C Rules, the Section D Rules and the Section E Rules or, as the context requires, any or some of these Rules. "Rule" means any individual rule of the Rules of that Section;

"Secretary" means the person appointed as the secretary of the

Scheme under Clause 15 of this Deed;

"**Section A**" means Section A of the contributory part of the Scheme;

"Section A Elector" means:

- (i) subject to (ii), a Member of Section A (or a member of Section E whose benefits other than on redundancy are calculated in accordance with the provisions of the Section A Rules) to or in respect of whom no benefits are paid or to be paid under the Section B Rules of the RMSPS or under the Section E Rules of the RMSPS (but calculated in accordance with the Section B Rules of the RMSPS), provided that,
- (ii) no Member who transfers all his benefits out of the RMSPS will be a Section A Elector unless the transfer value paid by the RMSPS was calculated by reference to benefits under the Section A Rules of the RMSPS without regard to his option under General Rule 7 of Part II of the RMSPS to elect to be subject to the Section B Rules of the RMSPS;

"**Section A Rules**" means the Rules of Section A as set out in Schedule 3;

"**Section B**" means Section B of the contributory part of the Scheme;

"**Section B Rules**" means the Rules of Section B as set out in Schedule 4;

"**Section C**" means Section C of the contributory part of the Scheme;

"**Section C Rules**" means the Rules of Section C as set out in Schedule 4A;

"**Section D**" means Section D of the contributory part of the Scheme (shared AVC facility known as "Bonusplan");

"**Section D Rules**" means the Rules of Section D as set out in Schedule 4B;

"**Section E**" means Section E of the contributory part of the Scheme;

"**Section E Rules**" means the Rules of Section E as set out in Schedule 4C;

"Segregation Regulations" means the Occupational Pension Schemes (Winding Up) Regulations 1996, the Occupational Pension Schemes (Employer Debt) Regulations 2005, the Occupational Pension Schemes (Levies) Regulations 2005, the Occupational Pension Schemes (Scheme Funding) Regulations 2005, the Pension

Protection Fund (Entry Rules) Regulations 2005, the Occupational Pension Schemes (Fraud Compensation Levy) Regulations 2006 and the Pension Protection Fund (Waiver of Pension Protection Levy and Consequential Amendments) Regulations 2007 and other than where the Principal Employer, POL and the Trustees decide otherwise any other legislation for the purposes of which sections of a scheme are treated as separate schemes if the assets of, or contributions paid to, one section cannot generally be used for the purposes of another;

"**SPOPS**" means the Supplementary Post Office Pension Scheme, a scheme which was merged into the Scheme under the terms of a transfer agreement dated 22 December 1999; and

"**Transfer Value Laws**" means the laws as to the transfer values set out in Chapter IV and Chapter 5 of Part IV of the Pension Schemes Act 1993.

The following expressions have the same meaning respectively as in the Pensions Schemes Act 1993;

- (a) "**Contracted-out scheme**"
- (b) "**Contracted-out Employment**"
- (c) "**Contributions Equivalent Premium**"
- (d) "**Section 9(2B) Rights**".

Reference to any enactment shall include regulations made under it and reference to any enactment or regulations shall include reference to any statutory amendment or re-enactment thereof for the time being in force and where appropriate (a) any preceding or subsequent related legislation in the same behalf and (b) equivalent legislation in Northern Ireland.

When any benefit entitlement under the Scheme is affected by or dependent upon any fact, matter or circumstance in relation to the RMSPS, the Trustees may rely upon any notification from the administrators of the RMSPS as conclusive evidence of that fact, matter or circumstance.

If the rules of the RMSPS are amended following the Cut-Off Date, references to any provision of the RMSPS shall be taken to be to the applicable restated or replacement provision from time to time in force, as the Trustees may determine.

Civil Partners **1B** References in this Scheme to a "spouse" shall include a "civil partner"; references to a "widow" or "widower" shall include a "surviving civil partner; references to "marriage" shall include a "civil partnership"; references to "married" shall include either "form a civil partnership" or

"a participant in a civil partnership" as the context requires; and references to "divorce" shall include "dissolution of a civil partnership" (where the term "civil partner" has the meaning given to it in the Civil Partnership Act 2004);

Nothing in this Clause 1B is intended to override the provisions of the Non-Contributory Section Rules or Section A Rules as they relate to civil partners.

Commencement of Scheme	2	The Scheme was established to have effect from 1 October 1969.
Trustees	3	The Principal Employer may, <u>with the consent of POL</u> , appoint new or additional trustees or a body corporate as a sole trustee (and any reference herein to trustee or trustees shall be deemed to include such a body corporate). The Principal Employer may, <u>with the consent of POL</u> , also remove trustees. These powers will be exercised by resolution of the Principal Employer. A copy of the resolution certified by the Chairman or Secretary of the Principal Employer will be conclusive evidence of such resolution <u>provided that it is accompanied by evidence of POL's consent</u> . These powers may be exercised without giving any reason. However, they may not be exercised in a way which conflicts with arrangements under Sections 241 to 243 of the Pensions Act 2004 (member nominated trustees and directors) to the extent that those provisions apply to the Scheme.
First Trustees	4	DELETED
Management	5	The Trustees shall manage and administer the Scheme and shall have power to perform all acts incidental or conducive to such management and administration and in particular and without prejudice to the generality of the foregoing provision the Trustees shall keep or cause to be kept full and true records of the date of commencement of membership by the individual Members and Pensioners and of Members' contributions and of all other chronological and other facts proper to be recorded.
Disclosure	5A	The Trustees will comply with the laws as to disclosure of information under the Pension Schemes Act 1993, the Pensions Act 1995 and the Pensions Act 2004.
Confidential Information	5B	(1) If a Trustee, or a director of a corporate Trustee, obtains or has obtained any information otherwise than as a Trustee or a director of a corporate Trustee of the Plan and in respect of which he or she owes a duty of confidentiality to another entity or person (" Confidential Information "), the Trustee or director of a corporate Trustee is, subject to Clause 5B(2) below, under no obligation to: <ul style="list-style-type: none"> (a) disclose any such information to the other Trustees or other directors, officers or employees of a corporate

Trustee; or

(b) use or apply any such information in performing his or her duties as a Trustee or director of a corporate Trustee.

(2) If the Confidential Information gives rise or might give rise to an actual or potential conflict of interest or duty for the Trustee or director of a corporate Trustee in performing his or her role as a Trustee or director of a corporate Trustee respectively, then Clause 5B(1) only applies if the relevant Trustee or director of a corporate Trustee informs such person or persons as the Trustees or directors of a corporate Trustee may from time to time specify for this purpose that he or she is in possession of Confidential Information (not being required to give details of what the content that Confidential Information is), agrees with that person or persons what steps, if any, should be taken to manage the actual or potential conflict of interest or duty and complies with the agreed steps.

(3) This Clause 5B applies in addition to any equitable principle or rule of law or legislative provision which may excuse the Trustee or director of a corporate Trustee from disclosing information

Trustees' power
to delegate 6

The Trustees may in managing and administering the Scheme delegate (by power of attorney or otherwise) to any person or fluctuating body of persons (whether or not a Trustee hereof) being persons who are officers or servants of ~~the Principal Employer or an Associated~~ Employer all or any of the powers duties and discretions vested in them hereunder and any such delegation may be on such terms and conditions as the Trustees think fit (including the power to sub-delegate) and the Trustees shall not be bound to supervise the proceedings of or be in any way responsible for any loss incurred as a result of any such delegation or sub-delegation or the negligence or default of any delegate or sub-delegate. The Trustees may vary or revoke such delegation.

Custodian
Trustee 7

(1) The Trustees may by deed appoint one or more Custodian Trustees and may from time to time remove a Custodian Trustee from office and appoint another in its place and subject to the provisions of this Deed and of any deed of appointment the Trustees may define the duties and discretion of a Custodian Trustee and provide for its remuneration.

(2) It is hereby declared that a Custodian Trustee being a banker may without accounting for any resultant profit act as banker and perform any service on behalf of the Fund on the same terms as would be made with a customer.

(3) A Custodian Trustee shall concur in and perform all acts necessary or expedient to enable the Trustees to exercise their

powers of management or any other powers or discretions vested in them and shall deal with the Fund and the income thereof as the Trustees shall from time to time direct and a Custodian Trustee shall not be placed under any liability whatsoever for making any sale or investment of or otherwise dealing with the trust property or the income thereof as directed by the Trustees.

Investment Subcommittee **8** The Trustees may from time to time appoint and revoke the appointment of a subcommittee ("**the Investment Subcommittee**") of such of their number and persons employed by them as they see fit with power, subject to such terms and conditions as the Trustee may from time to time determine, to authorise and vary the investment of the Fund or any part of the Fund as provided by Clause 13 hereof.

Expenses of Administration and Indemnity to Trustee **9** (1) There shall be paid out of the Fund all expenses of administering the Scheme including (without prejudice to the generality of the foregoing):

- (a) the remuneration and expenses of any Custodian Trustee, nominee, investment manager, property adviser and other person engaged to give professional services relative to the investment of the Fund or other administration of the Scheme;
- (b) the remuneration and expenses of staff (whether or not employed by the Trustees) to the extent that such staff are engaged on matters relative to the administration of the Scheme (including matters relative to the investment of the Fund); and
- (c) such other expenses of administering the Scheme (including expenses relative to the investment of the Fund and any levies in respect of the Pension Protection Fund or the Pensions Regulator) as the Trustees think fit.

provided that:

(i) where any such expense relates solely to administering the POL Fund, payment shall be made wholly from the POL Fund;

(ii) where any such expense relates in no way to administering the POL Fund, payment shall be made wholly from the RMG Fund; and

(iii) where any such expense does not fall within (i) or (ii) above, payment shall be made from the Fund with the Trustees determining the proportions in which the POL Fund and the RMG Fund shall be drawn upon in making

such payment.

(2) A certificate by the Trustees that any expense of administering the Scheme (including any expense relative to the investment of the Fund) falls within sub-clause (1)(a) - (c) of this Clause and within any of sub-clauses (1)(i) - (iii) of this Clause shall be conclusive.

(3) The Trustees and any Custodian Trustee shall be indemnified in the manner set out below out of the Fund in respect of all expenses remuneration and other sums which are payable out of the Fund under sub-clause (1) of this Clause:

(a) where the expense remuneration or other sum relates solely to administering the POL Fund, they shall be indemnified wholly from the POL Fund;

(b) where the expense remuneration or other sum relates in no way to administering the POL Fund, they shall be indemnified wholly from the RMG Fund; and

(c) where the expense remuneration or other sum does not fall within (a) or (b) above, they shall be indemnified from the Fund with the Trustees determining the proportions in which the POL Fund and the RMG Fund shall be drawn upon in making such payment.

(4) The Trustees shall not be required to take any proceedings or steps in connection with the Scheme which may involve expense by way of costs, charges or otherwise unless and until suitable provision is made to their satisfaction for the payment of all such costs, charges and expenses.

(5) ~~With the prior approval of the Principal Employer any~~Any one or more of the Trustees may receive remuneration for acting as Trustee ~~at such rate as the Principal Employer shall think fit~~in the manner set out below, such remuneration being payable as an expense of administering the Scheme:

(a) where the remuneration relates solely to administering the POL Fund it: (i) will not be payable without the prior approval of POL; (ii) will be at such rate as POL shall think fit; and (iii) shall be paid wholly from the POL Fund;

(b) where the remuneration relates in no way to administering the POL Fund it: (i) will not be payable without the prior approval of the Principal Employer; (ii) will be at such rate as the Principal Employer shall think fit; and (iii) shall be paid wholly from the RMG Fund; and

- (c) where the remuneration does not fall within (a) or (b) above, it: (i) will not be payable without the prior approval of the Principal Employer and POL; (ii) will be at such rate as the Principal Employer in agreement with POL shall think fit; and (iii) shall be paid from the Fund, with the Trustees determining the proportions in which the POL Fund and the RMG Fund shall be drawn upon in making such a payment.
- (6) A Trustee who is a director or officer of any corporation or of any subsidiary or associated company of such corporation, shall not by reason of that fact be liable to account for any resultant profit to such corporation or to himself arising from proper remuneration and profit received or earned by such corporation for any business done for or services rendered to the Fund by such corporation.
- (7) (a) In addition to any right of indemnity given by law to trustees, the following persons, that is to say, the Trustees, former Trustees, the past and present directors of a corporate Trustee and the officers, agents and delegates of them all, acting within the scope of their authority, the Secretary, members of the staff of the Scheme employed by the Trustees under contracts of service, employees of Possfund Custodian Trustee Limited and employees of the Principal Employer or of POL acting (on the instructions of the Principal Employer or of POL, as the case may be and of the Trustees) as members of the staff of the Scheme and each of those persons (and his estate and effects) shall be indemnified out of the assets of the Fund from and against all actions, proceedings, costs, charges, losses, damages, expenses and liabilities which they or he may incur or sustain by reason of anything done or omitted in or about the execution (or supposed execution) of any of their or his duties in relation to the affairs of the Scheme or the Fund or the exercise (or supposed exercise) of any power or discretion vested in them or in him by (or by appointment or delegation under) this Deed or (in relation to such affairs) by law; nor shall any such person (or his estate and effects) be answerable for the insufficiency or deficiency of any security or investment upon which any monies of the Fund are placed out or invested or for any other loss or damage to or misfortune affecting adversely any assets of the Fund. However, no amount may be paid from the assets of the Scheme to reimburse a Trustee for a fine or penalty mentioned in Section 256 of the Pensions Act 2004 (trustees not to be indemnified for fines and civil penalties). Provided that no such person (or his estate and effects) shall by virtue of this sub-clause be so indemnified from or against or

relieved from any obligation or liability for the consequence of his own wilful neglect or default, subject however to Section 33 of the Pensions Act 1995 (Investment powers; duty of care). Section 33 limits the extent to which liability for breach of any obligation to take care or exercise skill in the performance of any investment function may be excluded or restricted. The indemnity under this sub-clause will only apply in respect of those liabilities that would not render the indemnity void by virtue of Sections 232 to 235 of the Companies Act 2006.

(b) Where any person listed above is entitled to be indemnified out of the assets of the Fund:

(i) where the right to be indemnified relates solely to the affairs of the POL Fund, he shall be indemnified wholly from the POL Fund;

(ii) where the right to be indemnified relates in no way to the affairs of the POL Fund, he shall be indemnified wholly from the RMG Fund; and

(iii) where the right to be indemnified does not fall within (i) or (ii) above, he shall be indemnified from the Fund with the Trustees determining the proportions in which the POL Fund and the RMG Fund shall be drawn upon in making such payment.

(8) The Trustees with the consent of either the Principal Employer (in the case of the RMG Fund) or of POL (in the case of the POL Fund) shall be entitled to take out insurance cover which will:

(a) indemnify the RMG Fund or POL Fund, as the case may be, against loss, damage or expenses caused by any breach of trust; and

(b) indemnify the Trustees (including former Trustees, the past and present directors of any corporate Trustees), the officers, agents and delegates of them all, acting within the scope of their authority and the Secretary to the Trustees against personal liability unless the person seeking the benefit of this indemnity incurred the liability as a result of personal dishonesty, bad faith, fraud or wilful negligence.

The premiums for such insurance cover shall be paid by the Employers unless the Principal Employer (in the case of the RMG Fund) or POL (in the case of the POL Fund) decides that such premiums shall be paid from the ~~Fund~~ RMG Fund or the POL Fund, as the case may be.

- (9) No insurance shall cover the following risks:
- (a) a fine imposed by way of a penalty for an offence of which a Trustee is convicted or a penalty which he or she is required to pay under Section 10 of the Pensions Act 1995 or Section 168(4) of the Pension Schemes Act 1993; or
 - (b) a breach of an obligation under any rule of law (including Section 33 of the Pensions Act 1995) to take care or exercise skill in the performance of an investment function,
- unless the premiums on that insurance are borne entirely by the Employers.
- (10) For the avoidance of doubt if the Trustees are directly liable or accountable or jointly liable or accountable with any Member or beneficiary for any tax in respect of any benefit, they may apply part of the benefits in paying the tax (including any interest) or may postpone payment of the benefit until the tax has been paid or provided for to their satisfaction.

Employers'
Contributions

10 The Principal Employer and any Associated Employer ~~shall contribute to the Fund~~(to the extent that such contributions relate to the RMG Fund or to benefits payable from the RMG Fund) and POL (to the extent that such contributions relate to the POL Fund or to benefits payable from the POL Fund), shall contribute to the RMG Fund or the POL Fund (as the case may be) by monthly instalments or, in the case of Clause 10(c) only, by annual instalments or at such more frequent intervals as the Principal Employer (in relation to contributions to the RMG Fund) or as POL (in relation to contributions to the POL Fund) determines:

- (a) such contributions as are certified by the Actuary as needed to meet the cost of benefits under the Non-Contributory Section Rules, excluding a Member's contributions towards the cost of Family Benefits and dependants' benefits;
- (b) such sums as may be due under General Rule 13, Rule 3A of the Section C Rules or Rule 3B of the Section D Rules; and
- (c) such further contributions as may from time to time be required to repair any deficiency reported by the Actuary.

The Fund

11 (1) The Fund is ~~one fund. The Rules applicable to each section of the Scheme specify how benefits are calculated. Contributions paid by the Employers shall form part of the Fund.~~ with effect from the time from when the 2011 Act provides for POL to participate in the Scheme as an Employer (the "Segregation Time"), segregated into two sections for the purposes of the

Segregation Regulations: the "RMG Fund" and the "POL Fund".

(1A) The division at (1) shall operate on the basis that the POL Fund is divided from the remainder of the Fund (the RMG Fund) on the following terms:

(a) at the Segregation Time:

(i) the assets of the POL Fund shall be those assets allocated to the POL Fund in accordance with Schedule 15; and

(ii) the assets of the RMG Fund shall be the assets of the Scheme other than those allocated to the POL Fund under (i) above;

(b) the assets allocated to the POL Fund cannot be used for the purposes of, or to meet any liabilities attributable to, the RMG Fund and the assets allocated to the RMG Fund cannot be used for the purposes of, or to meet any liabilities attributable to, the POL Fund;

(c) the only Employer in the POL Fund shall be POL;

(d) any contributions payable to the Scheme after the Segregation Time by POL or by a Member in POL employment will be allocated to the POL Fund and any contributions payable to the Scheme after the Segregation Time by the Principal Employer or an Associated Employer or by a Member employed by either the Principal Employer or an Associated Employer will be allocated to the RMG Fund;

(e) any transfer values or other monies received after the Segregation Time in respect of a Member whose benefits are payable from the POL Fund will be allocated to the POL Fund and any transfer values or other monies received after the Segregation Time in respect of a Member whose benefits are payable from the RMG Fund will be allocated to the RMG Fund; and

(f) save where benefits are transferred under Clause 28A the POL Fund is liable for:

(i) all benefits payable to or in respect of any Member who immediately following the Segregation Time is employed by POL; and

(ii) any benefits payable to or in respect of any other Member to the extent accrued by reference to service

with or employment by POL after the Segregation Time,

and the RMG Fund is liable for all other benefits payable under the Scheme.

(1B) A change of employer from the Principal Employer to POL which takes place on the same day as the Segregation Time will not break a Member's continuity of membership under the Scheme. However, if a Member changes employer from the Principal Employer to POL or vice versa on any later date, he will be treated as having left employment with an Employer unless the Principal Employer, POL and the Trustees agree otherwise, which agreement may be subject to such conditions as the Principal Employer, POL and the Trustees may determine. This Clause 11(1B) does not affect the interpretation of any other provision of the Scheme insofar as it relates to the treatment of Members who change employer from the Principal Employer to an Associated Employer or vice versa.

(1C) Unless otherwise agreed in writing by his Employer and the Trustees, for the purposes of the Finance Act 2004, the arrangements relating to a Member under the Scheme are not affected by, and no new arrangements are created for any Member by:

(a) the segregation of the Fund into separate sections;

(b) the participation of different Employers in the different sections; or

(c) the allocation of assets, rights, liabilities or obligations between the different sections or the transfer of any benefit between sections under Clause 28A.

(2) Save in so far as any monies investments or other property are for the time being vested in a Custodian Trustee the Fund shall be vested in the Trustees and the Trustees shall stand possessed of the Fund upon trust to apply it in the manner and for the objects and purposes of the Scheme and otherwise upon the trusts referred to in Section 47 of the 1969 Act.

(3) The Trustees shall open and keep a current account or accounts with such bank or bank's branch or branches as they may from time to time determine and may make such regulations as they think desirable for the operation of such current accounts including the signing and endorsement of cheques in connection therewith. The Trustees shall pay all monies received by them for or on behalf of the Scheme into one or other of their bank accounts provided that the Trustees may from time to time place

on deposit account at any such bank or banks any sums not immediately required for the payment of benefits or other expenses payable out of the Fund but which in the exercise of their discretion they deem it not desirable to invest for the time being.

Actuarial
Valuations and
Accounts

12

- (1) At the end of such periods not exceeding three years (or such longer periods as are consistent with Section 224 of the Pensions Act 2004 (actuarial valuations and reports)) as the Trustees shall from time to time determine the Actuary shall, following consultation with the Trustees and the Principal Employer (in relation to the RMG Fund) or with the Trustees and POL (in relation to the POL Fund), make an actuarial valuation (compliant with any relevant requirements of Part 3 of the Pensions Act 2004) of the assets and liabilities of the Fund RMG Fund or the POL Fund, as the case may be, and ultimately shall make a final report upon the financial position thereof making therein any recommendations he thinks fit to the Trustees who shall forthwith transmit to the Principal Employer and any Associated Employer (in relation to the RMG Fund) or to POL (in relation to the POL Fund) and to such organisation or organisations representing persons employed by the Principal Employer (in relation to the RMG Fund) or by POL (in relation to the POL Fund) as appear to the Principal Employer or to POL, as the case may be, to be appropriate a copy of such report and any recommendations they may wish to make in regard thereto.
- (1A) If the Trustees so request the Actuary will, at the end of any year in which no actuarial valuation is made in accordance with the preceding sub-clause, prepare an interim actuarial review of the assets and liabilities of the RMG Fund or the POL Fund, together with any recommendations ancillary thereto as he thinks fit for the Trustees, who shall forthwith transmit to the Principal Employer and any Associated Employer (in relation to the RMG Fund) or to POL (in relation to the POL Fund) and to such organisation or organisations representing persons employed by the Principal Employer (in relation to the RMG Fund) or by POL (in relation to the POL Fund) as appear to the Principal Employer or to POL, as the case may be, to be appropriate a copy of such recommendations together with any further recommendations they may wish to make in regard thereto.
- (2) Where on any such valuation or interim review the Actuary certifies that deficiency or a disposable surplus in the Fund is disclosed:
- (a) the Principal Employer in consultation with any Associated Employer (in the case of a deficiency or disposable surplus in the RMG Fund); or

(b) POL (in the case of a deficiency or disposable surplus in the POL Fund),

shall within three months after receiving the valuation or interim review and report and the Trustees' recommendations (if any) make arrangements which in the opinion of the Principal Employer in consultation with any Associated Employer (in relation to the RMG Fund) or of POL (in relation to the POL Fund) are expedient for making good the deficiency or as the case may require for dealing with the surplus.

- (3) If a deficiency is certified in the Fund any arrangements made shall provide for an annual deficiency contribution of such amount as may be certified by the Actuary to be required to make good the deficiency over such period not exceeding forty years from the date of the valuation or interim review as:

(a) the Principal Employer ~~may determine~~ after consultation with any Associated Employer (in the case of a deficiency in the RMG Fund); or

(b) POL (in the case of a deficiency in the POL Fund),

may determine.

The amount of an annual deficiency contribution shall comprise either or both of the following elements:

- (a) an equal amount each year; or
- (b) a varying amount to be calculated for each year in the manner stated in the Actuary's certificate.

~~An~~ In the case of a deficiency in the RMG Fund, an Associated Employer shall be responsible for the payment of such deficiency contribution or part thereof as the Actuary may certify as being attributable to the employees of that Associated Employer.

- (4) If a disposable surplus is certified in either the RMG Fund or the POL Fund any arrangements made may provide that:

(a) the amount or the outstanding term of any existing annual deficiency contribution to the ~~Fund~~ RMG Fund or the POL Fund, as the case may be, be reduced to such extent that the reduction in the capital value at the valuation or interim review date of the outstanding payments of the deficiency contribution does not exceed the amount of the disposable surplus; and

(b) if after any adjustment as aforesaid of any existing annual

deficiency contribution a balance of disposable surplus still remains it shall be retained in the ~~Fund~~RMG Fund or the POL Fund, as the case may be, and the normal contributions of:

- (i) the Principal Employer and an Associated Employer or either of them ~~to~~(in the case of a surplus in the RMG Fund); or
- (ii) POL (in the case of a surplus in the POL Fund).

may be reduced to the extent certified by the Actuary to be required to dispose ~~of such balance or such part thereof as the Principal Employer decides in consultation with any Associated Employer by annual sum over a period not exceeding forty years from the date of the valuation or interim review~~by annual sum over a period not exceeding forty years from the date of the valuation or interim review of such balance or such part thereof as:

- the Principal Employer in consultation with any Associated Employer (in the case of a surplus in the RMG Fund); or
- POL (in the case of a surplus in the POL Fund).

decides.

- (5) The Trustees will prepare accounts of the Scheme and have them audited.

(5A) The Trustees will:

- (a) keep or cause to be kept proper records and administer the Scheme in a way which will enable the assets and liabilities of the RMG Fund and the POL Fund to be readily identified;
- (b) keep or cause to be kept separate records, accounts and information in relation to the RMG Fund and the POL Fund; and
- (c) ensure that:
- (i) any benefits payable from the RMG Fund are paid from the RMG Fund and any benefits payable from the POL Fund are paid from the POL Fund;
- (ii) any contributions and other monies payable to or in respect of benefits payable from the RMG Fund are

allocated to the RMG Fund and any contributions and other monies payable to or in respect of benefits payable from the POL Fund are allocated to the POL Fund; and

(iii) where any liability for paying benefits under the Scheme transfers from one segregated section of the Fund to the other pursuant to Clause 28A, benefits are paid from and contributions allocated to, the appropriate segregated section of the Fund.

(6) If the Trustees are required by Section 227 of the Pensions Act 2004 to prepare a schedule of contributions:

(a) in relation to the RMG Fund, the Principal Employer or Associated Employer; or

(b) in relation to the POL Fund, POL,

must contribute to the Fund in accordance with the schedule of contributions.

Investment of
Fund

13

- (1) So much of the sums from time to time paid to or received by the Trustees for and on behalf of the Scheme as shall not from time to time be required for application in the payment of benefits or other expenses shall (but subject to the proviso contained in Clause 11(3)) as soon as practicable be invested or applied by the Trustees in their names or under their direction in the name or under the legal control of any Custodian Trustee or (as regards the whole or any part or parts of the Fund) in the name or under the control of any corporation or corporations as nominee or nominees for the Trustees of any Custodian Trustee or (in the case of immovable property held jointly or in common) as nominees for the Trustees or Custodian Trustee and other persons interested in the property.
- (2) For the purpose of the Scheme the Trustees may in any part of the world alone or together with others acquire and dispose of any property (tangible or intangible, movable or immovable), whether or not it produces income, enter into any contract or incur any obligation, lend or borrow money or other property for any purpose (including acquiring assets), grant any mortgage or charge over or give any right of recourse against any or all of the assets of the Scheme, form and finance any company, carry on and finance any business and insure assets of the Scheme for any amount against any risk to the intent that the Trustees shall have the same full and unrestricted powers of applying or investing any monies or other assets of the Scheme and of varying or transposing any monies or other assets applied or invested under this Clause as if they were absolutely and

beneficially entitled thereto.

- (3) Without prejudice to the generality of the foregoing the Trustees may in any part of the world alone or together with others:
- (a) invest or apply any monies or assets of the Scheme in units or shares in investments or assets where such units or shares are subject to the trusts of a unit or similar trust scheme, annuity or deferred annuity policies, policies of insurance or indemnity, options, traded options, financial futures, and accounts with any bank financial institution corporation society or body of good standing;
 - (b) borrow money, either with or without security, give guarantees indemnities and undertakings, charge all or any part of the Scheme with the due repayment of and the payment of interest on and with the payment of expenses in connection with any monies borrowed by the Trustees or by any company, body or person or as security for the due performance of any other obligation of the Trustees or any other company body or person;
 - (c) effect foreign exchange transactions either at the official rate of exchange or at any other rate and either for present or forward settlement;
 - (d) underwrite, sub-underwrite or guarantee the subscription of any shares or securities, or other investments or assets;
 - (e) improve repair or develop any immovable property of any tenure of any kind or any share or interest therein or any building thereon;
 - (f) enter into, vary or terminate any option, future, derivative or contract for differences or any form of contract comprising or relating to an option, future, derivative or contract for differences for any purpose;
 - (g) enter into, vary or terminate any swaps transaction (whether or not it is a contract for differences) for any purpose (including any appropriate ancillary or supporting documentation);
 - (h) collateralise or secure any obligation relating to an option, future, derivative, contract for differences or swaps transaction (including by the payment or delivery of margin) in such manner and upon such terms as the Trustees think fit;
 - (i) exercise their powers under Section 34(1) of the Pensions

Act 1995 (power of investment and delegation) to apply or invest the assets of the Scheme in any other manner as if they were absolutely entitled to the assets of the Scheme. The Trustees will exercise these powers in accordance with Sections 36 and 40 of the Pensions Act 1995 (choosing investments and restriction on employer-related investments); and

- (j) do all things incidental to any exercise of those powers.
- (4) The powers conferred by this Clause may be delegated (with power to authorise sub-delegation) by the Trustees under Clause 8 hereof to the Investment Subcommittee or to an investment manager or otherwise subject however to such limits or conditions as the Trustees think fit.
- (5) In exercising their powers under this Clause the Trustees will take into account any views which either the Principal Employer (in relation to the RMG Fund) or POL (in relation to the POL Fund) may express to the Trustees from time to time but the powers under this Clause shall remain exercisable at the absolute discretion of the Trustees.

14 DELETED

Secretary
Actuary and
Auditor

- 15** (1) The Trustees shall appoint a Secretary to the Scheme (who shall be approved by the Principal Employer and by POL) and may at any time remove the Secretary and appoint another Secretary (who shall be so approved).
- (2) The Trustees shall with the approval of the Principal Employer and POL, appoint an Actuary and an Auditor and may with the approval of the Principal Employer and POL, remove and replace such Actuary and such Auditor as they deem necessary.
- (3) The Trustees may employ and terminate the employment of such persons as they consider expedient to assist in the administration of the Scheme.

Limitations of
Claims

- 16** No person whether a Member or Pensioner or otherwise shall have any claim right or interest upon to or in respect of the Scheme or any contribution thereto or any interest thereon or any such claim upon or against the Trustees or any Custodian Trustee or ~~the Principal Employer or an Associated~~ any Employer except under and in accordance with the provisions of the Scheme.

Amendments of
Scheme and
Rules

- 17** (1) Subject to the provisions of the 1969 Act ~~the Principal Employer and the Trustees may at any time~~ and to sub-clause 17(2), this Deed may by supplemental deed ~~amend this Deed~~ be amended at any time by the alteration or deletion of or the addition to any

provisions thereof and any such amendment may be retrospective in effect but no amendment shall be made which:

- (a) would alter the primary purpose of the Scheme;
- (b) would make any of the monies of the Fund payable to ~~the Principal Employer or an Associated~~ an Employer except those payments made to reimburse the Principal Employer or POL in respect of superannuation allowances and annual pensions under Sections 44 and 46 of the 1969 Act and those made in accordance with Clause 20, Non-Contributory Section Rule 11 or Section C Rule 12G;
- (c) would reduce the benefits of any person who is at the date of the supplemental deed already entitled to the receipt of a pension or annuity;
- (d) would in respect of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in rule 1 of the schedule 1 rules (as inserted by the deed numbered 4 in Schedule 14) depart without the Member's consent from the Civil Service Scheme for the time being in force as prescribed by Rule 2 of the Non-Contributory Section Rules, or would in respect of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in rule 1 of the general rules (as inserted by the deed numbered 4 in Schedule 14) who is subject to the Section A Rules deprive the Member without his consent of any of the benefits referred to in Rule 1 of the Section A Rules; or
- (e) would extend the operation of the Scheme beyond the Trust Period provided by Clause 19 hereof.

(2) Where any such amendment:

- (a) only affects the POL Fund or a Member whose benefits are payable from the POL Fund, the parties to the supplemental deed must be POL and the Trustees;
- (b) has no effect on the POL Fund or on a Member whose benefits are payable from the POL Fund, the parties to the supplemental deed must be the Principal Employer and the Trustees; and
- (c) does not fall within (a) or (b) above, the parties to the supplemental deed must be the Principal Employer, POL and the Trustees.

- Notices **18** Any notice required to be given under the provisions hereof may be given personally or by sending it through the post as a first class letter to the person for whom it is intended at his last known address whether in the United Kingdom or elsewhere and any notice so sent shall be deemed to have been served on the day following that of posting. Notices may also be given in such manner as the Trustees from time to time determine.
- Duration **19** The trusts hereof shall continue until the death of the last survivor of the lineal descendants living on 1 October 1969 of His late Majesty King George VI and for a period of twenty-one years thereafter and such further period if any as may be lawful and at the expiration of such period (thereinafter called the "**Trust Period**") shall terminate.
- Termination **20** (1) If the Scheme terminates an actuarial investigation shall be made and both the RMG Fund and the POL Fund shall be realised and subject to the payment of all costs charges and expenses and the Trustees' liabilities to creditors properly payable thereout the monies then in hand under the RMG Fund and the POL Fund respectively together with such sums as may be due from:
- (a) the Principal Employer or an Associated Employer to restore the solvency of the RMG Fund; or
- (b) POL to restore the solvency of the POL Fund.
- shall be applied under the advice of the Actuary, where appropriate, so far as they permit to the purposes and with the priorities indicated in the following sub-clauses. In so doing the assets of the RMG Fund and the POL Fund shall be applied separately to secure the liabilities of the RMG Fund and the POL Fund respectively and references in the following sub-clauses to the Scheme or the Fund shall be read as references to the RMG Fund and the POL Fund respectively.
- (2) The words and expressions used in this Clause shall have the same meanings as in the Pension Schemes Act 1993 as amended from time to time.
- (3) On a winding up of the Scheme, any liabilities of the Scheme in respect of:
- (a) ~~GMPs and accrued rights to GMPs;~~
- (b) ~~any such benefits as are excluded by Section 13(6) of the Pension Schemes Act 1993 from earners' GMPs;~~
- (c) ~~pensions and other benefits in respect of which entitlement~~

to payment has already arisen; and

~~(d) — Contributions Equivalent Premiums,~~

shall be accorded priority over other liabilities under the Scheme (except for the Member's Fund to which the provisions of General Rule 19A(2) apply).

- (4) If the assets of the Scheme are not sufficient to meet in full the liabilities specified in sub-clause (3) above, the assets shall be applied to meet those liabilities in the order of priority in which those liabilities are specified in sub-clause (3) except that where a Member or RMSPS AVC Only Beneficiary has paid additional voluntary contributions under General Rule 19A, Section C Rule 3C ~~and~~, Section D Rule 3A and/or any previous provision of the Scheme the proceeds of these shall not be available for distribution under this Clause, but shall be applied separately to provide benefits in respect of him, subject to the limits in Schedule 13, complying so far as possible with any wishes made known by him in writing to the Trustees.
- (5) If after the liabilities specified in sub-clause (3) have been met there are assets in hand then such assets together with any sums due from the Principal Employer or an Associated Employer to restore the solvency of the RMG Fund or from POL to restore the solvency of the POL Fund shall be applied under the advice of the Actuary to the following purposes (if and to the extent that those purposes have not been satisfied under sub-clause (3) above), and with the priorities indicated, namely:

first in the purchase from the Government or from any Insurance Company of non-commutable non-assignable annuities payable under the same conditions as payments receivable under the Rules for those persons who immediately before the winding up were entitled whether immediately or in reversion to pensions out of the Fund such annuities to be of amounts equal to the pensions to which those persons are then entitled;

secondly in the purchase in like manner of non-assignable (and except in so far as the Trustees may determine non-commutable) deferred annuities or by transfer value payments to Registered personal pension schemes for Members and others who might at some future date become entitled to benefits out of the Fund regard being had to their respective prospects of becoming so entitled had the Fund continued to exist the amount of their service reckonable for such benefits and the amount of such benefits at the date of termination of the Scheme; and

thirdly any monies which remain after the first two purposes set out in this sub-clause (5) have been satisfied shall be returned to

the ~~Principal Employer and, if appropriate, to an Associated Employer~~ Employers in such shares as either the Principal Employer (in the case of assets allocated to the RMG Fund) or POL (in the case of assets allocated to the POL Fund) shall decide.

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|--|----|---|
| Right of Principal Employer to Determine Employment of a Member | 21 | Nothing in this Deed shall in any way restrict the right of the Principal Employer or an Associated Employer to determine the employment of any Member. |
| Interpretation and governing law | 22 | <p>(1) Headings and marginal notes do not form any part of this Deed or the Rules but are for convenience of reference only.</p> <p>(2) This Deed and the Rules shall in all respects be governed by and interpreted according to the laws of England.</p> |
| Associated Employer ceasing to participate | 23 | <p>(1) When an Associated Employer ceases to participate the Trustees shall with the agreement of the Principal Employer determine an amount being not more than that in (i) below or less than that in (ii) below (in this Clause referred to as the "relevant amount"): </p> <p>(i) that part of the <u>RMG</u> Fund which in the opinion of the Actuary relates to:</p> <p style="margin-left: 40px;">(a) the Members employed at that time by the Associated Employer; and</p> <p style="margin-left: 40px;">(b) any Pensioners identified by the Trustees in agreement with the Principal Employer and the Associated Employer as proper to be included with the Members in (a) above; and</p> <p style="margin-left: 40px;">(c) to all other persons who claim or may claim benefits under the Scheme by reason of the membership of such Members and Pensioners,</p> <p style="margin-left: 40px;">(all of which categories are in this Clause collectively referred to as "persons affected");</p> <p>(ii) if less, an amount which in the opinion of the Actuary is equal to the value of the benefits prospectively payable at that time to or in respect of the persons affected calculated on the basis that Members are entitled to the benefits described in the second priority in Clause 20(5).</p> <p>(2) The Trustees shall, after providing for all costs, charges and</p> |

expenses relating to the relevant amount or to the persons affected, utilise the relevant amount:

- (i) in meeting the liabilities of the Scheme to provide the pensions and other benefits described in Clause 20(3) in respect of the persons affected; Provided that if the relevant amount is insufficient to meet those liabilities it shall be applied to meet those liabilities in the order of priority in which they are specified in such Clause 20(3);
- (ii) in whole or in part, after the liabilities specified in (i) have been met, in providing under the advice of the Actuary benefits for the persons affected, and the provisions of Clause 20(5) as to the amount of such benefits shall apply as appropriate; and
- (iii) thereafter, to the extent that the Principal Employer shall decide, increasing the benefits payable to the persons affected.

The balance of the relevant amount, if any, shall remain in the RMG Fund.

- (3) The provision of pensions and benefits under this Clause shall with the agreement of the Principal Employer be made in such one or more of the following ways as the Trustees shall consider appropriate:
 - (i) by the purchase of such non-assignable (and subject as therein provided non-commutable) annuities or by transfer value payments to personal pension schemes as are referred to in Clause 20(5);
 - (ii) by making a transfer payment to another Registered scheme save that where the transfer payment is to another scheme of the Associated Employer, or one to which the Associated Employer contributes, the Member's consent shall not be needed;
 - (iii) by paying the benefits out of the RMG Fund.

Provided that no such payment shall be made which would not be a recognised transfer under Section 169 of the Finance Act 2004.

- (4) Where a Member has paid additional voluntary contributions under General Rule 19A, Section C Rule 3C or Section D Rule 3A the Member's Fund (as defined in General Rule 19A(2)) will be applied separately to provide benefits in respect of the Member's Fund subject to the limits in Schedule 13 and

additional to his entitlements under paragraph (2) of this Clause, complying so far as possible with any wishes made known by him in writing to the Trustees.

- (5) When an Associated Employer ceases to participate, the Trustees and the Principal Employer may agree not to act in accordance with the provisions of Clause 23 (1) to (4) and may instead agree to provide benefits in respect of persons affected (as defined in Clause 23(1)(i)) out of the RMG Fund.

23A (1) This Clause applies where:

- (i) an employment-cessation event (for the purposes of The Occupational Pension Schemes (Employer Debt) Regulations 2005 (the “Debt Regulations”)) occurs or is treated as having occurred in relation to an Associated Employer;
- (ii) a relevant event occurs in relation to an Associated Employer for the purpose of Section 75 of the Pensions Act 1995; or
- (iii) the Scheme is being wound-up in accordance with Clause 20 (Termination)

and a debt is due from an Associated Employer under Section 75 and or Section 75A of the Pensions Act 1995.

- (2) Unless Clause 23A(3) or 23A(4) applies, the amount due from each Associated Employer shall be the debt due from it, as determined in accordance with the provisions of the Debt Regulations.
- (3) If the Trustees and the Principal Employer so determine, Clause 23A(2) shall not apply and the Trustees shall instead enter into a scheme apportionment arrangement or a regulated apportionment arrangement (each as defined in Regulation 2 of the Debt Regulations) on such terms as the Trustees and the Principal Employer may agree in relation to any debt due from an Associated Employer under Section 75 and or Section 75A of the Pensions Act 1995. In each case, such arrangement must contain all of the provisions required by and comply with the requirements of the Debt Regulations and the terms of such arrangement shall be deemed to be incorporated into this Deed and the Rules to the extent necessary to comply with the provisions of the Debt Regulations. In addition, the arrangement may state the amount of liabilities which are being apportioned to the remaining Employers in accordance with Regulation 6(4) of the Debt Regulations.

- (4) If the Trustees and the Principal Employer so determine, Clause 23(A)(2) shall not apply and the Trustees shall instead enter into a withdrawal arrangement or an approved withdrawal arrangement for the purposes of the Debt Regulations (each as defined in Regulation 2 of the Debt Regulations) on such terms as the Trustees and the Principal Employer may agree in relation to any debt due from the Employer under Section 75 and or Section 75A of the Pensions Act 1995. In each case, such arrangement must comply with the requirements of the Debt Regulations and the terms of such arrangement shall be deemed to be incorporated into this Deed and the Rules to the extent necessary to comply with the provisions of the Debt Regulations.

24 DELETED

Augmentation
and New
Benefits

- 25** If the Principal Employer (in the case of benefits payable from the RMG Fund) or POL (in the case of benefits payable from the POL Fund) agrees and either pays or, in the case of the Principal Employer, procures payment by the relevant Associated Employer of, any additional contributions that the Trustees consider appropriate (for which purpose the Trustees will consider advice from the Actuary) the Trustees may provide:

- (a) increased or additional benefits in respect of any Member or Pensioner (or any spouse or dependant of a Member or Pensioner);
- (b) benefits in respect of any Member or Pensioner (or any spouse or dependant of a Member or Pensioner) different from those set out elsewhere in the Rules; or
- (c) benefits in respect of any employee or former employee or spouse or dependant of a former employee (or for any other person).

These benefits must be consistent with the Preservation Laws, Revaluation Laws, Contracting-out Laws and Transfer Value Laws as appropriate and consistent with the Scheme's status as a Registered scheme and the limits in Schedule 13.

This provision is in addition and without prejudice to General Rule 13A.

Transfers to the
Royal Mail
Senior
Executives
Pension Plan

- 26** A Member who continues in Principal Employer or Associated Employer employment without a break may request an irrevocable transfer of his accrued benefits to the Royal Mail Senior Executives Pension Plan if he becomes a Member of that scheme. Such transfer shall be on such terms as the Trustees may decide on the basis of advice from the Actuary and in accordance with the Transfer Value Laws, and shall be allowed at the sole discretion of the Trustees.

Without prejudice to any statutory discharge or discharge from the relevant Member, the transfer shall operate to extinguish all liability of the Trustees and the Scheme to and in respect of the Member.

Individual
transfers out of
the Scheme

27

- (1) A Member who ceases membership of the Scheme on or after 1 January 1986 at least a year before Normal Retiring Age with a preserved pension has a right to require the Trustees to use the cash equivalent of his benefit in whichever of the following ways (or combination of them) he chooses:
- (a) to buy one or more annuities from one or more Insurance Companies chosen by the Member and willing to accept payment on account of him. The annuities must satisfy the Transfer Value Laws; and/or
 - (b) to acquire rights under another scheme whose trustees or managers are able and willing to accept him. The receiving scheme must be a Registered scheme or a QROPS. The transfer must comply with the relevant requirements of the Contracting-out Laws and the Transfer Value Laws.

The Member can exercise this right by application in writing to the Trustees at any time up to a year before Normal Retiring Age (or, if later, six months after he leaves). The Trustees shall have a discretion to use the cash equivalent of his benefit in the same manner in relation to a Member who is within a year of, at or over Normal Retiring Age. In either case, the Trustees may impose such conditions as they consider appropriate.

- (1A) For the purposes of determining whether a Member has a right to a cash equivalent transfer and when that right may be exercised, references to "Normal Retiring Age" in paragraph (1) above should be read, in respect of Members subject to the Section B Rules, as age 65 in respect of both any uncrystallised NRA60 Benefits and NRA65 Benefits (as these terms are used for the purposes of the Section B Rules) and should be read, in respect of Members subject to the Section C Rules, as age 65 in respect of any uncrystallised NRA60 Pension and NRA65 Pension (as these terms are used for the purposes of the Section C Rules). A Member's right (and the Trustees' discretion) under paragraph (1) above may be exercised in respect of his NRA60 Benefits and his NRA65 Benefits separately (in relation to Section B) and in respect of his NRA60 Pension and his NRA65 Pension separately (in relation to Section C).
- (2) Where a former Member would otherwise have a right to require the Trustees to use the cash equivalent in accordance with paragraph (1) above, but he left Post Office employment before 1 January 1986, the Trustees shall have discretion to apply a

transfer value payment in accordance with paragraph (1) above.

- (3) In this Rule the cash equivalent or other transfer value payment shall be an amount calculated by the Trustees on the basis of actuarial advice in accordance with the Transfer Value Laws where they apply.
- (4) Where the Trustees have used the cash equivalent of the Member's preserved benefit in the manner described in this Rule, they will be discharged from any obligation to provide benefits to which the cash equivalent related.

Transfer or buy-out of additional voluntary contributions only

27A

- (1) The Trustees may, upon request from:
 - (a) a Member or
 - (b) a Pensioner; or
 - (c) an RMSPS AVC Only Beneficiary in respect of whom there remain such assets within the Fund,

transfer assets representing the current value at the time of transfer of ~~such Member or Pensioner's~~ the additional voluntary contributions paid by or on behalf of ~~the~~ such Member or Pensioner or RMSPS AVC Only Beneficiary on a money-purchase basis under the Scheme to another Registered scheme or QROPS, and in the case of a Member or Pensioner this transfer may be made whilst retaining the remainder of the Member or Pensioner's benefits within the Scheme. Any such transfer shall discharge the Trustees from any obligation to provide or secure provision for a benefit for the ~~Member or Pensioner or RMSPS AVC Only Beneficiary~~ (or contingent beneficiaries) in respect of those additional voluntary contributions.

- (1A) A transfer upon request from a Member or Pensioner under (1) above which is made to the RMSPS may, if the Trustees so agree with the Principal Employer (where the transfer is being made from the RMG Fund) or if the Trustees so agree with POL (where the transfer is being made from the POL Fund), relate to part only of the additional voluntary contributions paid by or on behalf of the Member or Pensioner. In that case the discharge under (1) shall relate only to any obligation of the Trustees to provide or secure provision for a benefit for the Member or Pensioner (or contingent beneficiaries) in respect of the additional voluntary contributions transferred.

- (2) The Trustees may transfer assets representing the current value at the time of transfer of a ~~Member or Pensioner or~~ RMSPS AVC Only Beneficiary's additional voluntary contributions paid by or

on behalf of such Member ~~or~~ Pensioner or RMSPS AVC Only Beneficiary on a money-purchase basis under the Scheme to another Registered scheme, or to purchase an annuity policy from an Insurance Company, and in the case of a Member or Pensioner this transfer may be made whilst retaining the remainder of the Member or Pensioner's benefits within the Scheme. Such transfer or purchase of an annuity policy shall not require the consent of the Member ~~or~~ Pensioner or RMSPS AVC Only Beneficiary concerned where the transfer/annuity policy purchase without consent is permitted under relevant legislation. Any such transfer or annuity policy purchase shall discharge the Trustees from any obligation to provide or secure provision for a benefit for the Member ~~or~~ Pensioner or RMSPS AVC Only Beneficiary (or contingent beneficiaries) in respect of those additional voluntary contributions.

Transfers out of the Scheme at the request of the Principal Employer and POL

28

Instead of providing benefits under the Scheme in respect of any person the Trustees may, with the consent of the Principal Employer (in the case of benefits which would otherwise be payable from the RMG Fund) or of POL (in the case of benefits which would otherwise be payable from the POL Fund), transfer assets to another occupational pension scheme or to a personal pension scheme so that benefits will be provided under the other scheme in respect of the person concerned.

The transfer must comply with the Contracting-out and Preservation Laws and the transfer must be to a Registered scheme.

Except where the transfer is made in consequence of a change in employment the amount of the transfer payment will be calculated by the Trustees on the basis of actuarial advice.

If the transfer is made in consequence of a change in employment, the amount of the transfer payment will be determined by the Principal Employer or by POL as the case may be but may not be greater than the Share of Fund nor less than the Leaving Service Amount, provided that, if the Share of Fund is less than the Leaving Service Amount, the amount of the transfer payment will be the Share of Fund.

For the purpose of this Clause 28:

- (i) **"Share of Fund"** means the part of the Fund which in the opinion of the Actuary relates to the persons concerned.
- (ii) **"Leaving Service Amount"** means the amount which in the opinion of the Actuary is equal to the value of benefits prospectively payable to and in respect of Members (calculated as if they had left the employment of ~~the Principal Employer or an Associated~~ Employer with an entitlement to preserved benefits) and persons prospectively entitled to receive payment

of pension referable to former membership of the Scheme.

- (iii) "**change in employment**" means in relation to a Member a situation where he or she ceases to be employed by ~~the Principal Employer or an Associated~~an Employer as a direct result of a transfer (whether or not the transfer is one to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 applies) or the sale or disposal of an undertaking or part of an undertaking of ~~the Principal Employer or an Associated~~an Employer.

The amount of the transfer payment must in any event be at least equal to the amount required to comply with the Transfer Value Laws where they apply.

Transfers between segregated sections of the Fund

28A Instead of the liability for providing benefits under the Scheme in respect of any person being attributable to one segregated section of the Fund (the RMG Fund or POL Fund, as the case may be), the Trustees may, with the consent of the Principal Employer and POL, transfer assets to the other segregated section of the Fund so that liability for providing all or part of those benefits will be attributable to that other segregated section.

The amount of the transfer payment will be determined by agreement between the Principal Employer, POL and the Trustees.

Transfer of the POL Fund out of the Scheme at the request of the Principal Employer or POL

28B (1) This Clause 28B applies where the Trustees receive a written request from either the Principal Employer or POL to transfer the POL Fund together with all the benefits payable from the POL Fund to another Registered occupational pension scheme (the "**New POL Scheme**").

(2) Where this Clause 28B applies, instead of providing those benefits under the Scheme which are payable from the POL Fund, the Trustees may, provided the transfer would comply with the Contracting-out and Preservation Laws, transfer the entire POL Fund to the New POL Scheme so that the liability for providing all those benefits passes to the other scheme.

(3) (a) Once a transfer has been effected as described in this Clause 28B, the Fund shall cease to be segregated into two sections as described in Clause 11 whereupon, save to the extent the Principal Employer and the Trustees agree otherwise, any amendment to the Deed and Rules made by the 2011 Act in order to cater for the segregation of the Fund into two sections or which provided for or related to the participation of POL in the Scheme, shall (without prejudice to any other amendment made by the 2011 Act) cease to apply; the Deed and Rules shall be interpreted (and if necessary automatically amended)

accordingly.

(b) For the purposes of (a) above, any single amendment made by the 2011 Act may be treated as a number of different amendments if the Principal Employer and the Trustees so agree, and a certificate signed on behalf of the Principal Employer and the Trustees as to whether any amendment was or was not made in order to cater for the segregation of the Fund into two sections and the participation of POL in the Scheme shall be conclusive evidence of that fact.

Pension sharing on divorce 29

(1) **Compliance with pension sharing orders**

It may be that an order or other provision under Section 28(1) of the Welfare Reform and Pensions Act 1999 or equivalent Northern Ireland laws (activation of pension sharing) requires all or part of a Member's benefits to be transferred to the Member's former spouse. If this happens, the Trustees will discharge their liability to the former spouse in accordance with the requirements of that Act. However, the Trustees may provide benefits for the former spouse under the Scheme and will do so where required by relevant legislation. The Trustees may recover charges in respect of provision of information in connection with pension sharing on divorce in the circumstances prescribed in the Welfare Reform and Pensions Act 1999 or equivalent Northern Ireland laws.

(2) **Benefits under the Scheme**

If the Trustees provide benefits for the former spouse under the Scheme, the benefits will be subject to the limits in Schedule 13 and will be provided separately from any other benefits to which the former spouse may be entitled under the Scheme. The Trustees will provide the former spouse with written details of the benefits that will be provided.

(3) **Death of former spouse before a transfer payment is made**

It may be that the former spouse dies before the Trustees have discharged their liability to the former spouse. If this happens, the Trustees may (but need not) provide benefits in respect of the former spouse in one or both of the following forms as they consider appropriate:

(a) a lump sum death benefit payable as described in General Rule 16(1) as if the former spouse were a Member, the lump sum benefit were "the designated sum" for the purpose of General Rule 16(1) and as if the former spouse

had given an appropriate direction;

- (b) a pension or pensions for one or more of the former spouse's children, new spouse or other dependants on terms determined by the Trustees.

Any lump sum death benefit cannot exceed 25% of the transfer payment that could have been made to the other pension arrangement if the former spouse had not died.

The amount of any single pension cannot exceed two-thirds of the annuity that the transfer payment that could have been made could have bought for the former spouse, at an available market rate, immediately before his or her death. Where more than one pension is paid, the total of all the pensions cannot exceed the amount of the annuity that could have been bought for the former spouse.

If the Trustees decide not to provide benefits as described above, they may (but need not) discharge their liability in respect of the former spouse in one of the other ways allowed by the Welfare Reform and Pensions Act 1999.

Any part of the transfer payment that is not used as described in this Rule will be retained by the Trustees as part of the general assets of the Scheme.

(4) Payment of survivor's pensions

A pension payable to a surviving spouse or any other adult dependant will be payable for life. A pension payable to a child will be payable until the child reaches age 18. The Trustees may, however, pay or continue paying a pension to a child who has reached age 18:

- (a) for so long as the child is in full-time education or training approved by the Trustees; or
- (b) for the lifetime of the child, but only if the child was dependent on the former spouse because of disability when the former spouse died, or was wholly incapacitated at birth,

subject in both cases to Schedule 13.

(5) Transfers from other schemes

The Trustees may accept a transfer of assets in respect of a person entitled to a pension credit for the purposes of the Welfare Reform and Pensions Act 1999 pursuant to Clause 30.

In this event, the benefits provided will be separate from any other benefits to which the person may be entitled under the Scheme.

- | | | |
|--|------------|--|
| Inward transfers to the Scheme | 30 | <p>The Trustees may accept a transfer of assets in respect of any person from another occupational pension scheme or a personal pension scheme or a freestanding additional voluntary contributions scheme or the surrender value of a "buy-out" policy or retirement annuity contract bought in a person's name. In addition, the Trustees may also accept any donations, legacies or other exceptional receipts ("receipts").</p> <p>The Trustees will use the assets, surrender value or receipts to provide benefits for the person concerned as they determine to be appropriate after considering actuarial advice <u>and will allocate the relevant amount to the POL Fund or the RMG Fund accordingly</u>. The benefits must comply with the Contracting-out, Preservation, Revaluation and Transfer Value Laws and be consistent with Schedule 13.</p> |
| Overriding Finance Act 2004 Provisions | 31 | <p>The Scheme is a Registered scheme. The provisions of Schedule 13 (Finance Act) shall apply to the Scheme and, except where the Deed or Rules expressly provides otherwise, override any other provision of the Scheme with which they are inconsistent.</p> |
| Contracting out | 31A | <p>The <u>In respect of service after the Cut-Off Date, the</u> Trustees will operate the Scheme in accordance with the Contracting-out Laws that apply to salary related Contracted-out schemes. The Rules will be treated as including Rules to the same effect as any rule that must be included for the Scheme to be contracted-out in relation to a Member's service <u>after the Cut-Off Date</u> (this Clause 31A overrides all other provisions of the Scheme, except those that are in accordance with the Pension Schemes Act 1993). <u>For the avoidance of doubt, no person has any right or entitlement to or in respect of a GMP under the Scheme.</u></p> |
| Salary Sacrifice | 32 | <p>(1) In relation to the calculation of the contributions payable by a Member or the benefits payable to or in respect of a Member of the Scheme in accordance with the Rules, where a Member is receiving a reduced salary or wage on account of a temporary or permanent salary sacrifice or similar arrangement, the Member's remuneration for the purposes of the Scheme will, where the Principal Employer <u>(in relation to a Member in Principal Employer or Associated Employer employment) or POL (in relation to a Member in POL employment)</u> so directs, be calculated as if that reduction did not apply. In such circumstances the Principal Employer <u>or POL, as the case may be,</u> will determine the Member's remuneration for the purpose of the Scheme and shall notify the Trustees accordingly.</p> <p>(2) Without prejudice to the generality of the previous paragraph,</p> |

this Clause shall apply to the following terms:

- (a) "salary" as defined in General Rule 7(11);
- (b) "CSDB Pensionable Salary", "Pensionable Salary" and "Salary" as defined in Section B Rule 1;
- (c) "pensionable pay" as defined in the Principal Civil Service Pension Scheme;
- (d) "Contributory Pay", "CSDB Pensionable Pay", "Part-timer's Contributory Pay" and "Pensionable Pay" as defined in Section C Rule 1; and
- (e) "Basic Annual Salary" as defined in Section D Rule 3B.

Notional Salary
- Post Office
Limited Crown
Office pay deal

32A

- (1) In relation to a Member of the Scheme to whom the pension terms of the Post Office Limited Crown Office pay deal (as contained in a letter dated 20 November 2007 from Debbie Moore to Andy Furey of the Communications Workers Union, the terms of which were accepted by the Communications Workers Union without amendment (the "**POL Pay Deal**")) apply, the Member's remuneration for the purposes of the Scheme (including for the purposes of calculating contributions payable by or on behalf of the Member) will be increased to reflect the notional increase in his salary or wage under the terms of the POL Pay Deal, in relation to benefits attributable to his Reckonable Service to which the terms of that deal apply.

- (2) Without prejudice to the generality of the previous paragraph, this Clause shall apply to the following terms:

- (a) "salary" as defined in General Rule 7(11);
- (b) "CSDB Pensionable Salary", "Pensionable Salary" and "Salary" as defined in Section B Rule 1;
- (c) "pensionable pay" as defined in the Principal Civil Service Pension Scheme;
- (d) "Contributory Pay", "CSDB Pensionable Pay", "Part-timer's Contributory Pay" and "Pensionable Pay" as defined in Section C Rule 1; and
- (e) "Basic Annual Salary" as defined in Section D Rule 3B.

Prevention of
Discrimination
on Grounds of

33

- (1) Subject to Clauses 33(2) to 33(11) where on or after 1 December 2006 any of the terms of the Scheme would, but for this Clause, unlawfully treat a Member or group of Members (the "**Less**

Age

Favoured Members") less favourably than another Member or group of Members (the "**More Favoured Members**") on grounds of age then with effect on and from 1 December 2006 (or the date on which the term has effect, if later) the term is modified so as to disapply the more favourable treatment in respect of the More Favoured Members to the extent required to ensure that the application of the term to the More Favoured Members and the Less Favoured Members is not unlawful.

(2) Sub-clause (1) shall not apply to the extent that, following any modification of a term pursuant to that clause, any pension under the Scheme would cease to be equivalent to, or better than, the pension which would be provided under a "reference scheme" as described in Section 12B of the Pension Schemes Act 1993.

(3) In relation to the application of sub-clause (1):

(a) if the Trustees become aware that a term has or may have been modified pursuant to sub-clause (1) they shall give written notice of such modification to the Principal Employer (where the term relates to benefits payable from the RMG Fund) or to POL (where the term relates to benefits payable from the POL Fund) as soon as reasonably practicable; and

(b) if the Principal Employer or POL becomes aware that a term has or may have been modified pursuant to sub-clause (1) it shall give written notice of such modification to the Trustees as soon as reasonably practicable.

(4) If the Trustees become aware that they have been:

(a) making payments to or in respect of Members; or

(b) making statements to Members about benefits which will or may become payable to or in respect of Members at a future date,

where payment of those benefits constitutes or would constitute a breach of a term as that term is modified by sub-clauses (1), (5), (6) or (7) then the Trustees shall:

(c) make whatever adjustments are necessary to benefits in payment or to statements about the payment of future benefits to ensure that from the date of the adjustment the benefits paid and statements made about benefits accurately reflect the provisions of the Rules and requirements of legislation prohibiting discrimination on the grounds of age; and

- (d) have power to set off any overpayments of benefit made to or in respect of a Member in breach of a modification of a term pursuant to sub-clauses (1), (5), (6) or (7) against any future payments of benefit to or in respect of that Member.
- (5) Without prejudice to the provisions of Clause 17 the Principal Employer ~~with~~(where the term in question relates to benefits payable from the RMG Fund) or POL (where the term in question relates to benefits payable from the POL Fund) with (in either case) the agreement of the Trustees may in writing direct that any term that has been amended pursuant to sub-clause (1) shall be further amended to have effect (including retrospective effect) so that:
- (a) the treatment of Members or a group of Members under the term is more favourable than it would have been but for the exercise of this power; and
- (b) the application of the term does not constitute unlawful discrimination on grounds of age,

provided that the powers under this sub-clause (5) may only be exercised prior to 30 June 2007 unless the Principal Employer or POL, as the case may be, requests and the Trustees agree to (such agreement not to be unreasonably withheld) the substitution of a later date¹.

- (6) Without prejudice to the provisions of Clause 17 and subject to sub-clause (7) the Trustees may on or after 30 June 2007 (or such later date as may have been agreed under sub-clause (5)) in their sole discretion (such discretion to be exercised after consultation with the Principal Employer (where the term in question relates to benefits payable from the RMG Fund) or with POL (where the term in question relates to benefits payable from the POL Fund)) in writing direct that any term that has been amended pursuant to sub-clause (1) shall be further amended to have effect (including retrospective effect) so that:
- (a) the treatment of Members or a group of Members under the term is more favourable than it would have been but for the exercise of this power; or
- (b) the term has effect in relation to More Favoured Members as if the modification pursuant to sub-clause (1) had not

¹ Note - the date was extended by the deeds numbered 41 and 42 in Schedule 14 ultimately to 31 December 2007.

occurred; and

- (c) the application of the term does not constitute unlawful discrimination on grounds of age,

provided that this sub-clause (6) shall not apply to any term that has been further amended under sub-clause (5).

- (7) Without prejudice to the provisions of Clause 17 where the Principal Employer, POL or Trustees first become aware on or after 30 June 2007 (or such later date as may have been agreed under sub-clause (5)) that a term of the Scheme has been modified pursuant to sub-clause (1), and that term had not been identified prior to that date as a term that would or might unlawfully treat the Less Favoured Members less favourably than the More Favoured Members on grounds of age, then the Trustees may, with the consent of the Principal Employer (where the term relates to benefits payable from the RMG Fund) or of POL (where the term relates to benefits payable from the POL Fund), direct that the term shall be modified further so that:

- (a) the treatment of Members or a group of Members under the term is more favourable than it would have been but for the exercise of this power; or
- (b) it has effect in relation to More Favoured Members as if the modification pursuant to sub-clause (1) had not occurred; and
- (c) the application of the term does not constitute unlawful discrimination on grounds of age,

and such modification may have retrospective effect.

- (8) In this Clause:
- (a) a "Member" means a Member and, in relation to admission to the Plan, any individual not eligible to be a Member where that ineligibility constitutes unlawful treatment on grounds of age; and
- (b) a "term" means a term under the Rules and any provision, criterion, action, decision or practice applied by an ~~Associated Employer or the Principal~~ Employer or the Trustees as to the terms on which a person becomes a Member or is treated as a Member.
- (9) This clause does not have effect in relation to rights accrued or benefits payable in respect of periods of Reckonable Service (as defined in General Rule 10 and Section C Rule 1) prior to 1

December 2006 (or the date on which the relevant term has effect, if later).

- (10) Notwithstanding the provisions of Clause 31, General Rule 14 or Schedule 13 regarding the making of payments which would not be authorised payments for the purposes of the Finance Act 2004, the Trustees shall have power to make a payment from the assets of the Scheme that is or may be an unauthorised payment for the purposes of that Act where the payment is made in breach of a term as that term is modified by sub-clause (1) and:
- (a) the Trustees were not aware of the breach at the time the payment was made;
 - (b) the Trustees were aware of the breach at the time the payment was made but it was not reasonably practicable to prevent the payment being made; or
 - (c) the Principal Employer *(where the payment is made from the RMG Fund) or POL (where the payment is made from the POL Fund)* has consented to the payment being made.
- (11) The Trustees, with the consent of the Principal Employer *(where the term relates to benefits payable from the RMG Fund) or of POL (where the term relates to benefits payable from the POL Fund)*, shall have full power to determine any matters of ambiguity or dispute arising out of the application of this Clause 33 to the terms of the Scheme.

Ambiguity,
doubt or dispute

34

(1) In addition to any specific power in the Deed or Rules concerning ambiguity, doubt or dispute, the Trustees with the consent of the *Principal Relevant* Employer shall have full power to determine any matters of ambiguity, doubt or dispute concerning the interpretation of the Deed and Rules and their application to the benefits and entitlements of any Member or Pensioner (and contingent beneficiaries) of the Scheme.

(2) *For the purposes of (1), the "Relevant Employer" is:*

(a) where the matter relates only to the POL Fund or a Member whose benefits are payable from the POL Fund, POL;

(b) where the matter relates in no way to the POL Fund or a Member whose benefits are payable from the POL Fund, the Principal Employer; and

(c) where the matter does not fall within (a) or (b) above, the

Principal Employer and POL together.

Failure to reach agreement **35** Where any provision in this Deed or its Schedules requires the Principal Employer and POL to reach agreement, and such agreement is not reached within a reasonable period of time, the dispute shall be referred to and finally resolved by arbitration under the LCIA Rules, which are deemed to be incorporated by reference into this Clause 35.

In witness whereof this deed has been executed and delivered as a Deed the day and year first before written.

SCHEDULE 1**THE RULES OF THE NON-CONTRIBUTORY PART OF THE SCHEME**

- Members 1 The following persons shall be eligible to be Members of the non-contributory part of the Scheme:
- (a) All persons who were Members of the Scheme immediately before 1 December 1971, except those who in accordance with arrangements approved by the Principal Employer elect or have elected to become Members of the contributory part of the Scheme.
 - (b) Persons who, by virtue of an agreement under sub-section (4) of Section 10 of the 1981 Act, re-enter the employment of the Principal Employer and immediately before so re-entering were Members of the non-contributory part of the British Telecommunications Scheme.
 - (c) Persons employed by the Principal Employer who were Members of this part of the Scheme and whose employment is transferred under the terms of a scheme made under Section 60 of the British Telecommunications Act 1981 to an Associated Employer are eligible to retain membership of this part of the Scheme where the Associated Employer pays the contributions specified in Schedule 12 hereto.

Every such Member who continues in employment with the Principal Employer or the employment of an Associated Employer without a break shall be entitled to terminate his membership of the Scheme, whereupon:

- (i) no further period of employment of the Member by the Principal Employer or an Associated Employer shall count as reckonable service; and
- (ii) the Member shall not thereafter be permitted to re-enter the Scheme.

For the avoidance of doubt it is hereby declared that Sub-postmasters shall not be Members of the non-contributory part of the Scheme.

The Rules in Schedule 1 shall only apply to Members of the non-contributory part of the Scheme.

No benefits in respect of reckonable service ending on or before the

1A Notwithstanding any other provision of the Scheme, no benefits are payable under the non-contributory part of the Scheme to or in respect of any person whose reckonable service ended on or before the Cut-Off Date.

Cut-Off Date

Applications of
the Statutes and
Related
Instruments in
Schedule 5

- 2 (a) ~~In~~Subject to Rule 1A above, in respect of employment with the Principal Employer (except employment which is reckoned for an allowance or the enhancement of an allowance which has been granted under the enactments and instruments hereafter referred to in this Rule) and emoluments there shall be paid to or in respect of every Member or Pensioner or his or her personal representatives widow widower children or dependants the like superannuation benefits (including in particular and without prejudice to the generality of the foregoing words payments attributable to a back service credit on transfer to employment with the Principal Employer from other employment and a transfer value payment on transfer from employment with the Principal Employer to other employment) as the maximum benefits which could be paid to or in respect of such Member or Pensioner under the enactments and instruments relating to superannuation in the Civil Service (which with the exception of those relating to back service credits and transfer value payments are referred to in Schedule 5 hereto) as hereinafter varied from time to time by any future enactments or instruments if his employment with the Principal Employer were service of the designated category and his emoluments were emoluments received in respect of such last mentioned service and every Member shall have the like obligations in connection therewith as he would have had if his employment with the Principal Employer were service of the designated category and his emoluments were emoluments received in respect of such last mentioned service. Service with an Associated Employer shall reckon as employment with the Principal Employer for the purposes of this paragraph.
- (b) ~~There~~Subject to Rule 1A above, there shall be permitted to every Member or Pensioner the like allocation of the said superannuation benefits to a spouse and dependants as could be permitted under the said enactments and instruments if such benefits were benefits granted in respect of service of the designated category.

Reckoning of
service

- 3 (a) The service in the Civil Service (not including service which is reckoned for an allowance or the enhancement of an allowance which has been granted before 1 October 1969 under the enactments and instruments referred to in Rule 2) and civil service emoluments of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in Rule 1 and any other service or employment of that Member shall be reckoned for the calculation of all superannuation benefits as employment with the Principal Employer and emoluments to the maximum extent to which they could (if so directed) be reckoned for the calculation of

superannuation benefits granted under the said enactments and instruments if such Member's employment with the Principal Employer were service of the designated category (as defined in Rule 4). Any act done by such a Member for superannuation purposes while serving in the Civil Service shall be applicable to the non-contributory part of the Scheme.

- (b) Where in consequence of a transfer of rights and liabilities under his contract of employment by virtue of agreement under subsection (4) of Section 10 of the 1981 Act a Member of the non-contributory part of the British Telecommunications Scheme leaves the employment of British Telecommunications and immediately thereafter enters the employment of the Principal Employer on terms which provide for his being a Member of the Scheme, he shall be a Member of the non-contributory part of the Scheme without prejudice to any rights of election to the contributory part of the Scheme which a Member of the non-contributory part may have under the Rules of the Scheme and
- (i) no benefit or refund of contributions shall be payable under the Scheme to or in respect of him by reason of his so leaving his employment;
 - (ii) his reckonable or pensionable service or employment with British Telecommunications shall be aggregated with such service or employment with the Principal Employer;
 - (iii) any allocation, election, choice, revocation or nomination made, option exercised, direction, notification or notice given trust, established, obligation or commitment assumed, or other thing whatsoever done under and in accordance with, or for the purpose of the British Telecommunications Scheme while he was in the employment of British Telecommunications shall, subject to the Rules of the Scheme, remain effective in relation to and for the purposes of his membership of the Scheme.
- (c) Service with an Associated Employer and emoluments in respect thereof of a Member of the non-contributory part of the Scheme shall be reckoned for the calculation of all superannuation benefits as employment with the Principal Employer and emoluments to the maximum extent to which they could (if so directed) be reckoned for the calculation of superannuation benefits granted under the Non-Contributory Section Rules.

Definition of
"Service of the
designated
category"

- 4 (a) In this Schedule "**service of the designated category**" means:
- (i) service as a civil servant; or
 - (ii) service in the Civil Service in a permanently unestablished

capacity; or

- (iii) service in the Civil Service as a person employed in an unestablished capacity; or
- (iv) service in the Civil Service as a person serving in part-time service,

as may be notified by the Principal Employer to each Member from time to time.

- (b) In the case of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in Rule 1 "service of the designated category" means (unless and until notification to the contrary is given by the Principal Employer to the Member under paragraph (a) of this Rule 4) whichever of the four categories of service referred to in the said paragraph (a) is applicable to that Member's service in the Department of the Postmaster General immediately before 1 October 1969 and any such notification may be retrospective in effect.

5 DELETED

6 DELETED

Interpretation of references in the Statutes and Related Instruments in Schedule 5

7 For the purpose of the non-contributory part of the Scheme and where the context so permits references in the said enactments and instruments shall be interpreted as follows:

- (a) to the Civil Service Department (where such references are to that Department in its pension-paying capacity) or to any Department of State acting in a similar capacity, as references to the Trustees;
- (b) to the Department or Head of Department of a civil servant as references to the Principal Employer or an Associated Employer, whichever is the Member's employer;
- (c) to the Government Actuary as references to the Actuary; and
- (d) to "the public service" where the expression occurs in Section 8 of the Principal Civil Service Pension Scheme 1974 as a reference to the Principal Employer or an Associated Employer, whichever is the Member's employer.

Approved Employment

8 When a Member with the consent of the Principal Employer takes up employment which the Principal Employer has approved or at the Member's prior request will approve for the purposes of this Rule and:

- (a) no transfer value payment is payable to the other employer under the non-contributory part of the Scheme;
- (b) the employment is temporary and the Member is expected to return to employment with the Principal Employer; and
- (c) the other employer agrees to reimburse the Principal Employer for the Member's salary and Principal Employer contributions under the non-contributory part of the Scheme in respect of the Member during the period of the employment,

the other employment shall if the Trustees consent be reckoned as employment with the Principal Employer.

In this Rule references to the Principal Employer and employment with the Principal Employer shall be construed as references to an Associated Employer and employment with the Associated Employer respectively, where that company is the Member's employer.

Member's and Pensioner's power to place benefits within the Trustees' discretion

- 9
- (1) In this Rule the expression "**the designated sum**" shall mean any death benefit and/or any lump sum retirement benefit and/or any arrears or pension benefits which may be payable under the Rules of the Scheme and which in the absence of any direction by a Member or Pensioner under this Rule would be payable to the personal representatives of the Member or Pensioner.
 - (2) A Member or Pensioner may at any time by notice in writing to the Trustees in such form as the Trustees shall approve direct that:
 - (a) the designated sum in accordance with Section 4 of the Superannuation Act 1965 or any statutory re-enactments or modifications thereof as apply in the non-contributory part of the Scheme shall be payable to his personal representatives only at the discretion of the Trustees; or
 - (b) the designated sum shall be paid to such responsible persons (not being less than two or more than four) as shall be appointed for such purpose by the Trustees to be held by them upon the trusts and with and subject to the powers and provisions set out in Schedule 6 hereto at the date of such direction.
 - (3) Any direction given in accordance with this Rule shall be effective and if a direction is given under (b) of paragraph (2) of this Rule the designated sum shall accordingly be paid to such responsible persons and shall be held by them upon the trusts and with and subject to the powers and provisions set out in Schedule 6 hereto at the date of such direction.

- (4) The trusts powers and provisions set out in Schedule 6 hereto may from time to time be varied by the Trustees but so that the trusts powers and provisions as so varied shall only apply in relation to directions given to the Trustees after the making of such variations.
- (5) Any direction given by a Member or Pensioner under this Rule shall be irrevocable and binding on such Member or Pensioner and his estate and all persons interested therein.
- Allocation of pension **10** (1) The Rules of the Principal Civil Service Pension Scheme 1974 or any replacement or amendment thereof relating to allocation of pension shall not apply to the non-contributory part of the Scheme but any allocation of pension by a Member or Pensioner shall be subject to the satisfaction of the Trustees that the Member or Pensioner is medically fit and to notification (in such form as the Trustees may approve) being given to the Trustees of the Member's or Pensioner's desire to make the allocation such notification (except in the case of a Pensioner who marries before age 70) to be given within six months before the Member's pension becomes payable or in the case of a Pensioner who marries before age 70 to be given within three months of the marriage; so, however, that the time for giving such notification shall in any case not expire within three months of first notification by the Principal Employer to the Member of the possibility of such allocation of pension. The allocation shall be irrevocable after midnight of the last day before the Member's pension becomes payable of the date of such notification as aforesaid by a Pensioner who married before age 70 or of the day of expiry of three months from such notification by the Principal Employer as aforesaid (whichever shall be the latest) or of any day appointed for the purpose by the Trustees provided that if the Member or Pensioner or the spouse or dependant of the Member or Pensioner in whose favour the allocation is made dies before midnight of that day the allocation shall be void.
- (2) ~~Where a Member or Pensioner is entitled or prospectively entitled to a GMP, the amount allocated under paragraph (1) above shall not exceed the amount which would make the Member's or Pensioner's pension after deduction of the amount allocated, equal to such GMP.~~ **DELETED**
- Forfeiture of benefits **11** When a Member's benefits have been forfeited, the Trustees shall have power in their discretion to deal with the amount of any benefit in any of the following ways or with part thereof in one way and part in another way, as they think fit, that is to say:
- (a) by retention in the Fund; or
- (b) by payment to the Principal Employer or the Associated

Employer, whichever of them is or was that Member's employer, in so far as it does not exceed any monetary loss which the Principal Employer or the Associated Employer as the case may be has incurred as a part of the misconduct.

- | | | |
|---------------------|-----------|---|
| Payment of benefits | 12 | <p>(a) On the death of a Member or Pensioner any amount payable out of the Fund in consequence of his death in respect of additional allowance death gratuity or return of contributions shall be paid to his legal personal representatives on production of a grant of representation so however that if such a grant has not been taken out the Trustees may if in their discretion they think fit pay any such amount to any person showing himself to their satisfaction to be entitled, otherwise than as a creditor, to take out such a grant or to any person appearing to their satisfaction to be entitled otherwise than as a creditor to share in the estate of the deceased.</p> <p>(b) If the Trustees are satisfied that a Member or Pensioner is unable by reason of mental incapacity or other cause to manage his affairs they may at their discretion pay any sum to which he is entitled under these Rules to any other person for the benefit of such Member or Pensioner and his dependants or any of them.</p> |
| Delay in payment | 13 | <p>If the Trustees shall defer payment for a period exceeding three months from the due date of the whole or any part of the lump sum or pension due to any person under the non-contributory part of the Scheme on the ground that they are not satisfied that they can obtain a discharge for such a payment, they shall on ultimate payment of the amount so deferred pay interest for the period from the expiration of the said three months to the date of such payment.</p> |
| Spouse's pension | 14 | <p>The spouse's pension <u>in respect of employment or service after the Cut-Off Date</u> must where the Contracting-out Laws so require be sufficient to satisfy the statutory standard referred to in Section 12A of the Pension Schemes Act 1993 or such higher standard as is agreed between the Principal Employer and the Trustees.</p> |

SCHEDULE 2

THE GENERAL RULES OF THE CONTRIBUTORY PART OF THE SCHEME

Application of the General Rules	1XA	Except where specified otherwise in these General Rules, the General Rules apply to all Members subject to the Section A Rules, the Section B Rules, the Section C Rules and the Section E Rules. Unless the context requires otherwise, a General Rule which is specified to apply to Members subject to the Section A Rules and/or the Section B Rules shall also apply to Section E Members who, prior to joining Section E, were Section A Members or Section B Members (respectively).
Membership	1	With effect on and from 1 April 2008, but subject to the provisions of Section C Rule 2, the Scheme closed to new Members and neither the Principal Employer nor an Associated <u>no</u> Employer will invite employees who have not already joined the Scheme to do so. No Member who has opted-out or otherwise ceased to accrue benefits prior to 1 April 2008 will be eligible to rejoin the Scheme on or after that date.
Optional membership	1A	Every Member who is subject to the Section A Rules or Section B Rules and who continues in employment with the Principal Employer or an Associated <u>an</u> Employer without a break shall be entitled to terminate his membership of the contributory part of the Scheme, whereupon: <ul style="list-style-type: none"> (i) contributions in respect of the Member shall cease; and (ii) no further period of employment of the Member by the Principal Employer or an Associated<u>an</u> Employer shall count as Reckonable Service unless the Principal Employer or an Associated Employer decides otherwise.
<u>No benefits (other than money purchase benefits) in respect of any period of membership ending on or before the Cut-Off Date</u>	<u>1B</u>	<p><u>(1) Notwithstanding any other provision of the Scheme, no pension or other benefits are payable in respect of any period of membership which ended on or before the Cut-Off Date.</u></p> <p><u>(2) General Rule 1B(1) above is without prejudice to:</u></p> <ul style="list-style-type: none"> <u>(a) an RMSPS AVC Only Beneficiary's right to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, Rule 3C of the Section C Rules in respect of AVCs, Rule 6 of the Section D Rules in respect of any Accumulated Fund, or any previous provision of the Scheme, to the extent (in any case) that any of these remain uncrystallised within the Fund in respect of the</u>

individual; or

(b) any benefits payable in respect of a period of membership which was at the Cut-Off Date treated as continuous with a period of membership continuing after the Cut-Off Date.

(3) The only benefit which may be provided under the Scheme in respect of the uncrystallised rights to benefits on a money purchase basis of an RMSPS AVC Only Beneficiary where those rights arose under any previous provision of the Scheme is a transfer value or annuity policy purchase under Clause 27A or a lump sum upon death. This restriction will not apply to an RMSPS AVC Only Beneficiary whose only rights under the Scheme on the Cut-Off Date (ignoring any uncrystallised rights to benefits on a money purchase basis) were in respect of a pension in payment.

(4) General Rule 1B(3) above does not limit any provision of the Scheme relating to the benefits which may be provided in respect of a Member's Fund under General Rule 19A, AVCs under Rule 3C of the Section C Rules or any Accumulated Fund under Rule 6 of the Section D Rules.

2 DELETED

3 DELETED

4 DELETED

5 DELETED

6 DELETED

Members'
contributions

7 (1) This Rule only applies to Members who are subject to the Section A Rules or Section B Rules.

(1A) Every Member shall pay a standard contribution of 6% of his salary from age 18 or the date of his admission to the contributory part of the Scheme whichever is the latest for a period of 45 years (reduced by years for which a back service credit has been allowed and added years and years of enhancement under General Rules 19 and 19XA, Section A Rules 1 and 2 or Section B Rule 12) or until he terminates his membership in accordance with General Rule 1A, ceases to be employed by ~~the Principal Employer or an Associated~~ Employer, or until he receives such benefits, whichever is the shortest period.

(1B) On or before 31 March 1999 a Member could elect to pay an additional contribution of 0.2% of pensionable salary. Such election had to be made:

- (i) not later than 6 months after receipt by the Member of an election form, or 31 March 1993, whichever is the earlier; or
- (ii) within 3 months of the Member first entering the Scheme; or
- (iii) in the case of a Member re-entering the Scheme, within 3 months of return to service with ~~the Principal Employer~~ or employment by ~~the Associated~~ an Employer,

except that the Trustees could allow a Member to make an election later than the dates specified in a case which they considered merited exceptional treatment. Contributions paid under this paragraph would not cease on completion of 40 years' service before Normal Retiring Age but would continue until Normal Retiring Age or such earlier date as membership of the Scheme ceased. However, no Member will pay such contributions for any period after 31 March 1999.

(1C) An election made under paragraph (1B) could at any time be revoked by the Member subject to such prior notice as the Trustees required.

(2) **DELETED**

(2A) If a Member continues in employment with ~~the Principal Employer or an Associated~~ an Employer after Normal Retiring Age then so long as he is subject to the Section A Rules he shall continue to pay contributions until he ceases to be so employed.

(2B) If a Member subject to the Section B Rules has on 1 January 2008:

- (i) ceased before that date making contributions in accordance with the provisions of General Rule 7(2) previously in force, having reached 40 years' service before Normal Retiring Age;
- (ii) remained in employment with ~~the Principal Employer or an Associated~~ an Employer; and
- (iii) has not yet received retirement benefits,

he shall be required on and from 1 April 2008 to recommence making contributions in accordance with paragraph (1A) (whether or not he has by then attained Normal Retiring Age). Such a Member shall not be permitted (nor required) to make backdated contributions in respect of the time between the date when he ceased to make contributions and 1 April 2008.

- (2C) Where a Member subject to the Section B Rules has, in accordance with the provisions of General Rule 7(2) previously in force, ceased making contributions before Normal Retiring Age having reached 40 years' service and then recommenced making contributions from Normal Retiring Age, he shall not be permitted (nor required) to make backdated contributions in respect of the time between the date when he ceased to make contributions and when he recommenced making contributions.
- (3) A Member whose salary is reduced by absence on special leave shall continue to pay contributions on his unreduced salary.
- (4) (a) A Member who is granted unpaid leave or incurs unpaid absence may at his option either:
- (i) not pay contributions other than additional annual contributions for added years and then such period of leave or absence shall not count as Reckonable Service; or
 - (ii) pay his own and the employer's contributions calculated on the salary he would have received from his employer if such leave or absence had not taken place in which case such period of absence shall count as Reckonable Service. Such contributions may be paid on the Member's return to duty within a period specified by his employer at the rate to be calculated by the Actuary.
- (b) During any temporary loan by ~~the Principal Employer or an Associated~~an Employer of a Member to another employer (not being ~~another Associated Employer or the Principal~~an Employer) the Member may opt with the consent of the Trustees to pay his own and the employer's contributions, or only his own contributions if the employer's contributions are paid by the other employer, and such contributions shall be calculated on the salary the Member would have received from the ~~Principal Employer or the Associated~~ Employer had such loan not taken place, and in either such case the period of such loan shall count as Reckonable Service.

- (5) A Member who is suspended from duty without pay shall pay contributions on his salary for the whole or any part of the period of suspension for which he receives pay on reinstatement.
- (6) A Member whose salary is reduced for disciplinary reasons shall pay standard contributions on his reduced salary.
- (7) A Member whose salary is reduced by reason of:

- (a) absence on paid sick leave; or
- (b) part-time duty in lieu of paid sick leave,

shall pay contributions on the salary (at full or half rate) for which he is eligible irrespective of any adjustment in respect of National Insurance benefits, and such Contributory Service shall count in full as Reckonable Service. When by reason of adjustment in respect of National Insurance benefits the actual sick pay received by a Member is less than the amount of contributions due, they shall be wholly suspended during his sick leave. Where contributions are suspended an appropriate adjustment to the standard contributions (to be certified by the Actuary) shall be made when the Member returns to duty to discharge his liability before Normal Retiring Age. If he retires or dies before Normal Retiring Age any benefit due under the Section A Rules or the Section B Rules shall be reduced by the amount of the unpaid contributions.

- (8) A Member who is absent on unpaid sick leave or sick pay at pension rate may at his option either:
 - (i) not pay contributions other than additional annual contributions for added years and then such periods of absence shall not count as Reckonable Service; or
 - (ii) pay his own and the employer's contributions calculated on the salary he would have received if such periods of absence had not taken place in which case such periods of absence shall count as Reckonable Service. Such contributions may be paid on the Member's return to duty at a rate to be calculated by the Actuary.
- (9) When a Member who after a period of unpaid sick leave or sick pay at pension rate is allowed to resume part-time duty of not less than 16 hours per week he shall pay contributions on the reduced salary and such Contributory Service shall count in full as Reckonable Service.

- (10) A Member who is eligible for balance of civil pay on recall to HM Forces shall pay contributions on his salary during his absence. If the balance of civil pay is less than the amount of the contributions he may opt to pay the deficiency from his other income or to have his contributions wholly suspended during his absence. Where contributions are suspended appropriate adjustment to the standard contributions (to be certified by the Actuary) shall be made when the Member returns to duty to discharge his liability before Normal Retiring Age. If he retires or dies before Normal Retiring Age any benefit due under the Section A Rules or the Section B Rules shall be reduced by the amount of the unpaid contributions.

(10A) The application of the amendments made to the Scheme by the 2011 Act to a Member covered by this Rule is subject to any special conditions (consistent with the Contracting-out Laws) which the Principal Employer specifies and the Trustees agree.

- (11) In this Rule "**salary**" shall mean the basic annual pay (including London weighting where appropriate) of the Member with the addition of any allowances described as "assigned allowances" in terms and conditions of employment and "**employer's contributions**" in relation to a Member shall mean so much of the monthly contributions payable ~~either by the Principal Employer or the Associated Employer (whichever is of the Member's employer)~~ in accordance with the provisions of the Deed as is attributable to his membership subject to the Section A Rules or Section B Rules.

Maternity,
adoption and
paternity leave

8

- (1) A Member subject to the Section A Rules or Section B Rules will be treated as still in Reckonable Service throughout any period of absence from work during her statutory "maternity leave period" (as defined in Section 235 of the Employment Rights Act 1996) and any further period of absence due to pregnancy or confinement for which she receives contractual remuneration or statutory maternity pay.

A Member who receives contractual remuneration or statutory maternity pay for a period of absence must pay contributions on the amount received. A Member who does not receive contractual remuneration or statutory maternity pay for her statutory "maternity leave period" does not have to pay contributions for that period. The Member's benefits will in any event be calculated as if she had worked normally throughout the period of absence and received the remuneration likely to be paid for doing so.

At the end of the Member's statutory maternity leave period or period of paid maternity absence, the Member will be treated as if she had left Reckonable Service unless she incurs unpaid

absence.

If the Member:

- (i) is treated as if she had left Reckonable Service as described above, in the event that she exercises a statutory right to return to work her Reckonable Service before being treated as having left service and after returning to work will be treated as continuous (but excluding the break (if any));
 - (ii) incurs unpaid absence as described above, the provisions of General Rule 7(4) will apply.
- (2) A Member will be treated as still in Reckonable Service throughout any period of absence from work during his ordinary adoption leave period or his paternity leave period (as defined in the Employment Rights Act 1996) and any further period of absence due to adoption leave or paternity leave for which he receives contractual remuneration or statutory adoption pay or statutory paternity pay (as applicable).

A Member who receives contractual remuneration or statutory adoption pay or statutory paternity pay (as applicable) for a period of absence must pay contributions on the amount received. A Member who does not receive contractual remuneration or statutory adoption pay for his ordinary adoption leave period or statutory paternity pay for his paternity leave period does not have to pay contributions for that period. The Member's benefits will in any event be calculated as if he had worked normally throughout the period of absence and received the remuneration likely to be paid for doing so.

At the end of the Member's ordinary adoption leave period or period of paid adoption leave or paternity leave period the Member will be treated as if he had left Reckonable Service unless he incurs unpaid absence.

If the Member:

- (i) is treated as if he had left Reckonable Service as described above, in the event that he exercises a statutory right to return to work his Reckonable Service before being treated as having left service and after returning to work will be treated as continuous (but excluding the break (if any));
- (ii) incurs unpaid absence as described above, the provisions of General Rule 7(4) will apply.

- (3) Members shall also be treated during their periods of maternity, adoption, paternity and such other similar leave as may be required to comply with relevant legislation.

Family benefit contributions **9** The standard contribution for both men and women shall cover the cost of Family Benefits from age 18, or the date of admission to Section A or Section B, whichever is the later.

Contributory and Reckonable Service **10** In respect of Members subject to the Section A Rules, the Section B Rules and the Section E Rules, the following expressions have the meanings hereby assigned to them (but, for avoidance of doubt, these expressions do not apply to Members subject to the Section C Rules):

"Contributory Service" means service with ~~the Principal Employer or an Associated~~an Employer during which the Member pays standard contributions under General Rule 7 on:

- (a) the salary of his post while employed by ~~the Principal Employer or an Associated~~an Employer;
- (b) the salary of his post in respect of any period of approved absence (other than absence for ill health reasons) with reduced pay or without pay;
- (c) the reduced salary of his post if the reduction was due to:
- (i) absence on paid sick leave;
 - (ii) resumption of part-time duty in lieu of paid sick leave;
 - (iii) resumption of part-time duty after a period of sick absence without pay or on sick pay at pension rate.

In the case of a Member who has re-entered the employment of ~~the Principal Employer or an Associated~~an Employer by virtue of an agreement under sub-section (4) of Section 10 of the 1981 Act Contributory Service includes Contributory Service given under the Rules of the British Telecommunications Scheme.

"Reckonable Service" means Contributory Service or other pensionable service with ~~the Principal Employer or an Associated~~an Employer and includes:

- (i) any service or employment of a Member which is to be reckoned for calculation of superannuation benefits as employment with the Principal Employer under Rule 2 of the Section A Rules;

- (ii) any service in the Civil Service of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) of General Rule 1 being a Member who is or was employed by the Principal Employer in the designated category of service as a civil servant and who subsequently elects under General Rule 17 to be subject to the Section B Rules;
- (iii) any enhancement for service in unhealthy places under Section A Rules 1 or 2 or under Section B Rule 12;
- (iv) any period of added years credited to the Member under Section A Rules 1 or 2 or under General Rules 19 or 19XA;
- (v) any service with another employer for which the Trustees have granted a back service credit under the Rules, whether under Section A Rules 1 or 2 or under Clause 30 or otherwise;
- (vi) any Contributory Service at a reduced salary owing to ill health;
- (vii) any service with another employer (not being ~~another Associated Employer or the Principal~~ Employer) during which contributions are paid into the Fund;
- (viii) part-time service of 18 hours or more per week which reckons at half the length of equivalent full-time unestablished or non-pensionable service if given before 1 December 1971 in the case of a Member who is subject to the Section B Rules, or before 1 June 1972 in the case of a Member who is subject to the Section A Rules. If given on or after 1 December 1971 in the case of a Member who is subject to the Section B Rules, or on or after 1 June 1972 in the case of a Member who is subject to the Section A Rules, it reckons at its full length multiplied by the proportion which part-time hours bear to full-time hours

(excluding meal breaks if they are excluded in the Member's terms and conditions of employment), provided that service of 18 hours or more per week will reckon at least as one half of the equivalent full-time service. Part-time service qualifies at its full length, except that part-time service under 18 years of age given (a) before 1 June 1972 by Members in post on 30 November 1971 and (b) by all other Members does not qualify at all.

- (ix) part-time service of 16 hours or more but less than 18 hours per week, given after 5 April 1978 in the case of a Member who is subject to the Section B Rules, reckons at its full length multiplied by the proportion which part-time hours bear to full-time hours (excluding meal breaks if they are excluded in the Member's terms and conditions of employment) provided that

such service of 16 hours or more but less than 18 hours per week will reckon at least as one half of the equivalent full-time service. Such part-time service qualifies at its full length.

- (x) part-time service given after 1 January 1993 by any Member who was until 1 January 1993 in continuous part-time service of less than 16 hours per week which first commenced after 30 November 1971 but before 1 April 1987 reckons at its full length multiplied by the proportion which the part-time hours actually worked by the Member bear to full-time hours (excluding meal breaks if they are excluded in the Member's terms and conditions of employment). Such part-time service qualifies at its full length for benefits under the Section B Rules.
- (xi) in the case of a Member who has re-entered the employment of the Principal Employer by virtue of an agreement under subsection (4) of Section 10 of the 1981 Act, contributory or other pensionable service given under the rules of the British Telecommunications Scheme.

Provided that:

- (a) in the case of Members who are subject to the Section B Rules whose part-time service qualifies either by virtue of paragraphs (viii) or (ix) hereof, or by virtue of full-time service, any part-time service of less than 16 hours per week given after 1 January 1993 will reckon and qualify in the manner stated in paragraph (x) hereof;
- (b) paragraphs (viii) and (ix) shall not apply to those Members who first became eligible for membership in accordance with the Section B Rules by virtue of paragraph (x) hereof;
- (c) for the purposes of Chapter I of Part IV of the Pension Schemes Act 1993 a Member of the Scheme who leaves the employment of ~~the Principal Employer or of an Associated~~an Employer on or after 6 April 1975 without having completed two years' qualifying service (as that term is used in that Act) and before reaching Normal Retiring Age and who is re-employed by ~~the Principal Employer or an Associated~~an Employer within 31 days of leaving or after an interval of any length if the re-employment results from the exercise of a right to return to work under Section 79 of the Employment Rights Act 1996 shall be deemed not to have left employment and the previous service will be reckonable provided that where either a short service payment or refund of contributions was paid in respect of such previous service such payment or refund is repaid to the Fund.

For the avoidance of doubt, the expression "other pensionable service" includes service with ~~the Principal Employer or an Associated~~-Employer before Normal Retiring Age but after 45 years' Contributory Service.

Refund of
contributions

11

~~(1) This Rule only applies to Members who are subject to the Section A or Section B Rules.~~

~~(1A) In this Rule (i) the "**determined proportion**" of contributions which is referable to specified benefits means the proportion of those contributions which is determined by the Actuary to be referable to those benefits in particular circumstances, and (ii) words importing the masculine include the feminine gender.~~

~~(2) A Member who has qualified for a pension, whose last marriage has ended and who has no eligible child at the date of his retirement or death before retirement may elect to receive on retirement, or there may be paid to his personal representatives, the determined proportion of his own standard contributions which is referable to Family Benefits and the determined proportion of his own contributions for the purchase of added years which is referable to Family Benefits (being in each case contributions paid in respect of his Reckonable Service since the end of his last marriage if he is subject to the Section A Rules, or, if he is subject to the Section B Rules, since the end of his last marriage or the cessation of his children's eligibility for benefit (whichever is the later)), with interest. In addition to the ending of a marriage by divorce,~~

~~decree of nullity or the spouse's death, for the purposes of the Section B Rules a marriage shall be regarded as ended by judicial separation the terms of which do not require the Member to contribute to the spouse's support.~~

~~(3) A Member who has qualified for a pension, and who throughout his service has had no spouse, and has no eligible child at the date of his retirement or death before retirement, but has had a child or children whom the Trustees agreed to regard as eligible for Family Benefits, and who is subject to the Section B Rules, may elect to receive on retirement, or on his death before retirement there may be paid to his personal representatives, the determined proportion of his own standard contributions which is referable to Family Benefits and the determined proportion of his own contributions for the purchase of added years which is referable to Family Benefits (being in each case contributions paid in respect of his Reckonable Service since the cessation of his child's or children's eligibility for benefit), with interest.~~

- ~~(4) A Member who has qualified for a pension and who has had throughout his service no spouse and no child who is or was eligible for benefits under the Section A Rules or the Section B Rules as may be applicable to the Member, may elect to receive on retirement, or on his death before retirement there may be paid to his personal representatives, a refund of the determined proportion of his own standard contributions which is referable to Family Benefits and the determined proportion of his own contributions for the purchase of added years which is referable to Family Benefits, with Interest.~~
- ~~(4A) Paragraphs (2) to (4) inclusive of this Rule shall not apply in respect of contributions paid by a Member in respect of Contracted-out Employment by reference to the Scheme.~~
- ~~(5) A Member who either retires at or after Normal Retiring Age or before Normal Retiring Age is retired on grounds of ill health or redundancy or in the interests of efficiency or dies but has not qualified for a pension shall receive on retirement or there shall be paid to his or her personal representatives a refund of his or her own contributions for the purchase of added years and Dependants' benefits, (and in the case of a Member who either is or was subject to the Section B Rules (as the case may be) the determined proportion of his own standard contributions which is referable to Family Benefits) with Interest.~~
- ~~(6) Paragraphs (2) or (5) inclusive of this Rule shall not apply in any case where a Member or the personal representatives of a deceased Member receive a refund of the Member's contributions under Rule 7, Rule 8, Rule 20A or Rule 21 of Section B.~~
- ~~(7) A female Member who has made an election under General Rule 26 and who either:~~
- ~~(a) does not qualify for a pension; or~~
- ~~(b) has no husband through her service or whose last marriage ended before the election was made,~~
- ~~may elect to receive on her retirement or otherwise leaving Principal Employer or Associated Employer employment where Section B Rule 20 does not apply, or on her death in service there may be paid to her personal representative, a refund of the additional annual contributions paid under Rule 26 with Interest.~~
- ~~(8) A refund of the Member's contributions in respect of previous Contributory Service for which a back service credit has been granted shall be included in a refund of contributions to the~~

~~Scheme which is made under Rule 7, Rule 8, Rule 20A or Rule 21 of Section B and interest on them shall be paid accordingly.~~

~~(9) A refund of contributions under this Scheme shall be reduced by an amount equal to the tax which the Trustees become liable to pay to HMRC.~~

~~(10) Where a Contributions Equivalent Premium has been paid to the Secretary of State in respect of a period of Contracted-out Employment relating to a Member, the Trustees shall have the power to deduct from any refundable contributions due to the Member (excluding any paid under General Rule 19 or 19XA) an amount equal to the certified amount (as defined in Section 55(2) of the Pension Schemes Act 1993) or to retain the whole of the refundable contributions if less than the certified amount, and to allow the Principal Employer or the Associated Employer to deduct from its contributions to the Fund under General Rule 13(a) an amount equal to that Contributions Equivalent Premium. **DELETED**~~

12 DELETED

Employers' contributions

- 13 (1) ~~The Principal Employer and an Associated~~Each Employer shall in respect of Members subject to the Section A Rules or Section B Rules or Section E Rules contribute to the Fund by monthly instalments:
- (a) a monthly sum equal to 1½ times the standard contributions of all such Members employed by the ~~Principal Employer and the Associated~~ Employer (excluding those Members for whom an approved employer pays the ~~Principal Employer or (as the case may be) the Associated~~ Employer contributions);
 - (b) a monthly sum as calculated by the Actuary equal to such Members' contributions in respect of Family Benefits in so far as such provision has not already been made;
 - (c) a monthly sum equal to all such Members' contributions for dependants' benefits;
 - (d) such sums as are certified by the Actuary as necessary to cover the purchase of added years including the normal Family Benefits related to those years at the ~~Principal Employer's or (as the case may be) the Associated~~ Employer's sole expense;
 - (e) such sums as are certified by the Actuary as necessary to cover the cost of enhancement of service under Section A

Rule 1; and

- (f) such sums as are certified by the Actuary as necessary to cover the cost of enhancement of service and unreduced pensions under Section B Rules 5(a), 7, 7A, 8(3)(b), 8AA and 12(1) including Family Benefits related to those enhancements.

Employers'
Additional
Contributions

- 13A** (1) ~~The Principal Employer or (as the case may be) an Associated~~An Employer may at any time pay into the Fund, by way of special payments, such additional contributions in respect of any Member employed by it who is subject to the Section A Rules or the Section B Rules or the Section E Rules as it may in its sole discretion decide.
- (2) Special payments under paragraph (1) of this Rule shall be used to provide as the Member chooses money purchase retirement benefits and/or additional death in service benefits for the Member on such terms and conditions as the Trustees decide and notify to the Member.

Payment of
benefits

- 14** (1) All pensions and other benefits shall be payable in such manner and at such places as the Trustees decide, and shall be subject to such proof of title and evidence of survival as they require. Subject to Schedule 13, no part repayment is necessary on the Pensioner's death (except where a payment is made in error due to late notification of the death).
- (2) The Trustees may, subject to Schedule 13 and in addition to the provisions of the Rules, pay any of the following benefits to Members:
- (a) a trivial commutation lump sum or other commutation payment on grounds of triviality under the Finance Act 2004;
- (b) a serious ill-health commutation lump sum;
- (c) a winding-up lump sum;
- (d) a refund of excess contributions lump sum;
- (e) a lifetime allowance excess lump sum;
- (f) a contributions refund lump sum; and
- (g) with the consent of the Principal Employer (where the benefit is payable from the RMG Fund) or of POL (where the benefit is payable from the POL Fund), any other lump sum the payment of which would be an authorised

payment under the Finance Act 2004,

where the terms "**trivial commutation lump sum**", "**serious ill-health lump sum**", "**winding-up lump sum**", "**refund of excess contributions lump sum**" and "**lifetime allowance excess lump sum**" have the meanings given to them under the Finance Act 2004 and the term "**contributions refund lump sum**" has the meaning given to it in the Finance Act 2009. The Trustees may reduce the amount of the payment by that of any tax or charge for which they may be accountable.

- (3) If the Trustees are satisfied that a beneficiary is unable by reason of minority, mental incapacity or other cause to manage his own affairs the Trustees may at their discretion pay any benefits to which he is entitled to any other person for his benefit, and payment to such other person shall be a complete discharge of the Trustees who shall not be under any obligation or liability to see to the application of any sums so paid. The Trustees may also make for the beneficiary any choice which he has under the Scheme but shall be under no obligation to do so. In neither event shall the Trustees incur any consequential liability to the beneficiary or to anyone else.
- (4) Where the Trustees are due to pay, or have exercised their discretion under General Rule 16(2)(a) or Section C Rule 7E to pay, any amount to the personal representatives of a Member or Pensioner, and no grant of representation to the Member's or Pensioner's estate is produced to them, they may if in their discretion they think fit pay any such amount to any person showing himself to their satisfaction to be entitled, otherwise than as a creditor, to take out such a grant or to any person appearing to their satisfaction to be entitled otherwise than as a creditor to share in the estate of the deceased. The Trustees may also at their discretion deduct the cost of funeral expenses from the lump sum death benefits and pay it to the person who incurred the funeral expenses.
- (5) For the avoidance of doubt it is hereby declared that a Member who expresses in writing a desire to retire at Normal Retiring Age or on a date after he attains Normal Retiring Age and to receive such benefits or return of contributions as may be due to him on retirement but to be re-employed by ~~the Principal Employer or an Associated~~ an Employer ~~(as the case may be)~~ shall (if he is re-employed in accordance with such request) be deemed to have retired notwithstanding that he is so re-employed with a break in his service; and the expression "retirement" shall be construed accordingly.
- (6) **DELETED**

(7) **DELETED**

- (8) Where there has been an overpayment of pension or other benefit to a Member or other beneficiary under the Scheme, the Trustees in their absolute discretion may recover that overpayment by reducing future instalments of pension or any other benefit owed to that Member or other beneficiary.

Non-assignability of benefits and forfeiture

15

- (1) Benefits under the Scheme cannot be assigned or charged; they will not be paid to anyone except the person entitled under these Rules. Subject to Sections 91 and 92 of the Pensions Act 1995 (assignment, forfeiture, bankruptcy etc.) a benefit will cease to be payable if:

- (a) the person entitled to the benefit under these Rules tries to assign or charge it or becomes bankrupt; or
- (b) any other event occurs by which all or part of the benefits would become payable to some other person.

- (2) If a benefit ceases to be payable under (1) above, the Trustees shall be at liberty in their absolute discretion to pay an equivalent benefit to, or for the benefit of, one or more of:

- (a) the person who was entitled to the original benefit; and
- (b) that person's spouse and dependants.

If the Trustees decide to pay benefit to more than one person, they will pay it in such shares as they decide.

- (3) ~~Rules 15 (1) and (2) do not apply to GMPs since, by law, they cannot be assigned; any attempt to assign GMPs is void and will be ignored. Nor do these Rules apply to any lump sum or instalment of pension that falls due for payment before the benefit otherwise ceases to be payable.~~

- (4) The Trustees may, in accordance with Section 92(5)(b) of the Pensions Act 1995, forfeit a claim for pension or other benefits under the Scheme where such pension or benefits are not claimed by the Member or beneficiary within 6 years of the pension or benefit becoming due. The Trustees shall have full powers to determine the circumstances in which they shall exercise this power.

- (5) A Member or Pensioner's benefits may also be set-off in accordance with General Rule 30 or Section C Rule 12G.

Member's or Pensioner's

16

- (1) In this Rule the expression the "**designated sum**" shall mean any death benefit and/or any lump sum retirement benefit

power to place benefits within the Trustees' discretion

and/or any arrears of pension benefits which may be payable under the Section A or Section B Rules and which in the absence of any direction by a Member or Pensioner under this Rule would be payable to the personal representatives of the Member or Pensioner.

- (2) A Member or Pensioner may at any time by notice in writing to the Trustees in such form as the Trustees shall approve direct that:
 - (a) the designated sum shall be payable to his personal representatives only at the discretion of the Trustees; or
 - (b) the designated sum shall be paid to such responsible persons (not being less than two nor more than four) as shall be appointed for such purpose by the Trustees to be held by them upon the trusts and with and subject to the powers and provisions set out in Schedule 6 hereto at the date of such direction.
- (3) Any direction given in accordance with this Rule shall be effective and if a direction is given under (b) of paragraph (2) of this Rule the designated sum shall accordingly be paid to such responsible persons and shall be held by them upon the trusts and with and subject to the powers and provisions set out in Schedule 6 hereto at the date of such direction.
- (4) The trusts powers and provisions set out in Schedule 6 hereto may from time to time be varied by the Trustees but so that the trusts powers and provisions as so varied shall only apply in relation to directions given to the Trustees after the making of such variations.
- (5) Any direction given by a Member or Pensioner under this Rule shall be irrevocable and binding on such Member or Pensioner and his estate and all persons interested therein.
- (6) Such a direction as aforesaid may with the consent of the Trustees be given notwithstanding any direction given by the Member or Pensioner before the date hereof under the previous provisions applying to the Scheme, but subject to any direction given under this Rule a direction given under the previous provisions applying to the Scheme shall remain in effect notwithstanding that the Member or Pensioner has become a Member of or Pensioner under the contributory part of the Scheme.

Application of Sections A and B - election for

17

- (1) **DELETED**
- (2) Any Member or Pensioner of the contributory part of the

Section B
benefits

Scheme who is subject to the Section A Rules may elect by notice in writing given to the Trustees in the form from time to time prescribed and received by them before the relevant date mentioned in paragraph (3) below to be subject to the Section B Rules (in place of the Section A Rules) although remaining Members of Section A. A Member or Pensioner who, having been enabled at the time by the General Rules then in force to do so, has revoked an election under this paragraph, shall be entitled again to make such an election provided that the provisions of this paragraph can be and are complied with.

- (3) The relevant date is three months before a Member's benefits commence or, if earlier, the date six months after the Member has either:
 - (a) ceased to serve in the employment of ~~the Principal Employer or an Associated~~ an Employer; or
 - (b) terminated his membership of the Scheme in accordance with General Rule 1A.
- (4) The Trustees in agreement with the Principal Employer (in relation to a Member whose benefits are payable from the RMG Fund) or with POL (in relation to a Member whose benefits are payable from the POL Fund) may extend the period during which an election may be made to such later date as the Trustees and either the Principal Employer or POL (as the case may be) specify.
- (5) An election under paragraph (2) of this Rule shall be irrevocable and shall have effect on the date on which it is received by the Trustees or on the date on which the Member retired whichever is the earlier.
- (6) If a Member or Pensioner entitled to make an election under paragraph (2) dies without making such election and within the prescribed period for making an election under that paragraph the Trustees shall pay the benefits (either under the Section A Rules or under the Section B Rules) which in their opinion are the more favourable and their decision shall be final but the Trustees shall be entitled to change their decision where they are of the opinion that such change would enable them to pay benefits which are more favourable.
- (7) If the Trustees are satisfied that a Member or Pensioner entitled to make an election under paragraph (2) is by reason of mental incapacity unable to do so within the prescribed period for doing so the Trustees shall pay the benefits (either under the Section A Rules or under the Section B Rules) which in their opinion are the more favourable and their decision shall

be final whether or not the Member or Pensioner recovers his capacity to manage his own affairs but the Trustees shall be entitled to change their decision where they are of the opinion that such change would enable them to pay benefits which are more favourable.

- (8) Where a Pensioner who has received benefits on retirement under the Section A Rules elects to be subject to the Section B Rules any lump sum to which he may be entitled under the Section B Rules shall be reduced by the amount of any lump sum received by him under the Section A Rules.
- (9) For the purpose of this Rule a person who has received such benefits or return of contributions as may have been due to him on retirement shall be deemed to have retired notwithstanding that he is re-employed by ~~the Principal Employer or an Associated~~an Employer ~~(as the case may be)~~.
- (10) Where a Member who is subject to the Section A Rules is invited by the Principal Employer (in relation to a Member whose benefits are payable from the RMG Fund) or by POL (in relation to a Member whose benefits are payable from the POL Fund) to become a senior manager Member under the Section A Rules and has accepted that invitation in accordance with Section A Rule 10, he shall be treated as a senior manager Member for the purposes of the Section A Rules. If the Member subsequently elects under paragraph (2) of this Rule to be subject to the Section B Rules, he will be treated as a Senior Manager Member for the purposes of those Section B Rules. Where a Member who is subject to the Section B Rules is invited by the Principal Employer or by POL to become a Senior Manager Member under the Section B Rules and has accepted that invitation in accordance with Section B Rule 1, he shall be treated as a Senior Manager Member for the purposes of the Section B Rules.

Delay in payment

18

If the Trustees shall defer payment for a period exceeding three months from the due date of the whole or any part of the lump sum or pension due to any person under the contributory part of the Scheme on the ground that they are not satisfied that they can obtain a discharge for such a payment, they shall on ultimate payment of the amount so deferred pay Interest for the period from the expiration of the said three months to the date of such payment.

Added Years

19

(1) Up to and including 1 April 2008, with the consent of the Trustees a Member who is subject to the Section A Rules or Section B Rules may purchase a number of added years provided that such a Member may not purchase additional years so as to exceed that number which will enable him to complete 45 years' Reckonable Service. The added years may

be purchased by additional annual contributions at the rate shown in the table in Schedule 8 hereto if purchased before 1 January 2008, or at such rate or rates as are determined by the Actuary from time to time if purchased on or after 1 January 2008. If the Member's salary is reduced for any reason other than permanent appointment to a lower grade contributions shall be assessed on his unreduced salary. If the reduction is due to ill health and the Member's sick pay is insufficient to pay the contributions they shall be wholly suspended during his sick leave. If the reduction is due to the Member's absence with HM Forces when he is eligible for balance of civil pay which is insufficient to pay the contributions they shall be wholly suspended during his absence unless the Member opts to continue payment from his other income. Where contributions are suspended for these reasons an appropriate adjustment to the additional annual contributions (to be certified by the Actuary) shall be made when the Member returns to duty to discharge his liability. No further contribution shall be made after the cessation of service. The number of added years shall be calculated according to the amount of contributions paid up to the date of retirement. If the Member dies in service the number of added years shall be calculated according to the total number of added years the Member has contracted to purchase. The payment may alternatively be made (at the time of the purchase or at the time of retirement) by a lump sum to be calculated by the Actuary.

- (2) **DELETED**
- (3) Up to and including 1 April 2008, ~~the Principal Member's Employer or an Associated Employer (whichever is the employer)~~ may with the Trustees' consent and at its own expense purchase at a rate to be assessed by the Actuary added years for a Member whose qualifications in its view merit exceptional treatment.
- (4) The maximum number of added years which may be purchased under this Rule shall in no case exceed the limits set out in Schedule 13.
- (4A) In respect only of Members subject to the Section B Rules any added years which have been purchased under (1) or (3) above will be counted as accruing prior to 31 March 2010 (notwithstanding the fact that such added years may be purchased by contributions paid by the Members on and after 1 April 2010) and so will count as NRA60 Benefits (as that term is used for the purposes of the Section B Rules).
- (5) **DELETED**

- Additional Pension purchased on or after 1 April 2008
- 19XA** On and after 1 April 2008, with the consent of the Trustees, a Member who is subject to the Section A or Section B Rules may purchase an additional pension and lump sum on such basis as the Trustees shall from time to time at their discretion determine. In respect of a Member who is subject to the Section B Rules, no such Member may purchase an additional pension and lump sum under this Rule with the result that his total Reckonable Service (including any actual or notional Reckonable Service used, on such basis as the Trustees with the advice of the Actuary determine, to calculate the purchase of any additional pension and lump sum under this Rule) shall exceed 45 years.
- Additional Voluntary Contributions
- 19A**
- (1) A Member subject to the Section A Rules or Section B Rules may pay additional voluntary contributions at a rate permitted by the Trustees subject to the limits in paragraph 7(c) of Schedule 13.
 - (2) Additional voluntary contributions paid under paragraph (1) of this Rule (whether before, on or after the Cut-Off Date) shall be invested by the Trustees separately from all other assets of the Scheme and in such a way that the Trustees can at all times identify ~~each Member's~~ the contributions made by or in respect of any individual under this Rule together with any other investments policies, monies or other property (if any) representing the same and any income derived therefrom or interest earned thereby less any payments therefrom to purchase benefits, or defray expenses incurred in connection with the investment thereof or otherwise (in this Rule collectively referred to as a "**Member's Fund**"), and each Member's Fund shall in the event of termination of the Scheme under Clause 20 of the Deed be accorded first priority over the liabilities set out in Clause 20(3), jointly with contributions made under Section C Rule 3C and contributions made under Section D.
 - (3) If the Trustees so require, a Member must give notice of his intention to start, reduce or stop paying additional voluntary contributions such notice period to be specified by the Trustees from time to time but in any event the notice period will not exceed twelve months.
 - (4) Payment of contributions under this Rule shall cease at age 65 or such earlier date as membership of the Scheme terminates but notwithstanding the foregoing, any Member remaining in employment after age 65 may, so long as he contributes to the Scheme, commence or continue to make additional voluntary contributions on such terms as the Trustees may approve.
 - (5) Contributions paid under paragraph (1) of this Rule may be used to provide as the Member or RMSPS AVC Only

Beneficiary who paid the contributions chooses money purchase retirement benefits on such terms and conditions, subject to paragraph (5A), as the Trustees decide and notify to the Member or RMSPS AVC Only Beneficiary and/or to pay (in whole or in part) the contributions for a widow's pension due in respect of a male Member's Reckonable Service before he joined the contributory part of the Scheme, in accordance with General Rule 25.

(5A) The only benefit which may be provided under paragraph (5) to or in respect of an RMSPS AVC Only Beneficiary is a transfer value or annuity policy purchase in accordance with Clause 27A or a lump sum upon death. This restriction will not apply to an RMSPS AVC Only Beneficiary whose only rights under the Scheme on the Cut-Off Date (ignoring any uncrystallised rights to benefits on a money purchase basis under this General Rule 19A in respect of a Member's Fund, Rule 3C of the Section C Rules in respect of AVCs, Rule 6 of the Section D Rules in respect of any Accumulated Fund, or any previous provision of the Scheme) were in respect of pensions in payment.

(6) **DELETED**

(7) **DELETED**

(8) Additional benefits arising from contributions paid under this Rule shall, notwithstanding any other provision in the Scheme, be disregarded for the purpose of determining benefits payable under any other provision of the Scheme.

(9) **DELETED**

(10) **DELETED**

Provisions relating to application of General Rules 20 to 27

- 19B**
- (1) General Rules 20, 21, 22, ~~23, 24, 25, 26~~ and 27 shall only apply to those Members who are subject to the Section A or Section B Rules.
- (2) In General Rules 20, 21, 22, ~~23, 24~~ and 25 except where the context otherwise requires the expression "widow" and "his widow" shall respectively include "dependent widower" and "her dependent widower".

Widows' Pensions: Members' Choices

- 20**
- (1) **DELETED**
- (2) A male Member who was excluded from Part III of the Superannuation Act 1965 by such an election as is referred to in Section 58 of that Act (repealed with savings by the Superannuation Act 1972, Sch 7, para 2), or a male Member whose Reckonable Service in the Civil Service began on or

before the 14 July 1949, and who, being on that date unmarried or otherwise ineligible has not elected that the said Part III should not apply to him, shall choose that his widow shall receive:

- (a) no annual pension in respect of his Reckonable Service before he joined the contributory part of the Scheme; or
- (b) an annual pension of $\frac{1}{3}$ of the Member's pension in respect of his Reckonable Service before he joined the contributory part of the Scheme or 1 June 1972, whichever is the earlier, and an annual pension of $\frac{1}{2}$ of the Member's pension in respect of his service (if any) from 1 June 1972 and before he joined the contributory part of the Scheme; or
- (c) an annual pension of $\frac{1}{2}$ the Member's pension in respect of his Reckonable Service before he joined the contributory part of the Scheme.

If such a Member has made no choice by such date as shall be notified to the Member by the Principal Employer he shall be deemed to have chosen that his widow shall receive no annual pension in respect of his Reckonable Service before he joined the contributory part of the Scheme.

- (3) A Member who after the 14 July 1949 gave notice under Section 10(5) of the Superannuation Act 1949 cancelling his election under Section 10 of that Act that Part 1 of that Act should not apply and should be deemed never to have applied to him, or notice under Section 58(5) of the Superannuation Act 1965 (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) cancelling his election under Section 58 of that Act that Part III of that Act should not apply and should be deemed never to have applied to him, shall choose that his widow shall receive either an annual pension of $\frac{1}{3}$ of the Member's pension or an annual pension of $\frac{1}{2}$ of the Member's pension in respect of his Reckonable Service before he joined the contributory part of the Scheme or the 1 June 1972, whichever is the earlier. If such a Member has made no choice by such date as shall be notified to the Member by the Principal Employer he shall be deemed to have chosen that his widow shall receive an annual pension of $\frac{1}{3}$ of the Member's pension in respect of such service.
- (4) A female Member who has a dependent husband may at any time choose that her dependent widower shall receive either:

- (a) an annual pension of $\frac{1}{3}$ of the Member's pension; or
- (b) an annual pension of $\frac{1}{2}$ of the Member's pension in respect of her Reckonable Service before she joined the contributory part of the Scheme or 1 June 1972, whichever is the earlier. If such a Member has made no choice by the date she ceases to be a Member of the Scheme her dependent widower shall receive no annual pension in respect of such service.
- (5) Any other Member shall choose that his widow shall receive either an annual pension of $\frac{1}{3}$ of the Member's pension or an annual pension of $\frac{1}{2}$ of the Member's pension in respect of his Reckonable Service before he joined the contributory part of the Scheme or 1 June 1972, whichever is the earlier. If such a Member has made no choice by such date as shall be notified to the Member by the Principal Employer he shall be deemed to have chosen that his widow shall receive an annual pension of $\frac{1}{3}$ of the Member's pension in respect of such service.
- (6) A Member's choice under paragraphs (2), (3), (4) or (5) of this Rule shall be notified to the Trustees in writing and once made after 1 December 1971 such choice shall be final unless the Trustees agree otherwise.
- (7) If a Member who is entitled to make an option or options under General Rules 20-25 inclusive dies during any period prescribed for making such an option or options then the deceased Member's widow or dependent widower (as the case may be) shall be entitled to make such an option or options.
- Contributions for 21
widow's
pensions
- (1) The rate of the Member's contributions to the Fund for the widow's pension in respect of his Reckonable Service before he joined the contributory part of the Scheme or 1 June 1972, whichever is the earlier, shall depend upon whether an annual pension of $\frac{1}{3}$ or $\frac{1}{2}$ of the Member's pension in respect of such Reckonable Service has been chosen (or deemed to have been chosen) by the Member, provided that a Member who last ceased to have a wife before he joined the contributory part of the Scheme and who does not remarry before he ceases to be a Member shall pay contributions in accordance with his election under Section 58 of the Superannuation Act 1965 (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) notwithstanding his election under Rule 20 of this Schedule.
- (2) (a) Subject to sub-paragraph (b) below a male Member (or a female Member who has chosen to provide a widower's pension for her dependent husband) who joined the

contributory part of the Scheme after 31 May 1972 shall pay contributions due to provide a pension of $\frac{1}{2}$ of the Member's pension in respect of his Reckonable Service from 1 June 1972 to the date of joining the contributory part of the Scheme.

(b) Sub-paragraph (a) above shall not apply to a Member who under General Rule 20 above has chosen, or is deemed to have chosen, that his widow shall receive no annual pension in respect of his Reckonable Service before joining the contributory part of the Scheme.

(3) A Member referred to in General Rule 20(2) who chooses (or is deemed to have chosen) that his widow shall receive no annual pension in respect of his Reckonable Service before he joined the contributory part of the Scheme shall pay no contributions to the Fund for Family Benefits in respect of the period before he joined the contributory part of the Scheme.

Members' choice of methods of payment of contributions

22

(1) A Member shall pay contributions due for the widow's pension he has chosen in respect of his Reckonable Service before he joined the contributory part of the Scheme (and contributions which are payable under General Rule 21(2)(a)) and may pay those contributions by ~~any one of the three methods~~method (designated Plan M, ~~Plan U or Plan L~~) set out in General Rules ~~23, 24 and Rule 25~~. ~~If no choice has been made by such date as shall be notified to the Member by the Principal Employer, the Member shall be deemed to have chosen Plan L.~~

(2) ~~A Member shall give written notice to the Trustees of his choice of method by which he wishes to pay for the widow's pension he has chosen and to pay the contributions which are payable under General Rule 21(2)(a) and once he has given such notice he shall not be permitted to change to another method of payment. Once a Member has started to make payments by the method of his choice such previously made available to Members. Such payments shall continue until either the retirement of the Member or his outstanding liability to the Fund has been discharged, and the rate of such payments shall not be decreased except where the limits on contributions in paragraph 7(c) of Schedule 13 makes reduction necessary.~~

Plan M

23

~~(1) A Member who was in post on both 30 November 1971 and 1 December 1971 and not having retired at or after age 60 on or before 30 November 1971 may elect to pay to the Fund by the method set out in this Rule and in accordance with arrangements approved by the Principal Employer the contributions due in respect of his Reckonable Service before he joined the contributory part of the Scheme.~~

- ~~(2) Such contributions shall be paid to the Fund either (a) in full in one amount, or (b) payment shall be made over a minimum of 5 years, or until age 60 if this is earlier, with a maximum of 25 years for such payment, and subject to the limits on contributions in paragraph 7(c) of Schedule 13.~~
- ~~(3) The amount due shall be paid in full by age 60 unless the limits on contributions in paragraph 7(c) of Schedule 13 preclude this. The lump sum or death benefit (as the case may be) of a Member who has not paid in full by age 60, or by the date he ceases to be a Member of the Scheme if that date is earlier, shall be reduced by the amount (if any) which the Trustees shall calculate to be outstanding.~~
- ~~(4) If a Member ceased to have a wife before joining the contributory part of the Scheme and he does not remarry the amount due to the Fund shall be recalculated to the date when he last had a wife before joining the contributory part of the Scheme and the difference (if any) between the amount paid to the Fund by the Member and the amount due on such recalculation shall be refunded to the Member with interest on his ceasing to be a Member of the Scheme. Provided that if the Member was serving in the designated category of service similar to service in Civil Service in an unestablished capacity on the date he joined the contributory part of the Scheme or the 1 June 1972, whichever is the earlier, and he ceased to have a wife before that date and he does not remarry before ceasing to be a Member of the Scheme, no contributions will be payable and any amount paid to the Fund by the Member shall be refunded to him with interest on his ceasing to be a Member of the Scheme.~~
- ~~(5) In this Rule "salary" have the meaning assigned to it by General Rule 7(11).~~
- ~~(6) A Member who is receiving reduced pay shall continue to pay contributions to the Fund, but a Member who is receiving either no pay or sick pay at pension rate need not pay contributions other than annual contributions for added years.~~
- ~~(7) A Member who never had a wife before joining the contributory part of the Scheme and who does not marry before he ceases to be a Member shall be entitled to a refund of contributions with interest. DELETED~~

- ~~(1) A Member may elect to pay the contributions due in respect of his Reckonable Service before he joined the contributory part of the Scheme in units of 1½% of his salary subject to the limits on contributions in paragraph 7(c) of Schedule 13.~~

- ~~(2) Each 1½% of the Member's current annual salary will, subject to the Proviso below, provide a contribution in respect of such Reckonable Service at whichever of the following rates is appropriate:~~
- ~~(a) to provide a widow's pension of ½ of the Member's pension it will pay for 1 year of such service in respect of which no contributions have been paid;~~
 - ~~(b) to provide a widow's pension of ⅓ of the Member's pension it will pay for 1½ years of such service in respect of which no contributions have been paid; or~~
 - ~~(c) to provide a widow's pension of ½ of the Member's pension it will pay for 3 years of such service in respect of which a widow's pension of ⅓ of the Member's pension has been paid for.~~

~~Provided that in the case of a part time Member each 1½% of the Member's current annual salary will pay for a proportion of service in the ratio which part time hours bear to full time hours (excluding meal breaks if these are excluded in the Member's terms and conditions of employment).~~

- ~~(3) To the extent that contributions due to the Fund have not been paid by any Member by the time he ceases to be a Member of the scheme the Member's lump sum or death benefit shall be reduced by the amount of the balance due to the Fund in respect of the years of such Reckonable Service which remain unpaid for by such time; the amount due in respect of each such year shall be calculated at whichever of the rates would have been applicable under paragraphs (a), (b) or (c) of General Rule 25 if the Member had elected to pay contributions by reduction of his lump sum under that Rule.~~
- ~~(4) Contributions may be increased in units of 1½% of salary by giving at least 3 months' notice to the Trustees, but the number of units may not be decreased once the Member has chosen the number he wishes to pay.~~
- ~~(5) A Member who never had a wife before joining the contributory part of the Scheme and does not marry before he ceases to be a Member shall be entitled to a refund of contributions with interest.~~
- ~~(6) In this Rule "salary" have the meaning assigned to it by General Rule 7(11).~~

~~(7) Paragraphs (3) to (10) inclusive of General Rule 7 shall apply to the payment of contributions due under this Rule.~~

~~(8) If a Member ceased to have a wife before joining the contributory part of the Scheme and he does not re-marry the amount due to the Fund shall be recalculated to the date when he last had a wife before joining the contributory part of the Scheme, and the difference (if any) between the amount paid to the Fund by the Member and the amount due on such recalculation shall be refunded to the Member with interest on his ceasing to be a Member of the Scheme;~~

~~provided that if the Member was serving in the designated category of service similar to service in the Civil Service in an unestablished capacity on the date he joined the contributory part of the Scheme or 1 June 1972, whichever is the earlier, and he ceased to have a wife before that date and he does not remarry before ceasing to be a Member of the Scheme, no contributions will be payable and any amount paid to the Fund by the Member shall be refunded to him with interest on his ceasing to be a Member of the Scheme. **DELETED**~~

Plan L

25

~~Where a Member may elect had prior to the Cut-Off Date elected to pay the contributions due in respect of his Reckonable Service before he joined the contributory part of the Scheme by reduction of his lump sum or his death benefit and/or by the application of his additional voluntary contributions made under General Rule 19A-at, then such reduction shall be in whichever of the following rates/amounts is appropriate:~~

~~(a) where the Member had elected to provide a widow's pension of $\frac{1}{3}$ of the Member's pension in respect of each such year of such Reckonable Service (and proportionately for part of a year) in respect of which no contributions have been paid, by the amount (if any) by which (i) exceeds (ii), where:~~

~~(i) is 1 $\frac{1}{4}$ % of the Member's Pensionable Salary; and~~

~~(ii) is 1 $\frac{1}{4}$ % of the Member's RMSPS Final Salary revalued using the RMSPS Section B Revaluation Methodology,~~

~~for (in both cases) each such year of such Reckonable Service;~~

~~(b) where the Member had elected to provide a widow's pension of $\frac{1}{2}$ of the Member's pension in respect of each such year of such Reckonable Service (and proportionately for part of a year) in respect of which no contributions have been paid, by the amount (if any) by which (i) exceeds (ii), where:~~

(i) is 1 $\frac{7}{8}$ % of the Member's Pensionable Salary; and

(ii) is 1 $\frac{7}{8}$ % of the Member's RMSPS Final Salary revalued using the RMSPS Section B Revaluation Methodology.

for (in both cases) each such year of such Reckonable Service;

- (c) where the Member had elected to provide a widow's pension of $\frac{1}{2}$ of the Member's pension in respect of each such year of such Reckonable Service (and proportionately for part of a year) in respect of which contributions of 1 $\frac{1}{4}$ % of a Member's salary have been paid, by the amount (if any) by which (i) exceeds (ii), where:

(i) is 5 $\frac{5}{8}$ % of the Member's Pensionable Salary; and

(ii) is 5 $\frac{5}{8}$ % of the Member's RMSPS Final Salary revalued using the RMSPS Section B Revaluation Methodology.

for (in both cases) each such year of such Reckonable Service.

Election for
Widower's
pension in
respect of
service prior to
4 December
1971

26

~~(1) With the consent of the Trustees a female Member may, at any time before she ceases to be a Member of the Scheme, elect that the spouse to whom she was married at the time of her retirement at or before normal retirement age or when she otherwise left Principal Employer or Associated Employer employment or on her death in service, and who does not have a dependent widower's entitlement shall be eligible for benefit under Section B Rule 13B in respect of any part of her Reckonable Service before becoming a Member of the contributory part of the Scheme. Such election will also entitle her children to benefit under Section B Rule 14(1) in respect of the same period of service.~~

~~(2) Where an election is made under paragraph (1) of this Rule the Member shall pay additional annual contributions up to Normal Retiring Age at a rate specified by the Actuary. If the Member's salary is reduced for any reason other than permanent appointment to a lower grade, such contributions shall be assessed on her unreduced salary. If the reduction is due to ill health and the Member's sick pay is insufficient to pay such contributions, they shall be wholly suspended during her sick leave. Where standard contributions are suspended an appropriate adjustment to the additional annual contributions shall (subject to the limits on paragraph 7(c) of Schedule 13) be made when the Member returns to Principal Employer or Associated Employer employment to discharge her liability before Normal Retiring Age. If she retires or dies or otherwise leaves the employment of the Principal Employer or Associated Employer before Normal Retiring Age the additional benefit~~

~~shall be calculated according to the amount of additional annual contributions paid. The payment may, alternatively, be made at the time of the purchase by a lump sum to be calculated by the Actuary.~~ **DELETED**

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| WCPS Contributions | 27 | Rules 4.9 to 4.19 (inclusive) of Part 1 and rules 4.22 to 4.23d of Part 2 and rules 4.44 to 4.53 of Part 4 of Section 4 of the Principal Civil Service Pension Scheme 1974 shall not apply to Members who are subject to Section A Rules. |
| | 28 | DELETED |
| | 29 | DELETED |
| Set-off for crime, fraud or negligence | 30 | <p>(1) Subject to (9) below this Rule applies:</p> <p>(a) where a Section A or Section B Member is dismissed by the Principal Employer or an Associated <u>an</u> Employer (whichever is the Member's employer) for misconduct or resigns in order to avoid such dismissal and he has incurred a monetary obligation to his employer arising out of his criminal, negligent or fraudulent act or omission; or</p> <p>(b) where as a result of a Section A or Section B Member's or Pensioner's criminal, negligent or fraudulent act or omission (or where the Member or Pensioner is also a trustee, his breach of trust) he has caused a monetary loss or incurred a monetary obligation to the Scheme.</p> <p>(2) Where this Rule applies to a person under paragraph (1)(a) above and the employer notifies the Trustees of the amount determined by them of the monetary obligation due to it, the Trustees will, and where this Rule applies to a person under paragraph (1)(b) above the Trustees may, reduce the benefits payable to or in respect of that person or contributions refundable to him subject to the following paragraphs of this Rule.</p> <p>(3) The amount of the reduction shall not exceed the amount of the monetary obligation due to the employer or to the Scheme (as the case may be) or (if less) the value of the said benefits at the time of the reduction as determined by the Actuary.</p> <p>(4) No reduction may be made (in either case) to the person's GMP nor, in the case of monetary obligation due to the employer, to benefits payable or contributions refundable in respect of any service with another employer (not being an Associated Employer) for which the Trustees have granted</p> |

back service credits or other benefits attributable to such service.

- (5) Before making any such reduction the person in question shall be given a certificate showing the amount of the reduction and the effect of it on his benefits.
- (6) The reduction shall not be effected where there is a dispute as to the amount of the monetary obligation due to the employer or to the Scheme unless it has become enforceable under an order of a competent court or in consequence of an award of an arbitrator or, in Scotland an arbiter to be appointed (failing agreement between the parties) by the sheriff.
- (7) Where in the case of a monetary obligation due to the employer, there is a reduction under the above provision the amount of the reduction made, if the Trustees so determine, may be paid to the employer or the employer may be allowed to deduct the amount from its contributions to the Fund.
- (8) The above provisions (as they relate to monetary loss or obligation to the Scheme) shall not be exercisable to reduce the benefits of any person who is at 1 April 1998 already entitled to the receipt of a pension or benefits or the accrued rights of a person in respect of Reckonable Service prior to 1 April 1998 save to the extent that a reduction of benefit would have been permissible under the Scheme or by law immediately prior to 1 April 1998.
- (9) The above provisions shall not apply to a Section A Member to the extent that any provision of the Principal Civil Service Pension Scheme which relates to the reduction of a Member's benefits as a result of his criminal, fraudulent or negligent act shall apply to such a Member.

SCHEDULE 3

SECTION A RULES OF THE CONTRIBUTORY PART OF THE SCHEME

Overriding provision

1XA (1) This Rule 1XA overrides all other Section A Rules, each of which must be read as expressly subject to it.

(2) (a) No pensions or lump sum benefits are payable under these Section A Rules in respect of any period of employment which ended on or before the Cut-Off Date.

(b) (a) above is without prejudice to:

(i) an RMSPS AVC Only Beneficiary's entitlement to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, to the extent that a Member's Fund remains uncrystallised within the Fund in respect of him; or

(ii) any benefits payable in respect of a period of employment which was at the Cut-Off Date treated as continuous with a period of employment continuing after the Cut-Off Date.

(3) Where following the application of Rule 1XA(2) any pension or lump sum benefit is payable to a Member under these Section A Rules, the amount of that pension or lump sum benefit as at the date the Member leaves employment (but without prejudice to any increases to which it may be subject on or after that date under these Section A Rules, regardless of whether those increases relate to periods before that date or after, and without prejudice to any adjustment to that amount by reason of early or late retirement or the exercise of any discretion or option) (the "**Leaving Service Amount**") shall, subject to (4) below, be the amount (if any) by which the Member's Notional Total in respect of that benefit exceeds his Revalued RMSPS Deductible in respect of it, where:

(a) "**Applicable Revaluation Year**" is the Revaluation Year ending immediately before a Member's Terminal Revaluation Year unless the Member's Beginning Date falls in a Revaluation Year before the Revaluation Year in which he leaves service for the purposes of the Pensions (Increase) Act 1971, in which case references to his "Applicable Revaluation Year" should be read as references to his "Terminal Revaluation Year":

- (b) “Beginning Date” is the date a Member’s pension is deemed to begin under Section 8(2) of the Pensions (Increase) Act 1971;
- (c) “COD Beginning Date” is the date on which a Member’s pension would have been deemed to begin under Section 8(2) of the Pensions (Increase) Act 1971 if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date;
- (d) the Member’s “Notional Total” in respect of a benefit is the amount of the benefit to which the Member would have been entitled under these Section A Rules as at the date he leaves employment but for this Rule 1XA(3), but without applying any increases under the Pensions (Increase) Act 1971 or the Social Security Pensions Act 1975 (the “1975 Act”);
- (e) “Pension Increase Order” means a direction given by virtue of Section 151 of the Social Security Administration Act 1992 that the sums mentioned in Section 150(1)(c) of that Act are to be increased by a specified percentage;
- (f) “Revaluation Year” means the “base period”, as defined in Section 59 of the 1975 Act, in relation to any Pension Increase Order;
- (g) the Member’s “Revalued RMSPS Deductible” in respect of a benefit is his RMSPS Deductible in respect of it, revalued by applying the factor which would have applied to revalue that benefit in respect of the period ending on the day before the Member’s Beginning Date (if later than his COD Beginning Date) if: (i) the Member had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date; (ii) the benefit were coming into payment with effect from the Member’s Beginning Date (if later than his COD Beginning Date); (iii) the Member had satisfied a “qualifying condition” for the purposes of Section 59 of the 1975 Act; and (iv) the benefit included no GMP, and then applying the following paragraphs of this Rule 1XA(3)(f).

The RMSPS Deductible shall be further revalued from the start of the Member’s Terminal Revaluation Year to his Beginning Date by the factor of (1+A%) divided by (1+B%), or by a factor of one, if greater, where:

A% = the percentage increase specified in

the Pension Increase Order which came into force at the end of the Member's Applicable Revaluation Year for a pension beginning before the start of that Revaluation Year; and

B% = (A% multiplied by: (i) the number of complete months in the period from the Member's Beginning Date to the end of his Terminal Revaluation Year; plus (but only where the Member's Beginning Date falls in the same Revaluation Year as his COD Beginning Date) (ii) the number of complete months in the period from the start of his Terminal Revaluation Year to his COD Beginning Date) divided by 12,

and an incomplete month is to be treated as a complete month, if it is so treated for the purposes of the relevant Pension Increase Order.

If the Member's COD Beginning Date is on the same date as or later than his Beginning Date, his Revalued RMSPS Deductible in respect of that benefit will equal his RMSPS Deductible in respect of it.

Where different parts of the Member's benefits are for the purposes of Section 8(2) of the Pensions (Increase) Act 1971 deemed, or would if the Member had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date have been deemed, to begin on different days, then for the avoidance of doubt the revaluation process under this definition will apply separately to the RMSPS Deductible in respect of each such part, as will the definitions of "Applicable Revaluation Year", "Beginning Date", "COD Beginning Date" and "Terminal Revaluation Year";

(h) the "RMSPS Deductible" in respect of a benefit is the amount of that benefit to which, but for:

(A) the amendments, transfers and discharges under Part 2 of the 2011 Act;

(B) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(C) any discretions or options exercised after the

Cut-Off Date; and

(D) any revaluation which would have applied after the Cut-Off Date (whether revaluing for a period before that date or after).

the Member would have been entitled under these Section A Rules if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date and (other than in the case of a Section A Elector) made a valid election under General Rule 17 to be subject to the Section B Rules; and

(i) a Member's "Terminal Revaluation Year" means the Revaluation Year during which his Beginning Date falls.

(4) (a) The principle at (3) shall not operate to reduce the Leaving Service Amount of any pension or lump sum benefit below the Member's Post-COD Notional Total in respect of that benefit. For these purposes, the "Post-COD Notional Total" in respect of a benefit is, subject to (b), that part of the Notional Total in respect of it which arises from employment after the Cut-Off Date.

(b) For the purposes of (a), the Post-COD Notional Total in respect of a benefit will not include any uplift in the value of that part of the Notional Total which accrued on or before the Cut-Off Date to the extent that uplift arises after the Cut-Off Date solely because the Pre-Cut-Off Date benefit's value falls to be calculated by reference to pensionable earnings received after the Cut-Off Date.

(5) Where a pension or lump sum benefit payable under these Section A Rules following a Member's death is calculated by reference to the Member's actual or prospective entitlement under these Section A Rules, that actual or prospective entitlement shall be determined applying the principles at (3) and (4) above.

Application of
the Statutes and
Related
Instruments In
Schedule 5

1 (1) In respect of employment with ~~the Principal~~ Employer (except employment which is reckoned for an allowance or the enhancement of an allowance which has been granted under the enactments and instruments hereafter referred to in this Rule) and emoluments there shall be paid to or in respect of every Member or Pensioner or his or her personal representatives, widow, widower, children or dependants the like superannuation benefits (including in particular and without

prejudice to the generality of the foregoing words payments attributable to a back service credit on transfer to employment with ~~the Principal~~ Employer from other employment and a transfer value payment on transfer from employment with ~~the Principal~~ Employer to other employment) as the maximum benefits which could be paid to or in respect of such Member or Pensioner under the enactments and instruments relating to superannuation in the Civil Service (which with the exception of those relating to back service credits and transfer value payments are referred to in Schedule 5 hereto) as hereafter varied from time to time by any future enactments or instruments if his employment with ~~the Principal~~ Employer were service of the designated category (as defined in Rule 3) and his emoluments were emoluments received in respect of such last mentioned service and every Member shall (subject to paragraph (2) of this Rule) have the like obligations in connection therewith as he would have had if his employment with ~~the Principal~~ Employer were service of the designated category (as defined in Rule 3) and his emoluments were emoluments received in respect of such last mentioned service. In calculating the benefits payable to or in respect of a Member or Pensioner under this Rule, there shall be deducted from his pensionable pay as defined in the Principal Civil Service Pension Scheme the amount of his standard contributions under General Rule 7. ~~Service with an Associated Employer shall reckon as employment with the Principal Employer for the purposes of this paragraph.~~

- (2) (a) no periodical contributions by reference to Part III of the Superannuation Act 1965 (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) or any statutory modification or re-enactment thereof shall be made by a Member (in addition to the standard contributions under General Rule 7) in respect of the period beginning on the date on which he became subject to the Section A Rules but any periodical contributions previously paid by reference to the said Part III of the Superannuation Act 1965 (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) or previously or in future paid by reference to Part IV of the said Act or any statutory modification or re-enactment thereof shall be repaid to the Member to the same extent that is permitted by the said statutory provisions;
- (b) in the calculation of any contributions taking the form of a reduction in the amount of an allowance or gratuity to be made in respect of a Member by reference to Part III of the Superannuation Act 1965 (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) (or any statutory modification or re-enactment thereof) no account

shall be taken as part of the relevant years of the period beginning on the day of which he became subject to the Section A Rules;

- (c) a Member who has elected under General Rule 20 that his widow shall receive no annual pension, shall receive on his retirement, or on his death before retirement there shall be paid to his personal representatives, a refund of the determined proportion of his own standard contributions which is referable to Family Benefits and the determined proportion of his own contributions for the purchase of added years which is referable to Family Benefits with Interest.

- (3) There shall be permitted to every Member or Pensioner the like allocation of the said superannuation benefits to a spouse and Dependants as could be permitted under the said enactments and instruments if such benefits were benefits granted in respect of service of the designated category (as defined in Rule 3).

Reckoning of service in Civil Service for benefits

- 2 The service in the Civil Service (not including service which is reckoned for an allowance or the enhancement of an allowance which has been granted before 1 October 1969 under the enactments and instruments referred to in Rule 1) and Civil Service emoluments of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in General Rule 1 and any other service or employment of that Member shall be reckoned for calculation of all superannuation benefits as employment with ~~the~~ Principalan Employer and emoluments to the maximum extent to which they could (if so directed) be reckoned for the calculation of superannuation benefits granted under the said enactments and instruments if such Member's Employment with ~~the~~ Principalan Employer were service of the designated category (as defined in Rule 3). Any act done by such a Member for superannuation purposes while serving in the Civil Service shall be applicable to the contributory part of the Scheme.

Definition of "service of the designated category"

- 3 (a) "Service of the designated category" shall in this Schedule have the meaning assigned to it by Non-Contributory Section Rule 4.
- (b) in the case of a Member in what was immediately prior to the operative date of the deed numbered 20 in Schedule 14 category (a) in General Rule 1 "Service of the designated category" means (unless and until notification to the contrary is given by ~~the~~ Principalan Employer to the Member under paragraph (a) of this Rule 3) whichever of the four categories of service referred to in the said paragraph (a) is applicable to that Member's service in the Department of the Postmaster General immediately before 1 October 1969 and any such notification

may be retrospective in effect.

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| <p>Interpretation of references in the Statutes and Related Instruments in Schedule 5</p> | <p>4</p> | <p>For the purposes of the contributory part of the Scheme and where the context so permits references in the said enactments and instruments shall be interpreted as follows:</p> <p>(a) to the Civil Service Department (where such references are to that Department in its pension paying capacity) or to any Departments of State acting in a similar capacity, as references to the Trustees;</p> <p>(b) to the Department or Head of Department of a civil servant as references to the Principal Employer or an Associated Employer (whichever is the Member's employer) <u>Employer</u>;</p> <p>(c) to the Government Actuary as references to the Actuary;</p> <p>(d) to "the public service" where the expression occurs in Section 8 of the Principal Civil Service Pension Scheme 1974 as a reference to the Principal Employer or an Associated Employer (whichever is the Member's employer) <u>Employer</u>.</p> |
| <p>Allocation of pension under the terms of Section A</p> | <p>5</p> | <p>Rules 8-25 of the Superannuation (Allocation of Pension Rules) 1965 (SI 1965/1201) (repealed with savings by the Superannuation Act 1972, Sch 7, para 2) or any future statutory rules defining the procedure for allocation of pension under the Superannuation Acts shall not apply to the contributory part of the Scheme but any allocation of a pension by a Member or Pensioner shall be subject to the satisfaction of the Trustees that the Member or Pensioner is medically fit and to notification (in such form as the Trustees may approve) being given to the Trustees of the Member's or Pensioner's desire to make the allocation such notification (except in the case of a Pensioner who marries before age 70) to be given within six months before the Member's pension becomes payable or in the case of a Pensioner who marries before age 70 to be given within three months of the marriage; so, however, that the time being giving such notification shall in any case not expire within three months of first notification by the Principal <u>Employer</u> to the Member or Pensioner of the possibility of such allocation of pension and so that the Trustees may appoint a special closing date on the ground that as a result of exceptional circumstances beyond the control (including residence abroad) of a Member or Pensioner eligible to make an allocation, it is not or was not reasonably practicable for that Member or Pensioner to carry through before the relevant date the steps necessary to enable him to make an allocation. The allocation shall be irrevocable after midnight of the last day before the Member's or Pensioner's pension becomes payable, of the date of such notification as aforesaid by a Pensioner who married before age 70, of the day of expiry of three months from such notification by the Principal <u>Employer</u>, or of the special closing date as aforesaid (whichever shall be the latest)</p> |

provided that if the Member or Pensioner or the spouse of dependant of the Member or Pensioner in whose favour the allocation is made dies before midnight of that day the allocation shall be void. ~~Provided that where the Member or Pensioner is entitled or provisionally entitled to a GMP, the amount of pension allocated under this Rule may not exceed the amount which would make the Member's or Pensioner's pension, after deduction of the amount allocated, equal to such GMPs.~~

6 DELETED

7 DELETED

8 DELETED

Widow(er)'s
Pension

9 (1) For the purposes of the contributory part of the Scheme Part 1 of Section 4 of the Principal Civil Service Pension Scheme 1974 shall be read as if the following were substituted for rule 4.6 of that scheme, but on the basis that references in the following to all or any part of General Rule 11 of the Scheme are read as references to the relevant part of the previous provisions of General Rule 11 of the Scheme as in force at the relevant time:

"The annual amount of a widow's pension under Rule 4.3 will be the sum of:

(a) (i) If under General Rule 20 the member has chosen, or is deemed to have chosen, that his widow or her dependent widower shall receive an annual pension of $\frac{1}{3}$ of the member's pension in respect of his or her reckonable service before he or she joined the contributory part of the said Scheme or the 1 June 1972 whichever date is the earlier, $\frac{1}{3}$ of that part of the member's pension which is attributable to the member's reckonable service before that date or,

(ii) If under the said General Rule 20 the member has chosen that his widow or her dependent widower shall receive an annual pension of $\frac{1}{2}$ of the member's pension in respect of his or her reckonable service before he or she joined the contributory part of the said Scheme, or the 1 June 1972, whichever date is the earlier, $\frac{1}{2}$ of that part of the member's pension which is attributable to the member's reckonable service before that date, and

(b) $\frac{1}{2}$ of that part of the member's pension which is

attributable to the member's reckonable service since he joined the contributory part of the said Scheme or the 1 June 1972, whichever is the earlier, including any enhancement.

- (2) If under the said General Rule 20 the member has chosen, or is deemed to have chosen, that his widow shall receive no annual pension in respect of his reckonable service before he joined the contributory part of the said Scheme, General Rule 11(4) shall apply to the member as if he had neither wife nor children throughout his service, and his widow shall receive no annual pension in respect of any part of the member's service, except as provided for in Rule 4, 19a of the Principal Civil Service Pension Scheme.

Provided that where a pensioner dies after 31 March 1991 having married after ceasing to be in Scheme membership the pension payable to the widow or widower will be $\frac{1}{2}$ of that part of the pensioner's pension attributable to reckonable service in the contributory part of the Scheme (together with any pension provision previously made by the pensioner in respect of reckonable service prior to joining the contributory part of the Scheme), but excluding any period of reckonable service in respect of which a refund of contributions referable to family benefits has been made in accordance with General Rule 11."

- (3) For the purposes of the contributory part of the Scheme Part 2 of Section 4 of the Principal Civil Service Pension Scheme 1974 shall read as if the following were substituted for Rule 4.21 of the last mentioned Scheme:

"The annual amount of a widower's pension under Rule 4.21c will be the sum of half of the member's pension in respect of her reckonable service since joining the contributory part of the Scheme or 1 July 1987 if earlier.

Provided that where a pensioner dies after 31 March 1991 having married after ceasing to be in Scheme membership the pension payable to the widow or widower will be half of that part of the pensioner's pension attributable to reckonable service in the contributory part of the Scheme (together with any pension provision previously made by the pensioner in respect of reckonable service prior to joining the contributory part of the Scheme), but excluding any period of reckonable service in respect of which a refund of contributions referable to family benefits has been made in accordance with General Rule 11."

- (4) The spouse's pension in respect of employment after the Cut-Off Date must where the Contracting-out Laws so require be

sufficient to satisfy the statutory standard referred to in Section 12A of the Pension Schemes Act 1993 or such higher standard as is agreed between the Principal Employer ~~and~~(in the case of employment with the Principal Employer or an Associated Employer) or POL (in the case of employment with POL) and (in either case) the Trustees.

- Senior Manager Members **10**
- (1) For the purposes of this Rule 10, a senior manager Member means a Member who has been invited by the Principal Employer or by POL (whichever employs him) to become a senior manager Member under the Section A Rules and who has accepted that invitation by applying in writing to the Trustees to become a senior manager Member and, in that application, has agreed to be entitled to benefits in accordance with the Section A Rules subject to the amendment to his benefits under the Section A Rules as provided for by Rule 10(2).
- (2) In the event that a senior manager Member is made redundant by ~~the Principal Employer or an Associated~~an Employer, he shall not be entitled to immediate payment of his pension before Normal Retiring Age without reduction for early payment or to any enhancement to his Reckonable Service on account of redundancy, and no lump sum compensation will be payable to him on account of his redundancy including any such benefits which would otherwise be payable under the Section A Rules.

SCHEDULE 4

SECTION B RULES OF THE CONTRIBUTORY PART OF THE SCHEME

Definitions 1 (1) In the Section B Rules the following expressions have the following meanings:

“Adjusted NRA60 Pension” means, in respect of a Member, a pension equal to the sum of the amounts referred to in Rule 4(1)(a)(i), Rule 4(1)(a)(iii) and (where relevant) Rule 4(1)(a)(v);

“Adjusted NRA65 Pension” means, in respect of a Member, a pension equal to the sum of the amounts referred to in Rule 4(1A)(a)(i) and Rule 4(1A)(a)(iii);

“Back service credit” means service with a previous employer (not being ~~the Principal Employer or an Associated~~ Employer) which the Trustees regard as Reckonable Service;

“Children” (and the term **“Child”**) in relation to a Member or Pensioner means:

- (a) legitimate and legitimated children of a Member or Pensioner or his wife;
- (b) children adopted by the Member or Pensioner and/or his wife;
- (c) illegitimate children of the Member or Pensioner or his wife;
- (d) step-children of the Member or Pensioner or his wife;
- (e) children of a deceased brother or half brother, of a deceased sister or half sister or of deceased children of the Member or Pensioner;
- (f) a brother or half brother, or sister or half sister of the Member or Pensioner,

other than children (not being children of a Member or Pensioner) who become children of a woman after the termination of her marriage to a Member or Pensioner,

being in cases (a), (b), (c), (d), (e) and (f) above persons who are under 18 or if over that age (but not over age 25), subject to Schedule 13, are receiving full-time education or

undergoing full-time training of not less than two years' duration for any trade, profession or vocation during which they receive not more than the maximum allowable remuneration which term, for this purpose, means £312 pa (excluding returns of premiums), increased from time to time by the amount of increase that would be applied under the Pensions (Increase) Act 1971 to a pension of £312 pa first awarded on 1 December 1971.

At the discretion of the Trustees any other child may be treated as within this definition of "children" provided that:

- (i) such child is under 18 or if over that age (but not over age 25) is receiving such full-time education or training as is referred to above and on those conditions (subject to Schedule 13); and
- (ii) the Trustees are satisfied that at the time of the Member's retirement or death either the child was wholly or mainly dependent on the Member or the Member had formed the intention of legally adopting the child;

"Contributory Service" has the meaning assigned to it by General Rule 10;

"CSDB Pensionable Salary" means the total of:

- (a) the Salary or wages (including London weighting where appropriate and including allowances, supplements and other payments which are stated in the terms and conditions of employment to be reckonable for pension purposes) which the Member receives; and
- (b) the Salary or wages under (a) above that the Member would have received (taking account of any contractual pay increases) during any period of paid maternity, paternity or adoption leave (as those terms are used for the purposes of the Employment Rights Act 1996) had the Member remained in work during that period of leave; and
- (c) the Salary or wages under (a) above that the Member would have received (taking account of any contractual pay increases) during any period of paid reckonable sick leave had the Member remained in work during that period of leave; and
- (d) any Salary or wages under (a) above that the

Member is deemed to have received as a result of having paid contributions in respect of any period of absence where the Member did not actually receive any Salary or wages that were reckonable for pension purposes,

during the 12 months up to and including the Renewal Date;

"CWU Represented Member" means a Member who works for ~~the Principal Employer or an Associated~~an Employer in an administrative or operational grade that is represented by the Communication Workers Union ("CWU") whether or not that Member is a member of the CWU;

"Dependants" means anyone who is financially dependent on the Member or Pensioner or was so dependent at the time of that person's death. This includes anyone who shares living expenses with, or receives financial support from, the Member or Pensioner, and whose standard of living would be affected by the loss of that person's contribution or support. The Trustees' decision as to whether someone is another person's Dependant will be final;

"Exit Date" means the earlier of the date the Member opts out of the Scheme under General Rule 1A, ceases to be employed by the Principal Employer or an Associated Employer or POL, dies or retires;

"Minimum Pension Age" means age 50 up to and including 5 April 2010 and age 55 on and from 6 April 2010 and **"MPA"** has the same meaning;

"Normal Retiring Age" means age 60 for NRA60 Benefits and age 65 for NRA65 Benefits except where specified otherwise in the Rules;

"Notional RMSPS NRA60 CSDB Benefits" means, in respect of a Member, those NRA60 Benefits attributable to Reckonable Service on and after 1 April 2008 to which, but for:

- (i) the amendments to the Scheme made by the QAR Reconfiguration Deed;
- (ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;
- (iii) any amendments to the Scheme (including by

legislation) after the Cut-Off Date:

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date (whether revaluing for a period before that date or after).

the Member would have been entitled under the Section B Rules if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date and, in respect of a Member (other than a Section A Elector) who was at that time subject to the Section A Rules, made a valid election under General Rule 17 to be subject to the Section B Rules;

“Notional RMSPS NRA60 CSDB Lump Sum” means the lump sum component of a Member’s Notional RMSPS NRA60 CSDB Benefits;

“Notional RMSPS NRA60 CSDB Pension” means the pension component of a Member’s Notional RMSPS NRA60 CSDB Benefits;

“Notional RMSPS NRA60 Final Salary Benefits” means, in respect of a Member, those NRA60 Benefits attributable to Reckonable Service before 1 April 2008 to which, but for:

(i) the amendments to the Scheme made by the QAR Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date (whether revaluing for a period before that date or after).

the Member would have been entitled under the Section B Rules if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date and, in respect of a Member (other than a Section A Elector) who was at that time subject to the Section A Rules, made a valid election under General Rule 17 to be subject to the Section B Rules.

For these purposes Reckonable Service before 1 April 2008 includes Pre-Cut-Off Date AVC FS Added Years Service but does not include Post-Cut-Off Date AVC FS Added Years Service;

“Notional RMSPS NRA60 Final Salary Lump Sum” means the lump sum component of a Member’s Notional RMSPS NRA60 Final Salary Benefits;

“Notional RMSPS NRA60 Final Salary Pension” means the pension component of a Member’s Notional RMSPS NRA60 Final Salary Benefits;

“Notional RMSPS NRA65 Benefits” means, in respect of a Member, those NRA65 Benefits to which, but for:

(i) the amendments to the Scheme made by the QAR Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date (whether revaluing for a period before that date or after).

the Member would have been entitled under the Section B Rules if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date and, in respect of a Member (other than a Section A Elector) who was at that time subject to the Section A Rules, made a valid election under General Rule 17 to be subject to the Section B Rules;

“Notional RMSPS NRA65 Lump Sum” means the lump sum component of a Member’s Notional RMSPS NRA65 Benefits;

“Notional RMSPS NRA65 Pension” means the pension component of a Member’s Notional RMSPS NRA65 Benefits;

“NRA60 Benefits” means a Member’s NRA60 Pension and NRA60 Lump Sum;

"NRA60 Lump Sum" means that part of a Member's lump sum which accrued under Rule 4(1)(b) in respect of Reckonable Service on or before 31 March 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 60);

"NRA60 Pension" means that part of a Member's pension which accrued under Rule 4(1)(a) in respect of Reckonable Service on or before 31 March 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 60);

"NRA65 Benefits" means a Member's NRA65 Pension and NRA65 Lump Sum;

"NRA65 Lump Sum" means that part of a Member's lump sum which accrued under Rule 4(1A)(b) in respect of Reckonable Service on or after 1 April 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 65);

"NRA65 Pension" means that part of a Member's pension which accrued under Rule 4(1A)(a) in respect of Reckonable Service on or after 1 April 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 65);

"Pensionable Salary" means Salary (or wages) including London weighting where appropriate and including allowances, supplements and other payments which are stated in the terms and conditions of employment to be reckonable for pension purposes in whichever year of the last three years of Reckonable Service gives the highest figure. Where it would produce a higher figure, the average annual Salary and pensionable emoluments of a Member during his best three consecutive tax years of Reckonable Service in the last ten years of service shall be that Member's Pensionable Salary. Where the last three years of service include leave at reduced Salary, or unpaid leave or absences for which contributions have been made, the full rate of Salary will be taken. The full rate will also be taken when Salary is temporarily abated in the national interest. Where there is part-time service in the last three years of Reckonable Service the full-time rate of pay will be taken; if no full-time rate is specified, the full-time equivalent will be calculated by multiplying actual pensionable pay by the proportion which full-time hours (excluding meal breaks if they are excluded in the Member's terms and conditions of employment) bear to part-time hours over the period in question. For the purpose of this definition "the last three

years of Reckonable Service" includes all Reckonable Service (including reckonable leave or absence) at its actual length, and excludes any non-Reckonable Service. To determine Pensionable Salary in "*whichever year of the last three years of Reckonable Service gives the highest figure*", Salary and pensionable emoluments in the year of Reckonable Service ending on the last day of Reckonable Service will be compared with Salary and pensionable emoluments in each year of Reckonable Service ending on a prescribed date, and for this purpose:

- (a) a "**prescribed date**" is a date 91 reckonable days before the last day of Reckonable Service, or any multiple of 91 reckonable days before the last day of Reckonable Service up to a maximum multiple of eight;
- (b) a "**year of Reckonable Service**" is a calendar year where Reckonable Service is continuous, and 365 consecutive reckonable days where Reckonable Service is discontinuous; and
- (c) a "**reckonable day**" is a day which counts in whole or in part as Reckonable Service.

Where Reckonable Service is less than one year, "Pensionable Salary" will be calculated by multiplying total Salary and pensionable emoluments by the proportion which one year bears to the actual length of Reckonable Service.

Where the provisions of Rule 4A(11) and/or (12) apply, "Pensionable Salary" shall be calculated in accordance with those Rules;

"**Post-Cut-Off Date AVC FS Added Years Service**" means, in relation to a Pre-Cut-Off Date Added Years Member, such part (if any) of the period of Reckonable Service referred to in paragraph (iv) of the definition of "Reckonable Service" in General Rule 10 and credited to him under General Rules 19 or 19XA as exceeds his Pre-Cut-Off Date AVC FS Added Years Service;

a "**Pre-Cut-Off Date Added Years Member**" means a Member who, on or before the Cut-Off Date, was with the consent of the Trustees paying additional contributions under General Rule 19 or 19XA in order to purchase added years;

"**Pre-Cut-Off Date AVC FS Added Years Service**" means, in relation to a Pre-Cut-Off Date Added Years Member, that

part of the period of Reckonable Service referred to in paragraph (iv) of the definition of "Reckonable Service" in General Rule 10 and credited to him in accordance with General Rules 19 or 19XA which, in the opinion of the Actuary on the basis of such method and assumptions as are agreed for this purpose at the Cut-Off Date between the Trustees and the Principal Employer, would have been so credited had he opted out of the Scheme under General Rule 1A at the end of the Cut-Off Date and paid no further contributions thereafter;

"**Reckonable Service**" has the meaning assigned to it by General Rule 10 and applies to service whether before, on or after the Cut-Off Date;

"**Relevant Date**" means, in respect of a Relevant Member, the earlier of:

- (a) the date that Member joined the contributory part of the Scheme; and
- (b) 1 June 1972;

"**Relevant Member**" means any Member who has any Reckonable Service attributable to a period of time before his Relevant Date;

"**Renewal Date**" means 31 March of each year;

"**Retired on Ill Health Grounds**" means the cessation of employment as a result of serious physical or mental ill health (not simply a decline in energy or ability) such that, in the opinion of the ~~Principal Member's Employer—~~~~or Associated Employer (whichever is the employer),~~ the Member is permanently incapable of:

- (a) carrying out his current duties;
- (b) carrying out such other duties for the employer as the employer might reasonably expect the Member to perform; and
- (c) engaging in employment with any other employer of a type which, in the opinion of his present employer, would be reasonable and appropriate for the Member,

except that for Members who were in Reckonable Service on 31 March 2000 but who subsequently become deferred Pensioners, "**Retired on Ill Health Grounds**" means retired

because the ~~Principal Member's Employer or Associated Employer (whichever is the employer)~~ is satisfied that the Member concerned is likely, through physical or mental disablement, to be permanently unable to give regular and efficient service on the duties of his post.

“Revalued Notional RMSPS NRA60 CSDB Lump Sum” means, in respect of a Member, his Notional RMSPS NRA60 CSDB Lump Sum revalued using the RMSPS Section B Revaluation Methodology;

“Revalued Notional RMSPS NRA60 CSDB Pension” means, in respect of a Member, his Notional RMSPS NRA60 CSDB Pension revalued using the RMSPS Section B Revaluation Methodology;

“Revalued Notional RMSPS NRA60 Final Salary Lump Sum” means, in respect of a Member, his Notional RMSPS NRA60 Final Salary Lump Sum revalued using the RMSPS Section B Revaluation Methodology;

“Revalued Notional RMSPS NRA60 Final Salary Pension” means, in respect of a Member, his Notional RMSPS NRA60 Final Salary Pension revalued using the RMSPS Section B Revaluation Methodology;

“Revalued Notional RMSPS NRA60 Lump Sum” means, in respect of a Member, the sum of his Revalued Notional RMSPS NRA60 CSDB Lump Sum and his Revalued Notional RMSPS NRA60 Final Salary Lump Sum;

“Revalued Notional RMSPS NRA60 Pension” means, in respect of a Member, the sum of his Revalued Notional RMSPS NRA60 Final Salary Pension and his Revalued Notional RMSPS NRA60 CSDB Pension;

“Revalued Notional RMSPS NRA65 Lump Sum” means, in respect of a Member, his Notional RMSPS NRA65 Lump Sum revalued using the RMSPS Section B Revaluation Methodology;

“Revalued Notional RMSPS NRA65 Pension” means, in respect of a Member, his Notional RMSPS NRA65 Pension revalued using the RMSPS Section B Revaluation Methodology;

“RMSPS Final Salary” means a Member's Pensionable Salary calculated as if he had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date;

“RMSPS Lump Sum Enhancement” means the sum of a Member’s RMSPS NRA60 Lump Sum Enhancement and his RMSPS NRA65 Lump Sum Enhancement;

“RMSPS NRA60 Benefits” means those of the benefits payable or prospectively payable to a Member under the RMSPS in respect of which the Normal Retiring Age is 60;

“RMSPS NRA60 Lump Sum” means the amount of the “RMSPS NRA60 Lump Sum” paid to the Member by the RMSPS under Part IV of the RMSPS;

“RMSPS NRA60 Lump Sum Enhancement” means, in respect of a Member, an additional amount of lump sum equal to any amount by which (a) exceeds (b), where:

(a) is the Member’s Revalued Notional RMSPS NRA60 Lump Sum, calculated as if he had an unconditional right to draw it on his Exit Date without any reduction on account of early payment;

and

(b) is the Member’s Revalued Notional RMSPS NRA60 Lump Sum, calculated as if he were drawing it on his Exit Date but reduced on a basis determined by the Actuary in respect of the period between his Exit Date and his Normal Retiring Age so that, so far as reasonably practicable, it is equal in value to the Revalued Notional RMSPS NRA60 Lump Sum which he would have received at his Normal Retiring Age;

“RMSPS NRA60 Pension” means the amount of the “RMSPS NRA60 Pension” paid to the Member by the RMSPS under Part IV of the RMSPS;

“RMSPS NRA60 Pension Enhancement” means, in respect of a Member, an additional amount of pension equal to the amount by which (a) exceeds (b), where:

(a) is the Member’s Revalued Notional RMSPS NRA60 Pension, calculated as if he had an unconditional right to draw it from his Exit Date without any reduction on account of early payment;

and

(b) is the Member’s Revalued Notional RMSPS NRA60 Pension, calculated as if he were drawing it from his

Exit Date but reduced on a basis determined by the Actuary in respect of the period between his Exit Date and his Normal Retiring Age so that, so far as reasonably practicable, it is equal in value to the Revalued Notional RMSPS NRA60 Pension which he would have received at his Normal Retiring Age;

“RMSPS NRA65 Benefits” means those of the benefits payable or prospectively payable to a Member under the RMSPS in respect of which the Normal Retiring Age is 65;

“RMSPS NRA65 Lump Sum” means the amount of the “RMSPS NRA65 Lump Sum” paid to the Member by the RMSPS under Part IV of the RMSPS;

“RMSPS NRA65 Lump Sum Enhancement” means, in respect of a Member, an additional amount of lump sum equal to the amount by which (a) exceeds (b), where:

(a) _____ is the Member’s Revalued Notional RMSPS NRA65 Lump Sum, calculated as if he had an unconditional right to draw it on his Exit Date without any reduction on account of early payment;

and

(b) _____ is the Member’s Revalued Notional RMSPS NRA65 Lump Sum, calculated as if he were drawing it on his Exit Date but reduced on a basis determined by the Actuary in respect of the period between his Exit Date and his Normal Retiring Age so that, so far as reasonably practicable, it is equal in value to the Revalued Notional RMSPS NRA65 Lump Sum which he would have received at his Normal Retiring Age;

“RMSPS NRA65 Pension” means the amount of the “RMSPS NRA65 Pension” paid to the Member by the RMSPS under Part IV of the RMSPS;

“RMSPS NRA65 Pension Enhancement” means, in respect of a Member, an additional amount of pension equal to the amount by which (a) exceeds (b), where:

(a) _____ is the Member’s Revalued Notional RMSPS NRA65 Pension, calculated as if he had an unconditional right to draw it from his Exit Date without any reduction on account of early payment;

and

(b) is the Member's Revalued Notional RMSPS NRA65 Pension, calculated as if he were drawing it from his Exit Date but reduced on a basis determined by the Actuary in respect of the period between his Exit Date and his Normal Retiring Age so that, so far as reasonably practicable, it is equal in value to the Revalued Notional RMSPS NRA65 Pension which he would have received at his Normal Retiring Age;

"RMSPS Pension Enhancement" means the sum of a Member's RMSPS NRA60 Pension Enhancement and his RMSPS NRA65 Pension Enhancement;

"RMSPS Section B Revaluation Methodology" means a revaluation methodology which revalues an amount by the factor which would, but for the amendments made to the Scheme by the QAR Reconfiguration Deed, have applied to revalue that amount in respect of the period ending on the day before the Relevant Beginning Date (if later than the COD Beginning Date) if: (i) the amount were a benefit payable from the Scheme to the relevant Member which included no GMP component; (ii) such benefit was coming into payment to the Member with effect from the Relevant Beginning Date (if later than the COD Beginning Date); (iii) the Member had opted-out of the Scheme under General Rule 1A at the end of the Cut-Off Date; (iv) the Member had satisfied a "qualifying condition" for the purposes of Section 59 of the 1975 Act; and (v) the percentage specified in each Pension Increase Order coming into force on or before the Relevant Beginning Date were the higher of zero and the percentage increase in the Government index of retail prices for the 12 months to the September preceding the date on which that Pension Increase Order came into force, and then applying the following paragraphs of this definition.

In respect of the period from the start of the Terminal Revaluation Year to the Relevant Beginning Date the amount in question shall be further revalued by the factor of (1+A%) divided by (1+B%), or by a factor of one, if greater, where:

A% = the percentage increase (if any) in the Government index of retail prices for the 12 months to the September of the Applicable Revaluation Year; and

B% = (A% multiplied by: (i) the number of complete months in the period from the

Relevant Beginning Date to the end of the Terminal Revaluation Year; plus (but only where the Relevant Beginning Date falls in the same Revaluation Year as the COD Beginning Date) (ii) the number of complete months in the period from the start of the Terminal Revaluation Year to the COD Beginning Date) divided by 12.

and an incomplete month is to be treated as a complete month, if it would have been so treated for the purposes of the Pension Increase Order coming into force at the end of the Applicable Revaluation Year.

Where the COD Beginning Date in respect of the amount is on the same date as or later than the Relevant Beginning Date, the amount will not be changed by the application of the RMSPS Section B Revaluation Methodology.

For these purposes:

- (a) “1975 Act” means the Social Security Pensions Act 1975;
- (b) “Applicable Revaluation Year” means the Revaluation Year ending immediately before the Terminal Revaluation Year unless the Relevant Beginning Date falls in a Revaluation Year before the Revaluation Year in which the Member’s Exit Date falls (or, if earlier, the Revaluation Year in which the Relevant Margin Benefit comes into payment), in which case references to the “Applicable Revaluation Year” should be read as references to the “Terminal Revaluation Year”;
- (c) the “COD Beginning Date” is the day on which, applying all assumptions used to calculate the amount, the amount would be deemed to begin under Section 8(2) of the Pensions (Increase) Act 1971 if it were a benefit payable under the Scheme;
- (d) “Pension Increase Order” means a direction given by virtue of Section 151 of the Social Security Administration Act 1992 that the sums mentioned in Section 150(1)(c) of that Act are to be increased by a specified percentage;
- (e) the “Relevant Beginning Date” is the day on which the Relevant Margin Benefit in respect of the amount is deemed to begin under Section 8(2) of

the Pensions (Increase) Act 1971;

- (f) the “**Relevant Margin Benefit**” in respect of the amount is the Scheme benefit or where appropriate benefit component in the calculation of which the relevant amount (as revalued using the RMSPS Section B Revaluation Methodology) is being used;
- (g) “**Revaluation Year**” means the “base period” in relation to any Pension Increase Order, as defined in section 59 of the 1975 Act; and
- (h) “**Terminal Revaluation Year**” means the Revaluation Year during which the Relevant Beginning Date falls;

"**Salary**" means the annual salary or wages including allowances, supplements and other payments which are stated in terms and conditions of employment to be reckonable for pension purposes.

"**Senior Manager Member** means a Member who has been invited by the Principal Employer or by POL (whichever employs him) to become a Senior Manager Member under the Section B Rules and who has accepted that invitation by applying in writing to the Trustees to become a Senior Manager Member and, in that application, has agreed that he shall be entitled to benefits in accordance with the Section B Rules provided that, in the event that he is made redundant by ~~the Principal Employer or an Associated~~ Employer, he shall not be entitled to immediate payment of his pension before his Normal Retiring Age without reduction for early payment, or to any enhancement to his Reckonable Service on account of his redundancy under Section B Rule 8 and no lump sum compensation shall be payable to him on account of his redundancy.

- (2) Except where the context requires otherwise:
- (a) words importing the masculine include the feminine gender; and
- (b) references to particular Rules are references to those Rules in the Section B Rules.

2 DELETED

3 DELETED

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| <p><u>No benefits (other than money purchase benefits) in respect of any period of membership ending on or before the Cut-Off Date</u></p> | <p>3A</p> | <p>(1) <u>This Rule 3A overrides all other Section B Rules, each of which must be read as expressly subject to it.</u></p> <p>(2) <u>No pension or other benefits are payable under these Section B Rules in respect of any period of Reckonable Service which ended on or before the Cut-Off Date.</u></p> <p>(3) <u>Rule 3A(2) above is without prejudice to:</u></p> <p style="padding-left: 40px;">(a) <u>an RMSPS AVC Only Beneficiary's entitlement to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, to the extent that a Member's Fund remains uncrystallised within the Fund in respect of him; or</u></p> <p style="padding-left: 40px;">(b) <u>any benefits payable in respect of a period of Reckonable Service which was at the Cut-Off Date treated as continuous with a period of Reckonable Service continuing after the Cut-Off Date.</u></p> |
| <p>Retirement at or after Normal Retiring Age</p> | <p>4</p> | <p>(1) The following benefits (NRA60 Benefits) will be paid to every Member on retirement at or after age 60:</p> <p style="padding-left: 40px;">(a) an annual pension (NRA60 Pension) for life of the sum of <u>the amount (if any) by which (i) exceeds (ii), plus the amount (if any) by which (iii) exceeds (iv), plus (where relevant) (v), where:</u></p> <p style="padding-left: 80px;">(i) <u>is 1/80th of the Member's Pensionable Salary for each year and proportionately for part of a year of Reckonable Service before 1 April 2008 (other than, in the case of a Pre-Cut-Off Date Added Years Member, any year or part year of Post-Cut-Off Date AVC FS Added Years Service); and</u></p> <p style="padding-left: 80px;">(ii) <u>is the Member's Revalued Notional RMSPS NRA60 Final Salary Pension;</u></p> <p style="padding-left: 80px;">(iii) <u>is the sum of the Member's Revalued Pension Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2008 but before 1 April 2010;</u></p> <p style="padding-left: 80px;">(iv) <u>is the Member's Revalued Notional RMSPS NRA60 CSDB Pension; and</u></p> <p style="padding-left: 80px;">(v) <u>in the case of a Pre-Cut-Off Date Added Years Member, is 1/80th of the Member's Pensionable Salary for each year and</u></p> |

proportionately for part of a year of Post-Cut-Off Date AVC FS Added Years Service,

subject to Rule 4(1B) below; and

(b) a lump sum (NRA60 Lump Sum) of the sum of the amount (if any) by which (i) exceeds (ii), plus the amount (if any) by which (iii) exceeds (iv), plus (where relevant) (v), where:

(i) is 3/80ths of the Member's Pensionable Salary for each year and proportionately for part of a year of Reckonable Service before 1 April 2008 (other than, in the case of a Pre-Cut-Off Date Added Years Member, any year or part year of Post-Cut-Off Date AVC FS Added Years Service); and

(ii) is the Member's Revalued Notional RMSPS NRA60 Final Salary Lump Sum;

(iii) is the sum of the Member's Revalued Lump Sum Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2008 but before 1 April 2010;

(iv) is the Member's Revalued Notional RMSPS NRA60 CSDB Lump Sum; and

(v) in the case of a Pre-Cut-Off Date Added Years Member, is 3/80ths of the Member's Pensionable Salary for each year and proportionately for part of a year of Post-Cut-Off Date AVC FS Added Years Service,

subject to Rule 4(1C) below.

(1A) The following benefits (NRA65 Benefits) will be paid to every Member on retirement at or after age 65:

(a) an annual pension (NRA65 Pension) for life of the sum of the amount (if any) by which (i) exceeds (ii), plus (iii), where:

(i) is the sum of the Member's Revalued Pension Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2010 but before 1 April 2012;

(ii) is the Member's Revalued Notional RMSPS

NRA65 Pension; and

(iii) is the sum of the Member's Revalued Pension Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2012.

subject to Rule 4(1B) below; and

(b) a lump sum (NRA65 Lump Sum) of the sum of the amount (if any) by which (i) exceeds (ii), plus (iii), where:

(i) is the sum of the Member's Revalued Lump Sum Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2010 but before 1 April 2012;

(ii) is the Member's Revalued Notional RMSPS NRA65 Lump Sum; and

(iii) is the sum of the Member's Revalued Lump Sum Blocks, as calculated under Rule 4(4), for Reckonable Service on and after 1 April 2012.

subject to Rule 4(1C) below.

- (1B) For the purpose of calculating the Member's pension under this Rule 4, the total amount of Reckonable Service for Rules 4(1)(a)(i), 4(1)(a)(~~iii~~), 4(1)(a)(v), 4(1A)(a)(i) and 4(1A)(a)(~~iii~~) combined shall not exceed 45 years including for these purposes any actual or notional Reckonable Service (whether Pre-Cut-Off Date AVC FS Added Years Service or Post-Cut-Off Date AVC FS Added Years Service) in connection with any additional pension purchased under General Rules 19 or 19XA.
- (1C) For the purpose of calculating the Member's lump sum under this Rule 4, the total amount of Reckonable Service for Rules 4(1)(b)(i), 4(1)(b)(~~iii~~), 4(1)(b)(v), 4(1A)(b)(i) and 4(1A)(b)(~~iii~~) combined shall not exceed 45 years including for these purposes any actual or notional Reckonable Service (whether Pre-Cut-Off Date AVC FS Added Years Service or Post-Cut-Off Date AVC FS Added Years Service) in connection with any additional lump sum purchased under General Rules 19 or 19XA.
- (1D) Members who are in Reckonable Service on and after the Effective Date will be entitled to both NRA60 Benefits

(calculated in accordance with Rule 4(1) above) and NRA65 Benefits (calculated in accordance with Rule 4(1A) above).

- (2) The lump sum of a Member will, where applicable, be reduced in accordance with ~~General Rules 23 to Rule 25~~ inclusive.
- (3) ~~The lump sum of a Member who:~~
- (a) ~~at the date of retirement has a Dependant or Dependants for whom he purchased benefits under the Superannuation Act 1949 or any statutory modification or re-enactment thereof will be reduced by the appropriate rate per £100 of Pensionable Salary for each year and proportionately for part of a year of Reckonable Service not exceeding 45 years except those periods (whether before or after 1 December 1971) during which he paid contributions at the appropriate rate and those years of enhancement of service granted under Rule 5(a) or Rule 8(3)(b); or~~
- (b) ~~purchased Dependants' benefits under the Superannuation Act 1949 or any statutory modification or re-enactment thereof but before the date of retirement the Dependants had ceased to be eligible will be reduced by the appropriate rate per £100 of Pensionable Salary for each year and proportionately for part of a year of Reckonable Service not exceeding 45 years except those periods (whether before or after 1 December 1971):~~
- (i) ~~during which he paid contributions at the appropriate rate;~~
- (ii) ~~after the date on which the Dependants ceased to be eligible;~~
- (iii) ~~which are added years purchased under General Rules 19 and 19A after the date on which the Dependants ceased to be eligible;~~
- (iv) ~~of enhancement of service under Rule 12 spent in certain places abroad after the date on which the Dependant ceased to be eligible;~~
- (v) ~~of enhancement of service granted under Rule 5(a) or Rule 8(3)(b). **DELETED**~~

(4) (a) ~~In respect of Reckonable Service on or after 1 April 2008, each Member shall accrue benefits~~The calculation of each Member's Revalued Pension Blocks and Revalued Lump Sum Blocks shall be on the following basis.

(b) At each Renewal Date:

(i) the Member shall accrue a pension of 1/80th of the Member's CSDB Pensionable Salary for the year up to and including the Renewal Date (a "**Pension Block**"); and

(ii) the Member shall accrue a lump sum of 3/80ths of the Member's CSDB Pensionable Salary for the year up to and including the Renewal Date (a "**Lump Sum Block**"),

and like accrual shall apply at the Exit Date in respect of the period of Reckonable Service between the immediately preceding Renewal Date and the Exit Date. Consistent with Section B Rules 4(1B) and (1C), the Member will cease to accrue both pension and lump sum benefits under (i) and (ii) on completion of 45 years' Reckonable Service.

(c) The Pension Block and the Lump Sum Block accrued at each Renewal Date shall be revalued first at the Renewal Date at the end of the subsequent year and then at each subsequent Renewal Date thereafter up to and including the Renewal Date immediately preceding the Exit Date by the annual increase in the Government index of retail prices for all items (or such other index of prices which the Trustees and either the Principal Employer (in relation to Members employed by the Principal Employer or an Associated Employer) or POL (in relation to Members employed by POL) shall agree) for the 12 months to the preceding September subject to a maximum increase of 5% and a minimum increase of 0% a year.

(d) Each Pension Block, as successively revalued under paragraph (c) above, will be a "**Revalued Pension Block**". Each Lump Sum Block, as successively revalued under paragraph (c) above, will be a "**Revalued Lump Sum Block**".

(5) **DELETED**

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| Retirement
Options and
Flexible
Retirement | 4A | <p>(1) DELETED</p> <p>(2) A Member's NRA60 Benefits and NRA65 Benefits are separate benefit entitlements, and shall constitute separate arrangements for the purposes of the Finance Act 2004 provided that the Trustees have the power, with the consent of the Principal Employer <u>(in relation to benefits payable from the RMG Fund) or of POL (in relation to benefits payable from the POL Fund)</u>, to arrange the benefits under the Scheme (in respect of one or a number of Members) so that NRA60 Benefits and NRA65 Benefits constitute the same arrangement for the purposes of the Finance Act 2004.</p> <p>(3) A Member may draw NRA60 Benefits and NRA65 Benefits at different times in accordance with the provisions of this Rule. However, if a Member wishes to draw NRA60 Benefits, he must draw all his NRA60 Benefits at the same time and may not draw only part of his NRA60 Benefits (and the same applies to NRA65 Benefits). Provided that where a Member has two or more periods of Reckonable Service which are treated separately in accordance with Rule 9A, the Member may draw benefits in respect of those periods of Reckonable Service separately on the same basis as applied under the Scheme before the Effective Date.</p> |
| Retirement
from service | | <p>(4) A Member in Reckonable Service who has reached Minimum Pension Age may, with the consent of the Principal Employer <u>(if employed by the Principal Employer or an Associated Employer) or of POL (if employed by POL)</u> (except that such consent shall not be necessary in respect of NRA60 Benefits where the Member has reached age 60 and shall not be necessary in respect of NRA65 Benefits where the Member has reached age 65), retire from service and shall be entitled to elect one of the following options:</p> <p>(a) take his NRA60 Benefits and NRA65 Benefits at retirement (in which case his benefits shall be subject to (6) below); or</p> <p>(b) take his NRA60 Benefits at retirement which shall be subject to (6) below (if these have not already been put into payment in accordance with (5) below) and defer his NRA65 Benefits under Rule 21 (unless the Member is age 65 or over in which case his NRA65 Benefits will be paid immediately); or</p> <p>(c) take his NRA65 Benefits at retirement (which shall be subject to (6) below) and defer his NRA60 Benefits under Rule 21 (if these have not already been put into payment in accordance with (5) below) unless the Member is age 60 or</p> |

over, in which case his NRA60 Benefits will be paid immediately; or

- (d) defer either or both his NRA60 Benefits (if these have not already been put into payment in accordance with (5) below) and NRA65 Benefits under Rule 21, unless the Member is over Normal Retiring Age in which case the relevant benefits will be paid immediately.

For avoidance of doubt the options in this Rule 4A(4) are not available to a Member who remains in service.

Flexible
retirement
whilst
remaining in
service

- (5) A Member who is in Reckonable Service and has reached Minimum Pension Age but has not yet reached age 75 and who remains in service may elect any of the following options (subject to the provisions below):
- (a) take both his NRA60 Benefits and NRA65 Benefits at the same time and remain in service (and for avoidance of doubt cease to accrue any further benefits under the Scheme) in which case his benefits shall be subject to (6) below; or
- (b) take his NRA60 Benefits (which shall be subject to (6) below) and:
- (i) remain in Reckonable Service and accrue (or continue to accrue) NRA65 Benefits under Rule 4(1A); or
- (ii) remain in service but opt-out of the Scheme under General Rule 1A (and for avoidance of doubt cease to accrue any further benefits under the Scheme). Any NRA65 Benefits accrued up to the date the Member opted-out of the Scheme shall be deferred under Rule 20A, or paid immediately if the Member is age 65 or over; or
- (c) take his NRA65 Benefits (which shall be subject to (6) below) and for avoidance of doubt cease to accrue any further benefits under the Scheme and remain in service. NRA60 Benefits shall be deferred under Rule 20A, or paid immediately if the Member is age 60 or over; or
- (d) remain in service but opt-out of the Scheme under General Rule 1A (and for the avoidance of doubt cease to accrue any further benefits under the Scheme). NRA60 Benefits and NRA65 Benefits

accrued up to the date the Member opted-out of the Scheme shall be deferred under Rule 20A, or paid immediately if the Member is over the Normal Retiring Age appropriate to the benefits being put into payment.

A Member may only elect any of options (a), (b) or (c) above if ~~the Principal Employer or Associated~~his Employer consents (provided that such consent shall not be required in respect of NRA60 Benefits where the Member has reached age 60, and shall not be required in respect of NRA65 Benefits where the Member has reached age 65).

A Member who elects option (b)(i) above may, subsequent to that decision, elect anytime before age 75 to take his NRA65 Benefits (and, for avoidance of doubt, cease to accrue any further benefits under the Scheme) and remain in service provided that, should he be under age 65, ~~the Principal Employer or an Associated~~his Employer consents.

For avoidance of doubt, for as long as a Member remains in Reckonable Service on or after 1 April 2010 and does not make an election under this Rule 4A(5), he will continue to accrue NRA65 Benefits, and continue to defer his NRA60 Benefits, until the earlier of the date he opts out of the Scheme under General Rule 1A, leaves service or reaches age 75.

- (6) Any benefits brought into payment under either (4) or (5) above shall, if brought into payment before the Normal Retiring Age appropriate to the benefit being put into payment and unless specified otherwise in Rules 5, 7, 7A, 8 and 8AA, be reduced for early payment on a basis determined by the Actuary so that, as far as is reasonably practicable, they are equal in value to the benefits that would have been paid to the Member at age 60 in respect of NRA60 Benefits or 65 in respect of NRA65 Benefits.
- (7) If a Member reaches age 65 and remains in service with ~~the Principal Employer or an Associated~~an Employer he may draw his NRA65 Benefits (and his NRA60 Benefits, if these have not already been brought into payment) at or at anytime after that age (but no later than age 75) whilst continuing to be in service (in accordance with (5) above). Alternatively, if after age 65 he remains in Reckonable Service, he may continue to accrue NRA65 Benefits (and continue to defer his NRA60 Benefits if these have not

already been brought into payment) until the earlier of the date he opts out of the Scheme under General Rule 1A, leaves service or reaches age 75.

- (8) Any Member who ceases to be in Reckonable Service (whether or not he remains in service) at or after age 60 shall not be entitled to defer payment of his NRA60 Benefits after the date on which he ceased to be in Reckonable Service. Any Member who ceases to be in Reckonable Service (whether or not he remains in service) on or after age 65 shall not be entitled to defer payment of his NRA65 Benefits after the date on which he ceased to be in Reckonable Service.
- (9) No late retirement factor shall be applied for any Member in respect of NRA60 Benefits taken after age 60, or any NRA65 Benefits taken after age 65.
- (10) If a Member has commenced receipt of his NRA60 Benefits but continues to accrue NRA65 Benefits and becomes entitled to any enhancements (or waiver of early retirement reductions) under Rules 5, 7, 7A, 8 and 8AA, such enhancements (or waiver of early retirement reductions) shall apply to a Member's NRA65 Benefits only (although when calculating the qualification for and the amount of any enhancement all of a Member's Reckonable Service (whether in respect of NRA60 Benefits or NRA65 Benefits) shall be taken into account). Provided that a Member's total Reckonable Service for NRA60 Benefits, NRA65 Benefits and any enhancements cannot exceed 45 years.
- (11) Should a Member continue to be in Reckonable Service on and after 1 April 2010 and not draw his NRA60 Benefits, such Reckonable Service will still apply for the purposes of calculating Pensionable Salary in respect of the Member's NRA60 Benefits accrued prior to 1 April 2008 (and NRA60 Benefits accrued on and after 1 April 2008 but before 1 April 2010 will continue to be revalued in accordance with Rule 4(4)(c)). In these circumstances, the Member shall not be entitled to revaluation of his NRA60 Benefits under Rule 24.
- (12) Should the Member take his NRA60 Benefits but remain in Reckonable Service, notwithstanding the fact that he will actually continue in Reckonable Service:
 - (a) for the purposes of determining his "Pensionable Salary" in respect of his NRA60 Benefits accrued prior to 1 April 2008, the definition of Pensionable Salary will be read as if the Member had ceased to be in Reckonable Service on the day he takes his

NRA60 Benefits; and

- (b) for the purposes of determining, in respect of his NRA60 Benefits accrued on and after 1 April 2008 but before 1 April 2010, when revaluation will cease to apply under Rule 4(4)(c), the definition of "Exit Date" shall be read as if the date the Member takes his NRA60 Benefits was his Exit Date.

Deemed crystallisation of NRA60 Benefits where no margin over RMSPS NRA60 Benefits

4XA (a) A Member who, on the earliest of the dates specified in (b) below (his "Deemed Crystallisation Date"), has a prospective NRA60 Pension under Rule 4(1)(a) of nil and a prospective NRA60 Lump Sum under Rule 4(1)(b) of nil shall, where relevant for these Section B Rules, be treated as taking his NRA60 Benefits when he takes his RMSPS NRA60 Benefits or, if he has transferred out his RMSPS NRA60 Benefits, on the later of his 60th birthday and his Deemed Crystallisation Date.

(b) The dates specified for the purposes of (a) above are:

- (i) the Member's Exit Date;
- (ii) the effective date of any election by the Member under Rule 4A which results in the Member ceasing to accrue further benefits under the Scheme or which would require his NRA60 Benefits to be paid immediately; and
- (iii) the date of an election by the Member under the RMSPS to receive his RMSPS NRA60 Benefits notwithstanding that he has no NRA60 Benefits under the Scheme.

Retired on Ill Health Grounds

5 The following benefits will (subject, in particular, to paragraphs 3 and 4 of Schedule 13) be paid immediately to a Member who is Retired on Ill Health Grounds:

- (a) the benefits under Rule 4 based on his Reckonable Service enhanced in whichever of the following ways gives the better result:
- (i) to 20 years;
- (ii) by $6\frac{2}{3}$ years;
- (iii) by 75% of the Reckonable Service between the date of his retirement and age 65 which he could have completed if he had remained in Reckonable

Service until age 65,

provided that enhanced Reckonable Service shall not exceed what would have been Reckonable Service if the Member had stayed in service in a full-time capacity until age 65.

For the avoidance of doubt, the enhancement of Reckonable Service under this sub-rule (a) does not affect the calculation of a Member's Notional RMSPS NRA60 Final Salary Benefits, Notional RMSPS NRA60 CSDB Benefits or Notional RMSPS NRA65 Benefits.

- (b) **DELETED**
- (c) **DELETED**
- (d) **DELETED**
- (e) For the purposes of determining the additional pension and lump sum due to the Member as a result of the enhancements of Reckonable Service as set out in (a) above the following calculations shall apply.
 - (i) The total number of enhanced years of Reckonable Service shall be multiplied by the Member's CSDB Pensionable Salary received during his last 12 months of Reckonable Service except that, for the purposes of this sub-rule (e), the words "during the 12 months up to and including the Renewal Date" shall be treated as if they had been omitted from the definition of CSDB Pensionable Salary in Rule 1.
 - (ii) The sum calculated in (i) above shall then be multiplied by 1/80th for the additional pension, and this additional pension shall be added to the pension calculated in accordance with Rule 4.
 - (iii) The sum calculated in (i) above shall also then be multiplied by 3/80ths for the additional lump sum and this additional lump sum shall be added to the lump sum calculated in accordance with Rule 4.

Should a Member be in part-time employment at any point during his last 12 months of Reckonable Service, his CSDB Pensionable Salary for the purposes of the calculations in this sub-rule (e) shall be based upon the equivalent CSDB Pensionable Salary he would have earned had he been employed on a full-time basis.

- (f) In accordance with Rule 4A(10), when calculating the qualification for and the amount of any enhancement under (a) above all a Member's Reckonable Service (whether in respect of NRA60 Benefits or NRA65 Benefits) shall be taken into account.
- (g) If a Member is Retired on Ill Health Grounds on or after 1 April 2010 under this Rule 5 and his NRA60 Pension was not already in payment at the date of his ill-health retirement, his NRA60 Benefits shall be brought into payment at the same time as his NRA65 Benefits and the enhancement set out above.

6 DELETED

Retirement in the interests of efficiency

- 7** (1) This Rule applies where a Member (other than a CWU Represented Member) is retired in the interests of efficiency.
- (2) **DELETED**
- (3) Where the Member is to receive the benefits specified in Rule 4 then:
- (a) if he is retired before Minimum Pension Age, payment of those benefits will be deferred in the Scheme in accordance with Rule 21; or
- (b) if he is retired on or after Minimum Pension Age the benefits specified in Rule 4 will be paid without deferment and increased by an RMSPS Pension Enhancement and an RMSPS Lump Sum Enhancement.
- (c) **DELETED**
- (4) **DELETED**
- (5) **DELETED**
- (6) **DELETED**
- (7) **DELETED**
- (8) **DELETED**

- 7A** (1) This Rule applies where a CWU Represented Member is retired in the interests of efficiency.
- (2) Where the Member is to receive the benefits specified in

Rule 4 then:

- (a) if he is retired before Minimum Pension Age, payment of those benefits will be deferred in the Scheme in accordance with Rule 21; or
- (b) if he is retired on or after Minimum Pension Age either:
 - (i) payment of those benefits will be deferred in the Scheme in accordance with Rule 21; or
 - (ii) if ~~the Principal Employer or an Associated~~his Employer declares the circumstances to be appropriate, those benefits will be paid without deferment and increased by an RMSPS Pension Enhancement and an RMSPS Lump Sum Enhancement.

Retirement on
Redundancy **8**

- (1) This Rule applies where a Member (other than a Senior Manager Member or a CWU Represented Member) is retired on the grounds of redundancy.
- (2) **DELETED**
- (3) Where the Member is to receive the benefits specified in Rule 4 then:
 - (a) if he is retired before Minimum Pension Age payment of those benefits will be deferred in accordance with Rule 21;
 - (b) if he is retired on or after Minimum Pension Age the benefits in Rule 4 will be paid without deferment and will be based on the service enhanced to what would have been reckonable at age 65 or by 6 ²/₃ years whichever is the less provided that in no case shall Reckonable Service be increased to more than double its length. The service of a Member who was employed on part-time duties at the date of redundancy will be enhanced pro-rata in the proportion that the part-time hours of those duties at the date of redundancy bear to full-time hours (excluding meal breaks if they were excluded in the Member's terms and conditions of employment);
 - (ba) for the purposes of determining the additional pension and lump sum due to the Member as a result of the enhancements of Reckonable Service as set out in sub-rule (b) above the following

calculations shall apply.

- (i) The total number of enhanced years of Reckonable Service shall be multiplied by the Member's CSDB Pensionable Salary received during his last 12 months of Reckonable Service except that, for the purposes of this sub-rule (ba), the words "during the 12 months up to and including the Renewal Date" shall be treated as if they had been omitted from the definition of CSDB Pensionable Salary in Rule 1.
- (ii) The sum calculated in (i) above shall then be multiplied by 1/80th for the additional pension, and this additional pension shall be added to the pension calculated in accordance with Rule 4.
- (iii) The sum calculated in (i) above shall also then be multiplied by 3/80ths for the additional lump sum and this additional lump sum shall be added to the lump sum calculated in accordance with Rule 4.

Should a Member be in part-time employment at any point during his last 12 months of Reckonable Service, his CSDB Pensionable Salary for the purposes of this sub-rule (ba) shall be based upon the equivalent CSDB Pensionable Salary he would have earned had he been employed on a full-time basis.

For the avoidance of doubt, the enhancement of Reckonable Service as set out in sub-rule (b) above does not affect the calculation of a Member's Notional RMSPS NRA60 Final Salary Benefits, Notional RMSPS NRA60 CSDB Benefits or Notional RMSPS NRA65 Benefits.

(bb) The benefits in Rule 4 in respect of a Member to whom sub-rule (b) above applies will also be increased by an RMSPS Pension Enhancement and an RMSPS Lump Sum Enhancement.

(c) **DELETED**

(4) **DELETED**

(5) **DELETED**

(6) **DELETED**

(7) **DELETED**

(8) **DELETED**

8A DELETED

8AA (1) This Rule applies where a CWU Represented Member is retired on the grounds of redundancy.

(2) Where the Member is to receive the benefits specified in Rule 4 then:

(a) if he is retired before Minimum Pension Age payment of those benefits will be deferred in accordance with Rule 21;

(b) if he is retired on or after Minimum Pension Age either:

(i) payment of those benefits will be deferred in accordance with Rule 21; or

(ii) if ~~the Principal Employer or an Associated~~an Employer declares the circumstances to be appropriate, the benefits in Rule 4 will be paid without deferment and increased by an RMSPS Pension Enhancement and an RMSPS Lump Sum Enhancement.

Early Voluntary Retirement

8B

(1) This Rule applies where:

(a) **DELETED;**

(b) the Member is permitted by ~~the Principal Employer or an Associated~~an Employer to retire before Normal Retiring Age otherwise than in circumstances to which any other Rule of Section B shall apply; and

(c) **DELETED;**

(d) the Member has attained Minimum Pension Age.

(1A) **DELETED**

(2) The Member shall immediately on such retirement be paid the benefits specified in Rule 4 reduced on a basis to be

determined by the Actuary so that, so far as is reasonably practicable, they are equal in value to benefits which would have been paid to the Member at Normal Retiring Age if Rule 21 were applicable.

(3) ~~Nothing in the Rule shall enable the Trustees to reduce a Member's pension below his GMP or any widow's or widower's pension payable on his death below the widow's or widower's GMP.~~ **DELETED**

(4) For the avoidance of doubt, Rules 11A(3)(a)(i), (5)(a)(i), (6)(a)(i), (8)(a)(i), (9)(ba)(i) and 24 shall apply to the reduced pension payable under paragraph (2) of this Rule and any pension or pensions payable under Rules 13A (and, if applicable, Rule 13B), 14, or 15 shall be based on the reduced pension.

(5) **DELETED**

Re-employment of Pensioners and former Members **9** In accordance with General Rule 1, Section B is closed to new Members, and no Member may rejoin Section B after 31 March 2008. Should any Member have rejoined Section B on or prior to 31 March 2008, his benefits will be dealt with in accordance with the previous provisions of Rule 9 (or, if applicable, Rule 9A) in force at the relevant time.

Breaks in Reckonable Service after 31 March 1987 **9A** In accordance with General Rule 1, Section B is closed to new Members, and no Member may rejoin Section B after 31 March 2008. Should any Member have rejoined Section B on or prior to 31 March 2008, his benefits will be dealt with in accordance with the previous provisions of Rule 9A (or, if applicable, Rule 9) in force at the relevant time.

10 DELETED

11 DELETED

Lump sum death benefit **11A** (1) If a Member dies, the following lump sum benefits shall be paid to his personal representatives depending on the status of the Member on the day he died (and subject to the provisos in Rule 11A(11) below):

Death in Reckonable Service and NRA60 Pension not in payment (2) If the Member died in Reckonable Service and his NRA60 Pension was not in payment, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(ai) the aggregate of:

- (i~~1~~) 5 times the amount of the annual Adjusted NRA60 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the~~ *Principal Employer or an Associated* an Employer on the date of his death with an entitlement to the immediate payment of such pension if this was not otherwise the case; and
- (ii~~2~~) 5 times the amount of the annual Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the~~ *Principal Employer or an Associated* an Employer on the date of his death with an entitlement to the immediate payment of such pension if this was not otherwise the case; or

(bii) 4 times Pensionable Salary

exceeds

(b) the amount referred to in either Rule 11A(4)(a)(i) or Rule 11A(4)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 11A(4)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(4)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(4)(a)(ii) was to his "RMSPS Final Salary".

Death in
Reckonable
Service and
NRA60
Pension in

- (3) If the Member died in Reckonable Service and his NRA60 Pension was in payment, a lump sum equal to the amount (if any) by which:

payment

(a) the greater of:

(a) the aggregate of:

(i) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the ~~pension payments~~ of NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period (but calculated at the annual ~~rate of rates~~ of NRA60 Pension and RMSPS NRA60 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 of these Section B Rules and Rule 16, Part IV of the RMSPS and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A of these Section B Rules and Rule 17, Part IV of the RMSPS); and

(ii) 5 times the amount of the annual Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the Principal Employer or an Associated~~ an Employer on the date of his death with an entitlement to the immediate payment of such pension if this was not otherwise the case; or

(b) 4 times Pensionable Salary less the aggregate of:

(i) the total amount of NRA60 Pension and RMSPS NRA60 Pension (including in both cases increases) paid to the Member between the

date his NRA60 Pension commenced and the date of his death; ~~and~~

- (ii) the NRA60 Lump Sum plus the RMSPS NRA60 Lump Sum paid to the Member; and
- (iii) any lump sum paid to the Member in accordance with Rule 16B of these Section B Rules and Rule 18, Part IV of the RMSPS

exceeds

(b) the amount referred to in either Rule 11A(5)(a)(i) or Rule 11A(5)(a)(ii) (whichever is greater), calculated as if: (i) the amount at Rule 11A(5)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(5)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(5)(a)(ii) was to his "RMSPS Final Salary".

Death in service while opted-out with NRA60 Pension and NRA65 Pension not in payment (Member under age 60)

- (4) ~~if~~ the Member had opted-out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ an Employer and no benefits from the Scheme had been brought into payment, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

- (i) 5 times the amount of the annual preserved Adjusted NRA60 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the Principal Employer or an Associated~~ an Employer on the date of his death with an entitlement to the immediate payment of such pension;

and

- (ii) 5 times the amount of the annual preserved Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the Principal Employer or an Associated~~ an Employer on the date of his death with an entitlement to the immediate payment of such pension; or

- (bii) 1.25 times Pensionable Salary

exceeds

- (b) the amount referred to in either this Rule 11A(4)(a)(i) or Rule 11A(4)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 11A(4)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(4)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(4)(a)(ii) was to his "RMSPS Final Salary".

Death in service while opted-out with NRA60 Pension in payment but NRA65 Pension not in payment (Member between MPA and 65)

- (5) If the Member had opted out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ an Employer, his NRA60 Pension was in payment but his NRA65 Pension had not yet come into payment, a lump sum equal to the amount (if any) by which:

- (a) the greater of:

- (a) the aggregate of:

- (i) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension—payments of NRA60 Pension and RMSPS NRA60 Pension which would have been

made during the remainder of the 5 year period (but calculated at the annual rates of ~~the~~ NRA60 Pension and RMSPS NRA60 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 of these Section B Rules and Rule 16, Part IV of the RMSPS) and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A of these Section B Rules and Rule 17, Part IV of the RMSPS); and

- (ii) 5 times the amount of the annual preserved Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the~~ Principal Employer or an Associated Employer on the date of his death with an entitlement to the immediate payment of such pension; or

- (bii) 1.25 times Pensionable Salary

exceeds

- (b) the amount referred to in either Rule 11A(5)(a)(i) or Rule 11A(5)(a)(ii) (whichever is greater), calculated as if: (i) the amount at Rule 11A(5)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(5)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(5)(a)(ii) was to his "RMSPS Final Salary".

Death in service while opted-out with NRA60 Pension not in payment but NRA65 Pension in payment (Member between MPA and 60)

- (6) If the Member had opted out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ an Employer, his NRA60 Pension had not yet come into payment but his NRA65 Pension was in payment, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) 5 times the amount of the annual preserved Adjusted NRA60 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with ~~the Principal Employer or an Associated~~ an Employer on the date of his death with an entitlement to the immediate payment of such pension; and

(ii) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the pension payments of NRA65 Pension and RMSPS NRA65 Pension which would have been made during the remainder of the 5 year period (but calculated at the annual rates of the NRA65 Pension and RMSPS NRA65 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 of these Section B Rules and Rule 16, Part IV of the RMSPS and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A of these Section B Rules and Rule 17, Part IV of the RMSPS); or

(b) 1.25 times Pensionable Salary

exceeds

(b) the amount referred to in either Rule 11A(6)(a)(i) or Rule 11A(6)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 11A(6)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the amount at Rule 11A(6)(a)(i)(2) did not include any payments of NRA65 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(6)(a)(ii) was to his "RMSPS Final Salary".

Death after leaving service with NRA60 and NRA65 Benefits preserved (Member is under age 60)

(7) If the Member had ceased to be in service and both his NRA60 Benefits and NRA65 Benefits were preserved in the Scheme, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) 5 times the amount of the annual preserved Adjusted NRA60 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had such pension been brought into payment on the date of his death with an entitlement to the immediate payment of such pension; and

(ii) 5 times the amount of the annual preserved Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had such pension been brought into payment on the date of his death with an entitlement to the immediate payment of such pension; or

(b) 1.25 times Pensionable Salary

exceeds

(b) the amount referred to in either Rule 11A(7)(a)(i) or Rule 11A(7)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 11A(7)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(7)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(7)(a)(ii) was to his "RMSPS Final Salary".

Death after leaving service with NRA60 Pension in payment and NRA65 Benefits preserved (Member is between MPA and 65)

(8) If the Member had ceased to be in service, his NRA60 Pension had been brought into payment but his NRA65 Benefits were preserved in the Scheme, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i1) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension—payments of NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period (but calculated at the annual rate—of rates of NRA60 Pension and RMSPS NRA60 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 of these Section B Rules and Rule 16, Part IV of the RMSPS and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A of these Section B Rules and Rule 17, Part IV of the RMSPS); and

- (ii) 5 times the amount of the annual preserved Adjusted NRA65 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had such pension been brought into payment on the date of his death with an entitlement to the immediate payment of such pension; or

(bii) 1.25 times Pensionable Salary

exceeds

(b) the amount referred to in either Rule 11A(8)(a)(i) or Rule 11A(8)(a)(ii) (whichever is greater), calculated as if: (i) the amount at Rule 11A(8)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 11A(8)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(8)(a)(ii) was to his "RMSPS Final Salary".

Death after leaving service with NRA60 Benefits preserved and NRA65 Pension in payment (Member is between MPA and 60)

- (9) If the Member had ceased to be in service, his NRA60 Benefits were preserved in the Scheme but his NRA65 Pension had been brought into payment, a lump sum equal to the amount (if any) by which:

(a) the greater of:

(ai) the aggregate of:

- (i1) 5 times the amount of the annual preserved Adjusted NRA60 Pension at the rate at which that pension would have been payable (calculated without any enhancement of Reckonable Service) to the Member had such pension been brought into payment on the date of his death with an entitlement to immediate payment of such pension; and

- (#2) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the ~~pension~~ payments of NRA65 Pension and RMSPS NRA65 Pension which would have been made during the remainder of the 5 year period (but calculated at the ~~annual rate of~~ rates of Adjusted NRA65 Pension and RMSPS NRA65 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 of these Section B Rules and Rule 16, Part IV of the RMSPS and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A of these Section B Rules and Rule 17, Part IV of the RMSPS); or

- (bii) 1.25 times Pensionable Salary

exceeds

- (b) the amount referred to in either this Rule 11A(9)(a)(i) or Rule 11A(9)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 11A(9)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the amount at Rule 11A(9)(a)(i)(2) did not include payments of his NRA65 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA65 Pension; and (iii) the reference to his "Pensionable Salary" in Rule 11A(9)(a)(ii) was to his "RMSPS Final Salary".

Pensioner in receipt of NRA60 and NRA65 Pension

- (10) If the Member was in receipt of both his NRA60 Pension and his NRA65 Pension, a lump sum equal to the aggregate of:
- (a) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension payments which would have been made during the remainder of the 5 year period (but calculated at the annual rate of NRA60 Pension in

payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A); and

- (b) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the pension payments which would have been made during the remainder of the 5 year period (but calculated at the annual rate of NRA65 Pension in payment at the date of his death) (for avoidance of doubt the amount of the Member's pension payments to be used for this calculation shall be exclusive of any amount surrendered under Rule 16 and inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A).
- (11) The following provisos apply to payments made under the preceding paragraphs of this Rule 11A:
- (i) the amounts payable under this Rule 11A are subject to the limits in Schedule 13;
 - (ii) in each of (2) - (9) inclusive, for the purposes of calculating which of (a)(i) or ~~(ba)(ii)~~ is the greatest, no account shall be taken of the reductions specified in (iii) below;
 - (iii) when payment is made under (2), (3), (4), (5), (6), (7), (8) or (9) it shall be reduced by the appropriate reductions corresponding to the reductions which are to be made from a lump sum under General ~~Rules 23 to Rule 25 inclusive~~ according to the circumstances;
 - (iv) where a Member had before the Cut-Off Date been a Pensioner ~~has~~ who had re-entered the Scheme and ~~has~~ elects to retain one or more deferred pensions under the provisions of Rule 9(3)(b) in force prior to the Effective Date, no payment will be made under this paragraph ~~will be in substitution for any death benefit otherwise payable. Where a Pensioner who was previously~~ Rule 11A where the death benefit which is (or which but for a transfer-out from the RMSPS would have been) payable from the RMSPS in respect of such retained deferred

pension or pensions exceeds the greater of the amounts at (a)(i) or (a)(ii) under whichever of (2), (4), (6) or (7) above applies to the Member. Where the Member's NRA60 Pension is in payment, references in (3), (5) and (8) above to the Member's "RMSPS NRA60 Pension" shall, notwithstanding Rule 3A, include any payments of pension from the RMSPS in respect of such unlinked period of service, and references in (3)(a)(ii) above to the RMSPS NRA60 Lump Sum shall include any lump sum paid to the Member from the RMSPS in respect of any such period;

(iva) where a Member had (1) Retired on Ill Health Grounds; (2) retired as a result of injury under Rule 6 previously in force prior to the Effective Date; or (3) retired as a result of redundancy under Rule 8(3)(b), has and then re-entered the Scheme under the provisions of Rule 9(3)(b) in force prior to the Effective Date the any payment made under this paragraph shall be reduced (but not to less than zero) by the lump sum already paid in respect of previous Reckonable Service. — If, however, the payment due under this paragraph would be smaller than any other death benefit which the Trustees could pay then the Trustees may pay the larger death benefit instead; notwithstanding that this payment may have been made prior to the Cut-Off Date;

(v) for the purpose only of calculating the amounts specified in (2)(~~ba~~)(ii), (3)(~~ba~~)(ii), (4)(~~ba~~)(ii), (5)(~~ba~~)(ii), (6)(~~ba~~)(ii), (7)(~~ba~~)(ii), (8)(~~ba~~)(ii) and (9)(~~ba~~)(ii) where there was part-time service in the last three years of Reckonable Service, then notwithstanding Rule 1(1) Pensionable Salary will be calculated by reference to the actual pay and pensionable emoluments, and not by reference to the full-time rate of pay;

(va) for the purpose only of, as required by 2(b)(iii), 3(b)(iii), 4(b)(iii), 5(b)(iii), 6(b)(iii), 7(b)(iii), 8(b)(iii) and (9)(b)(iii), calculating the amounts specified in 4(a)(ii), 5(a)(ii), 6(a)(ii), 7(a)(ii), 8(a)(ii) and 9(a)(ii) above as if references to a Member's "Pensionable Salary" were to his "RMSPS Final Salary", where there was part-time service in the last three years of Reckonable Service prior to the Cut-Off Date, then notwithstanding Rule 1(1) RMSPS Final Salary will be calculated by reference to actual pay and

pensionable emoluments, and not by reference to the full-time rate of pay;

(vi) ~~the benefits referred to in any of the sub-rules above are additional to any refund of contributions which falls to be made to the personal representatives of the Member under paragraphs (2) to (5) inclusive of General Rule 11;~~ **DELETED**

(vii) where a Member to whom any of (2) - (9) above applies dies having elected under General Rule 7(1B) to pay the additional contribution specified in that Rule without subsequent revocation under General Rule 7(1C);

(a) the lump sum payable amount calculated under paragraph (a) of any of (2) - (9) above shall be not less than the aggregate of:

(1) a lump sum of $\frac{3}{80}$ of his Pensionable Salary for each year of Reckonable Service completed before 1 April 1999, and proportionately for each part of a year, up to a maximum of 40 years at age 60; and

(2) a lump sum equal to ~~five times the amount of the annual pension based on $\frac{5}{80}$ of his Pensionable Salary (as that would be determined in respect of his NRA60 Benefits accrued prior to 1 April 2008) for each year and proportionately for part of a year of Reckonable Service before 1 April 1999 at the rate at which it would have been payable (calculated without any enhancement of Reckonable Service) to the Member had he retired from employment with the Principal Employer or an Associated Employer on the date of his death with an entitlement to the immediate payment of such a pension;~~ and

(b) the amount calculated under paragraph (b) of any of (2) - (9) above shall be not less

than the aggregate of:

(1) a lump sum of $\frac{3}{80}$ of his RMSPS Final Salary for each year of Reckonable Service completed before 1 April 1999, and proportionately for each part of a year, up to a maximum of 40 years at age 60; and

(2) a lump sum equal to $\frac{5}{80}$ of his RMSPS Final Salary for each year and proportionately for part of a year of Reckonable Service before 1 April 1999;

(viii) where a Member has transferred out either his NRA60 benefits or his NRA65 Benefits in accordance with Clause 27(1A), the provisions of this Rule 11A will apply only in respect of that tranche of benefit which is still retained in the Scheme;

(viii) (a) where before he dies a Member's RMSPS NRA60 Benefits are transferred out of the RMSPS:

(1) calculations in the preceding paragraphs of this Rule 11A which refer to payments of RMSPS NRA60 Pension or the lump sum (if any) paid to him in accordance with Rule 18, Part IV of the RMSPS shall be carried out assuming:

(i) that the Member's Revalued Notional RMSPS NRA60 Final Salary Pension together with his Revalued Notional RMSPS NRA60 CSDB Pension came into payment at the same time as his NRA60 Pension; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA60 Pension, he exercised those options in the same proportions

in relation to his Revalued Notional RMSPS NRA60 Final Salary Pension and Revalued Notional RMSPS NRA60 CSDB Pension.

and otherwise as if references to his RMSPS NRA60 Pension were to the sum of his Revalued Notional RMSPS NRA60 Final Salary Pension and his Revalued Notional RMSPS NRA60 CSDB Pension, and

(2) calculations in the preceding paragraphs of this Rule 11A which refer to payments of RMSPS NRA60 Lump Sum shall be carried out assuming:

(i) that the Member received his Revalued Notional RMSPS NRA60 Final Salary Lump Sum together with his Revalued Notional RMSPS NRA60 CSDB Lump Sum at the same time as his NRA60 Lump Sum; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA60 Pension which reduced or increased the lump sum he received from the Scheme, he exercised those options in the same proportions in relation to his Revalued Notional RMSPS NRA60 Final Salary Pension and Revalued Notional RMSPS NRA60 CSDB Pension and, notwithstanding that such exercise may not have affected the calculation of his NRA60 Lump Sum, that his Revalued Notional RMSPS NRA60 Final Salary Lump Sum or his Revalued Notional RMSPS NRA60 CSDB Lump Sum (as appropriate) reduced or increased by that same

proportion.

and otherwise as if references to his RMSPS NRA60 Lump Sum were to the sum of his Revalued Notional RMSPS NRA60 Final Salary Lump Sum and his Revalued Notional RMSPS NRA60 CSDB Lump Sum.

Where (iv) above applied to a Member whose NRA60 Pension is in payment, and before he dies any benefits referable to any unlinked period of service as therein referred to have been transferred out of the RMSPS, then equivalent adjustments to those in this (viii)(a) will be made in respect of the pension and lump sum payments referable to that period.

(b) where before he dies a Member's RMSPS NRA65 Benefits are transferred out of the RMSPS:

(1) calculations in the preceding paragraphs of this Rule 11A which refer to payments of RMSPS NRA65 Pension or a lump sum (if any) paid to him in accordance with Rule 18, Part IV of the RMSPS shall be carried out assuming:

(i) that the Member's Revalued Notional RMSPS NRA65 CSDB Pension came into payment at the same time as his NRA65 Pension; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA65 Pension, he exercised those options in the same proportions in relation to his Revalued Notional RMSPS NRA65 Pension.

and otherwise as if references to his RMSPS NRA65 Pension were to his Revalued Notional RMSPS NRA65

Pension, and

(2) calculations in the preceding paragraphs of this Rule 11A which refer to payments of RMSPS NRA65 Lump Sum shall be carried out assuming:

(i) that the Member received his Revalued Notional RMSPS NRA65 CSDB Lump Sum at the same time as his NRA65 Lump Sum; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA65 Pension which reduced or increased the lump sum he received from the Scheme, he exercised those options in the same proportions in relation to his Revalued Notional RMSPS NRA65 Pension and, notwithstanding that such exercise may not have affected the calculation of his NRA65 Lump Sum, that his Revalued Notional RMSPS NRA65 CSDB Lump Sum reduced or increased by that same proportion.

and otherwise as if references to his RMSPS NRA65 Lump Sum were to his Revalued Notional RMSPS NRA65 CSDB Lump Sum.

(c) for the avoidance of doubt, (a) and (b) above may both apply to the same Member where appropriate; and

(ix) the Trustees may at their discretion deduct the cost of funeral expenses from the lump sum death benefits payable under this Rule 11A and pay it to the person who incurred the funeral expenses.

Service in
unhealthy

12

(1)

If a Member is employed by ~~the Principal Employer or an Associated~~ Employer prior to 1 April 1998 in a country or

places

place named in Schedule 10 hereto:

- (a) his service completed prior to 1 April 2010 will reckon at 1½ times its length in computing his Reckonable Service; and
- (b) each complete year of such service will enable the Member if he has qualified for a pension to take his NRA60 Benefits 3 months earlier than age 60, so, however, that the lowering of the Normal Retiring Age in respect of NRA60 Benefits shall not exceed 5 years in his case.

(1A) The provisions in paragraphs (1)(a) and (1)(b) above shall not apply in respect of service on and from 1 April 2010, and, for avoidance of doubt, the reductions in Normal Retiring Age in (1)(b) above shall not apply to NRA65 Benefits.

(2) If the Member is granted unpaid leave to take up temporary employment with another employer (not being ~~the Principal Employer or an Associated~~ Employer) in such country or place, the provisions of paragraph (1) of this Rule shall apply provided that the Member and his employer either individually or in conjunction pay in addition to the cost of enhancement in paragraph (1) both the Member's standard contributions and those of ~~the Principal~~ his Employer ~~or an Associated Employer (as the case may be)~~.

13 DELETED

Spouse's pension

13A (1) On the death of a Member a spouse's pension shall be payable in accordance with this Rule 13A.

Provision for Members who are not Relevant Members

(2) If a Member, who was not a Relevant Member, dies leaving a spouse, a spouse's pension shall be payable in accordance with whichever of the provisions of this Rule 13A are applicable depending on the status of the Member on the day he died in respect of all the Member's Reckonable Service in the Scheme (subject to Rule 13C).

Provision for Relevant Members

(3) If a Relevant Member dies leaving a spouse, a spouse's pension shall be payable equal to the aggregate of the following:

- (a) a spouse's pension calculated in accordance with whichever of the provisions below of this Rule 13A is applicable depending on the status of the Member on the day he died in respect of both that part of the Relevant Member's NRA60 Pension attributable to

Reckonable Service on and after the Relevant Date and the Relevant Member's NRA65 Pension; and

- (b) a spouse's pension calculated in accordance with whichever of the provisions of Rule 13B is applicable in respect of that part of the Relevant Member's NRA60 Pension attributable to Reckonable Service before the Relevant Date,

subject in both cases to Rule 13C.

For avoidance of doubt, where the Member is a Relevant Member, for the purposes of determining the spouse's pension payable under (a) above, references in the following provisions of this Rule 13A to "the Member's NRA60 Pension" shall be read as "the part of the Member's NRA60 Pension attributable to his Reckonable Service on and after the Relevant Date".

Death in Reckonable Service and NRA60 Pension not in payment

- (4) If the Member dies in Reckonable Service and his NRA60 Pension was not in payment and the Member left a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
- (a) $\frac{1}{2}$ of the Member's NRA60 Pension; and
- (b) $\frac{1}{2}$ of the Member's NRA65 Pension,

in both cases which the Member would have received had he Retired on Ill Health Grounds on the date of death including any enhancement under Rule 5(a) or Rule 12.

Death in Reckonable Service and NRA60 Pension in payment

- (5) If the Member dies in Reckonable Service and his NRA60 Pension was in payment, and the Member left a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
- (a) $\frac{1}{2}$ of the Member's NRA60 Pension in payment at the date of the Member's death (subject to Rules 13C(1) and (3)); and
- (b) $\frac{1}{2}$ of the Member's NRA65 Pension which the Member would have received had he Retired on Ill Health Grounds on the date of death including any enhancement under Rule 5(a) or Rule 12.

Death in service while opted-out with NRA60

- (6) If the Member had opted-out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ an Employer and no benefits from the Scheme had been brought into payment, and the Member

- Pension and NRA65 Pension not in payment (Member under age 60)
- died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
- (a) $\frac{1}{2}$ of the Member's NRA60 Pension; and
 - (b) $\frac{1}{2}$ of the Member's NRA65 Pension,
- in both cases which the Member would have received on the date he opted-out of the Scheme if he had reached age 60 in respect of NRA60 Pension and age 65 in respect of NRA65 Pension on that date.
- Death in service while opted-out with NRA60 Pension in payment but NRA65 Pension preserved (Member between MPA and 65)
- (7) If the Member had opted-out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ Employer, his NRA60 Pension was in payment but his NRA65 Pension had not yet come into payment, and he died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
- (a) $\frac{1}{2}$ of the Member's NRA60 Pension in payment at the date of the Member's death (subject to Rules 13C(1) and (3)); and
 - (b) $\frac{1}{2}$ of the Member's NRA65 Pension which the Member would have received on the date he opted-out of the Scheme if he had reached age 65 on that date.
- Death in service while opted-out with NRA60 Pension preserved but NRA65 Pension in payment (Member between MPA and 60)
- (8) If the Member had opted-out of the Scheme under General Rule 1A but was still in service with ~~the Principal Employer or an Associated~~ Employer, his NRA60 Pension has not come into payment but his NRA65 Pension was in payment, and he died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
- (a) $\frac{1}{2}$ of the Member's NRA60 Pension which the Member would have received on the date he opted-out of the Scheme if he had reached age 60 on that date; and
 - (b) $\frac{1}{2}$ of the Member's NRA65 Pension in payment at the date of the Member's death (subject to Rules 13C(1) and (3)).
- Death after leaving service with NRA60 and NRA65 Benefits preserved
- (9) If the Member had ceased to be in service and both his NRA60 Benefits and NRA65 Benefits were preserved in the Scheme, and he died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:

(Member is under age 60)

- (a) ½ of the Member's NRA60 Pension; and
- (b) ½ of the Member's NRA65 Pension,

in both cases which the Member would have received on the date when he ceased to be in Reckonable Service if he had reached age 60 in respect of NRA60 Pension and age 65 in respect of NRA65 Pension on that date.

Death after leaving service with NRA60 Pension in payment and NRA65 Benefits preserved (Member is between MPA and 65)

- (10) If the Member had ceased to be in service, his NRA60 Pension had been brought into payment but his NRA65 Benefits were preserved in the Scheme and he died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
 - (a) ½ of the Member's NRA60 Pension in payment on the date of the Member's death (subject to Rules 13C(1) and (3)); and
 - (b) ½ of the Member's NRA65 Pension which the Member would have received on the date when he ceased to be in Reckonable Service if he had reached age 65 on that date.

Death after leaving service with NRA60 Benefits preserved and NRA65 Pension in payment (Member is between MPA and age 60)

- (11) If the Member had ceased to be in service, his NRA60 Benefits were preserved in the Scheme but his NRA65 Pension had been brought into payment and he died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
 - (a) ½ of the Member's NRA60 Pension which the Member would have received on the date when he ceased to be in Reckonable Service if he had reached age 60 on that date; and
 - (b) ½ of the Member's NRA65 Pension in payment on the date of the Member's death (subject to Rules 13C(1) and (3)).

Pensioner in receipt of NRA60 and NRA65 Pension

- (12) If the Member was in receipt of both his NRA60 Pension and his NRA65 Pension and died leaving a spouse, the spouse shall be entitled to a pension equal to the aggregate of:
 - (a) ½ of the Member's NRA60 Pension; and
 - (b) ½ of the Member's NRA65 Pension,

in both cases in payment on the date of the Member's death (subject to Rules 13C(1) and (3)).

- Spouse's pension for Relevant Members
- 13B**
- (1) In accordance with Rule 13A(3), this Rule 13B applies for the purposes of calculating the benefits payable to a spouse of a Relevant Member in respect only of that part of the Relevant Member's NRA60 Pension attributable to Reckonable Service before the Relevant Date. For avoidance of doubt, nothing in this Rule 13B affects the spouse's pension payable in respect of either the part of the Relevant Member's NRA60 Pension attributable to Reckonable Service after the Relevant Date, or in respect of the Relevant Member's NRA65 Pension. The provisions of this Rule 13B are subject to the provisions of Rule 13C.
- Relevant Member in Reckonable Service on the date of his death and leaves a widow or Dependant Widower
- (2) ~~Where~~Subject to Rule 13B(7), where the Relevant Member was in Reckonable Service on the date of his death and his NRA60 Pension was not in payment and he dies leaving a widow or a Dependant Widower, the spouse's pension payable to the widow or Dependant Widower in respect of the part of his NRA60 Pension attributable to Reckonable Service before the Relevant Date shall be calculated as follows:
- (a) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive an annual pension of $\frac{1}{3}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{3}$ of that part of the NRA60 Pension which the Relevant Member would have received had he retired on the date of death and which would have been attributable to the Relevant Member's Reckonable Service before the Relevant Date; or
- (b) if under General Rule 20 the Relevant Member has chosen that his spouse shall receive an annual pension of $\frac{1}{2}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{2}$ of that part of the NRA60 Pension which the Relevant Member would have received had he retired on the date of death and which would have been attributable to the Relevant Member's Reckonable Service before the Relevant Date; or
- (c) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive no annual pension in respect of his Reckonable Service before the Relevant Date, the Relevant Member's spouse shall not be entitled to any pension in respect of that part of the Relevant Member's NRA60 Pension which is attributable to the Relevant Member's Reckonable Service before

the Relevant Date.

Relevant
Member in
receipt of
NRA60
Pension leaving
a widow or
Dependant
Widower

(3) ~~Where~~Subject to Rule 13B(7), where the Relevant Member was in receipt of his NRA60 Pension on the date of his death (whether or not in Reckonable Service, service or otherwise) and he dies leaving a widow or a Dependant Widower, the spouse's pension otherwise payable to the widow or Dependant Widower in respect of that part of his NRA60 Pension attributable to Reckonable Service before the Relevant Date shall be calculated as follows:

(a) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive an annual pension of $\frac{1}{3}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{3}$ of that part of the Relevant Member's NRA60 Pension in payment on the date of his death which is attributable to the Relevant Member's Reckonable Service before the Relevant Date; or

(b) if under General Rule 20 the Relevant Member has chosen that his spouse shall receive an annual pension of $\frac{1}{2}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{2}$ of that part of the Relevant Member's NRA60 Pension in payment on the date of his death which is attributable to the Relevant Member's Reckonable Service before that date; or

(c) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive no annual pension in respect of his Reckonable Service before the Relevant Date, the Relevant Member's spouse shall not be entitled to any pension attributable to that part of the Relevant Member's NRA60 Pension in payment on the date of his death which is attributable to the Relevant Member's Reckonable Service or before the Relevant Date.

Relevant
Member dies
with a
preserved
NRA60
Pension leaving
a widow or a
Dependant

(4) ~~Where~~Subject to Rule 13B(7), where the Relevant Member's NRA60 Pension was preserved in the Scheme on the date of his death (whether the Relevant Member was in service or otherwise) and he dies leaving a widow or a Dependant Widower, the spouse's pension otherwise payable to the widow or Dependant Widower in respect of the part of his NRA60 Pension attributable to Reckonable Service before the Relevant Date shall be calculated as follows:

- Widower
- (a) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive an annual pension of $\frac{1}{3}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{3}$ of that part of the Relevant Member's NRA60 Pension which the Relevant Member would have received on the date when he ceased to be in Reckonable Service under the Scheme if he had then reached age 60 and which would have been attributable to the Relevant Member's Reckonable Service before the Relevant Date; or
- (b) if under General Rule 20 the Relevant Member has chosen that his spouse shall receive an annual pension of $\frac{1}{2}$ of the Relevant Member's pension in respect of his Reckonable Service before the Relevant Date, $\frac{1}{2}$ of that part of the NRA60 Pension which the Relevant Member would have received on the date when he ceased to be in Reckonable Service under the Scheme if he had then reached age 60 and which would have been attributable to the Relevant Member's Reckonable Service before the Relevant Date; or
- (c) if under General Rule 20 the Relevant Member has chosen, or is deemed to have chosen, that his spouse shall receive no annual pension in respect of his Reckonable Service before the Relevant Date, the Relevant Member's spouse shall not be entitled to any pension in respect of that part of the Relevant Member's NRA60 Pension which is attributable to the Relevant Member's Reckonable Service before the Relevant Date.
- Relevant Member dies leaving a widower who is not a Dependant Widower
- (5) Where the Relevant Member dies in any of the circumstances in Rules 13A(4) to (12) leaving a widower (who is not a Dependant Widower), the widower shall only receive a spouse's pension in respect of that part of the Relevant Member's NRA60 Pension attributable to Reckonable Service before the Relevant Date if the Relevant Member has purchased such a pension for the widower under the previous provisions of General Rule 26 in force at the relevant time.
- Definition of "Dependant Widower" and "Post Cut-Off Date"
- (6) For the purposes of this Rule 13B only:—
- (a) "Dependant Widower" means a widower to whom a Relevant Member was married at the date Reckonable Service ceased and who was

Dependant
Widower

permanently incapacitated and dependent on her at that date; and

(b) “Post-Cut-Off Date Dependant Widower” means a Dependant Widower who either: (i) married a Relevant Member; or (ii) became permanently incapacitated and dependent on a Relevant Member, after (in either case) the Cut-Off Date.

(7) Where a Relevant Member dies leaving a Post-Cut-Off Date Dependant Widower:

(a) Rules 13B(2)(a), (b) and (c) and Rules 13B(4)(a), (b) and (c) shall be read as if references to the Relevant Member’s “NRA60 Pension” were references to his “Adjusted NRA60 Pension”; and

(b) references in Rule 13B(3) to:

(i) the “Relevant Member’s NRA60 Pension in payment” shall be read as references to the “Relevant Member’s Adjusted NRA60 Pension that would have been payable”; and

(ii) “which is attributable to” shall be read as references to “which would have been attributable to”.

Provisions
Applicable to
Rules 13A and
13B

13C

(1) If a Member dies in receipt of either or both his NRA60 Pension or his NRA65 Pension, the spouse’s pension in respect of the pension (whether NRA60 Pension, NRA65 Pension, or both) in payment at the date of the Member’s death shall, for a period of 91 days after the Member’s death, be payable to the spouse at the same rate as the pension in payment at the date of the Member’s death.

(2) If a Member dies in receipt of a pension (whether NRA60 Pension, NRA65 Pension or both) and the Member has married after ceasing to be in Reckonable Service, the pension payable to the spouse in respect of whichever part of the Member’s pension is in payment (whether NRA60 Pension, NRA65 Pension or both) shall be calculated excluding any part of the Member’s Reckonable Service in respect of which a refund of contributions referable to Family Benefits has been made in accordance with the provisions of General Rule 11 as previously in force at the relevant time or an equivalent provision under RMSPS, unless there has been a subsequent payment of an equivalent amount to the Fund by ~~the Principal Employer or an Associated~~ Employer together with Interest. Where a Member’s

Reckonable Service exceeds 45 years the limits in Rules 4(1B) and 4(1C) shall not apply for the purpose of this Rule.

- (3) Any spouse's pension payable, ~~provided it is not a widow's GMP,~~ will be calculated without regard to any surrender of part of the Member's pension under Rule 16, inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A, and disregarding any exercise of the commutation option in Rule 16B ~~and shall be initially not less than £260 per annum~~ and thereafter subject only to increases under Rule 24.
- (4) A spouse's pension shall not be payable in respect of service given by a Member before 6 April 1978 if at the time of the Member's death the spouse was judicially separated from him on terms by which he contributed nothing to her support.
- (5) Where the recipient of a pension payable to a spouse remarries the pension will continue unreduced until the death of the recipient.
- (6) ~~A spouse will always receive any GMP that the Scheme is required to provide for the spouse under the Contracting out Laws. Additionally, the spouse's pension~~The spouse's pension in respect of Reckonable Service after the Cut-Off Date, must where the Contracting out Laws so require, be sufficient to satisfy the statutory standard referred to in Section 12A of the Pension Schemes Act 1993 or such higher standard as is agreed between the Principal Employer and the Trustees (in respect of service with the Principal Employer or an Associated Employer) or POL (in respect of service with POL) and (in either case) the Trustees. If the Trustees agree with the Principal Employer (in respect of benefits payable from the RMG Fund) or with POL (in respect of benefits payable from the POL Fund) that the spouse's pension in respect of Reckonable Service up to and including the Cut-Off Date should also be underpinned in certain circumstances, then the Trustees will also comply with the terms of the agreement in so far as it affects the relevant benefits.
- (7) Where a Member has transferred out either his NRA60 Benefits or his NRA65 Benefits in accordance with Clause 27(1A), the provisions of Rules 13A and 13B will apply only in respect of that tranche of benefit which is still retained in the Scheme.
- Children's **14** (1) There shall be paid in respect of the Children of a deceased Pensioner or Member an annual pension of the following

pensions

proportions of the pension or the deferred pension (both NRA60 Pension and NRA65 Pension) he was entitled to receive or, if he dies in service, would have received if he had Retired on Ill Health Grounds on the date of death:

- (a) **DELETED**
- (b) **DELETED**
- (c) **DELETED**
- (d) **DELETED**
- (e) where the Member or Pensioner dies and a pension is paid under Rules 13A (and, if applicable, 13B) or 15:

1 Child	$\frac{1}{3}$ of the Member's or Pensioner's pension
2 or more Children	$\frac{2}{3}$ of the Member's or Pensioner's pension
- (f) where the Member or Pensioner dies and either no pension is paid under Rules 13A (and, if applicable, 13B) or 15 or a pension ceases to be paid under either of those Rules:

1 child	$\frac{4}{9}$ of the Member's or Pensioner's pension
2 or more children	$\frac{8}{9}$ of the Member's or Pensioner's pension

Provided that:

- (i) for the purposes of this paragraph (1) no account shall be taken of any person in categories (d), (e) or (f) of the definition of "Child" in Rule 1 who in the opinion of the Trustees was not wholly or mainly dependent on the Member or Pensioner at the date of his retirement or earlier death;
- (ii) the pension payable under this paragraph (1) shall be calculated without regard to any surrender of part of the Member's or Pensioner's pension under Rule 16, inclusive of any amount that the Member was entitled to as a result of the exercise of the conversion option under Rule 16A, and disregarding

any exercise of the commutation option in Rule 16B;

- (iii) in any circumstances which the Trustees consider appropriate they may pay the higher level of pension where a pension is paid under Rules 13A (and, if applicable, 13B) or 15, subject to the limits in Schedule 13; and
 - (iv) should the payment of a pension to a Child under this Rule 14(1) constitute an unauthorised payment for the purposes of the Finance Act 2004, the Trustees have discretion not to pay that pension in accordance with paragraph 3(a) of Schedule 13.
- (2) ~~The annual rate of a children's pension while:~~**DELETED**
- ~~(a) there is only one eligible Child, shall be initially not less than £173.33 per annum and thereafter subject only to increases under Rule 24; and~~
 - ~~(b) there are two or more eligible Children shall be initially not less than £260 per annum and thereafter subject only to increases under Rule 24.~~
- (3) Subject to Schedule 13, a Child of a deceased Pensioner or a deceased Member who, at the date of death of the Pensioner or Member, is incapable of self support by reason of bodily or mental infirmity may at the discretion of the Trustees either receive or continue to receive (as the case may be) a Child's pension for as long as the Trustees may determine unless the Child is receiving a dependant's pension under Rule 15. For the purposes of this paragraph only, the age limits specified in the definition of "Children" in Rule 1 shall not apply.
- (4) Where there are two or more eligible Children, the Trustees may at their discretion either pay any pension under this Rule equally between the Children or pay any pension in such shares to such Children as they determine.

Dependants' pensions	15	If a Pensioner or Member dies leaving no surviving spouse the Trustees may at their sole discretion and subject to the provisions of paragraph 3 of Schedule 13 pay a dependant's pension equivalent to the spouse's pension under Rule 13A (and, if applicable, 13B) to any person who in their opinion is a Dependant of the Member, for such period and subject to such terms as the Trustees may from time to time decide.
Surrender of part pension to	16	(1) A Member shall have an option to surrender not more than $\frac{1}{3}$ of his pension to provide a pension for a person referred

provide a
pension for a
spouse or other
Dependant

to in paragraph (3) of such amount as may be calculated according to tables prepared by the Actuary.

- (2) The option must be exercised within 6 months before the date on which the Member's pension becomes payable or within such longer period as the Trustees may specify in a particular case (or in the circumstances set out in (7) below).
- (3) The pension may be:
 - (a) for the Member's spouse from the day after the Member's death; or
 - (b) for one Dependant from the day after the Member's death.
- (4) The spouse's or Dependant's pension payable after the Member's death shall not exceed the amount of the Member's pension reduced by the surrender under paragraph (1) of this Rule.
- (5) The amount to be surrendered shall be calculated to an exact number of pounds.
- (5A) ~~Where the Member is entitled or prospectively entitled to a GMP the amount of pension surrendered under paragraph (1) above may not exceed the amount which would make the Member's pension, after deduction of the amount surrendered, equal to such GMP.~~ **DELETED**
- (6) Subject as mentioned in paragraph (11) of this Rule the option shall be irrevocable after midnight of the Member's last day of service or after midnight of the day before his pension becomes payable or after midnight of any day appointed for the purpose by the Trustees, whichever is the latest provided that if the Member or his spouse or Dependant dies before midnight of the relevant day the option shall be void.
- (7) A Pensioner who marries after retirement shall have a similar option to provide by surrender of part of his own pension a pension for his spouse from the day after the Member's or Pensioner's death provided that the amounts surrendered with any amount surrendered under the preceding part of this Rule shall not exceed $\frac{1}{3}$ of his pension.
- (8) The option under paragraph (7) shall be exercised within 3 months after the Pensioner's marriage, and subject as mentioned in paragraph (11) of this Rule shall be irrevocable

after midnight of the date on which the Trustees receive notification of the exercise of the option or after midnight of any day appointed for the purpose by the Trustees, whichever is the later provided that if the Pensioner or his spouse dies before midnight on the relevant day the option shall be void.

- (9) Except where they are inconsistent with paragraphs (7) and (8) the other paragraphs of this Rule shall apply to pensions provided hereunder by a Pensioner as they apply to pensions provided hereunder by a Member.
- (10) After any option under this Rule becomes effective the Member's or Pensioner's pension will continue at the reduced rate if he survives his spouse or Dependant.
- (11)
 - (a) Notwithstanding paragraphs (6) and (8) of this Rule a Pensioner who has exercised the option may notify the Trustees in such manner as they may require of his wish to cancel the option or reduce the amount of provision for the spouse's or Dependant's pension with retrospective effect from 1 April 1991, provided that any such notification will be subject to:
 - (i) acceptance by the Trustees at their discretion;
 - (ii) there being no resultant decrease in the spouse's or Dependant's overall benefit by comparison with such benefit payable before 1 April 1991; and
 - (iii) the prior written agreement of the potential beneficiary being given.
 - (b) The Trustees will also be entitled at their discretion to review any case in which a Pensioner, having exercised the option has died, and they may in their discretion cancel the option or reduce the amount of provision for the spouse's or Dependant's pension with retrospective effect from 1 April 1991 if in their opinion it would have been in the best interests of the spouse or Dependant for the Pensioner to have done so himself.
- (12) Reduction of the provision for a spouse's or Dependant's pension under paragraph (11) of this Rule shall cause the Pensioner's benefit to be correspondingly restored with retrospective effect from 1 April 1991.

- (13) For the purposes of this Rule, Members who were in Reckonable Service on the Effective Date may surrender either or both NRA60 Pension and NRA65 Pension and references in this Rule to "pension" shall be interpreted accordingly. The fractions and limits on the amount that can be surrendered under this Rule shall apply separately to NRA60 Pension and NRA65 Pension.

Conversion of
lump sum into
pension

16A

- (1) A Member shall have the option, by giving notice in writing to the Trustees not later than 31 days before the date of retirement (or such later time as the Trustees may allow) to request that all or part of the lump sum (whether NRA60 Lump Sum, NRA65 Lump Sum, or both) payable on retirement shall be converted into an additional pension assessed on a basis to be determined by the Principal Employer ~~and~~ (in the case of benefits payable from the RMG Fund) or by POL (in the case of benefits payable from the POL Fund) and (in either case) the Trustees with the advice of the Actuary.
- (2) For the avoidance of doubt, any additional pension resulting from an exercise of the option under paragraph (1) of this Rule will be taken into account for the purpose of determining any pension payable under Rules 13A (and, where applicable, 13B), 14, or 15, and Rules 11A(3)(a)(i)(1), (5)(a)(i)(1), (6)(a)(iii)(2), (8)(a)(i)(1), (9)(a)(iii)(2) or (10) and 24 shall apply to both the pension payable under Rules 4, 5, 7, 7A, 8, 8AA or 8B (as appropriate) and the additional pension.

Commutation of
pension

16B

- (1) A Member shall have the option, by giving notice in writing to the Trustees not later than 31 days before the date of retirement (or such later time as the Trustees may allow) to request that part or all of the pension (whether NRA60 Pension, NRA65 Pension, or both) payable on retirement shall be commuted into an additional lump sum assessed on a basis to be determined by the Trustees on the advice of the Actuary.
- (2) For the avoidance of doubt, any reduction in pension resulting from an exercise of the option under paragraph (1) of this Rule will be disregarded for the purpose of determining any pension payable under Rules 13A (and, where applicable, 13B), 14 or 15.

17 DELETED

18 DELETED

19 DELETED

20 DELETED

Opting out of
membership

- 20A** (1) This Rule applies where a Member terminates his membership of the Scheme in accordance with General Rule 1A while remaining in the employment of ~~the Principal Employer or an Associated~~ Employer (but should he subsequently cease to be in such employment before taking either benefits or a transfer in both cases in accordance with this Rule, the provisions of Rule 21 shall apply to him in accordance with Rule 21(1)).
- (2) The Member shall at his option receive:
- (a) the benefits specified in Rule 4; or
- (b) a transfer value payment in accordance with Clause 27.
- (3) **DELETED**
- (4) The benefits payable under paragraph (2)(a) of this Rule will be deferred until the Member reaches Normal Retiring Age at which point they will be brought into payment, but if he dies before payment the death, family and Dependents' benefits will be paid under Rules 11A(4), (5) or (6), 13A (and, where applicable, 13B), 14 and 15. A Member whose benefits (whether NRA60 Benefits, NRA65 Benefits, or both) are deferred under this paragraph may elect for early payment before Normal Retiring Age of either or both of those tranches of benefits in accordance with (8) below (if the Member is still in service) or Rule 28 (if the Member is no longer in service).
- (5) If at any time when a Member's benefits are being deferred under paragraph (4) of this Rule the Member is Retired on Ill Health Grounds, the Trustees shall (subject, in particular, to paragraphs 3 and 4 of Schedule 13) terminate the deferment.
- (6) **DELETED**
- (7) **DELETED**
- (8) Any Member whose benefits are deferred under this Rule 20A but who is still in service where some or all of his benefits have not yet been brought into payment under (4) above may elect, any time after Minimum Pension Age, to remain in service and to take his NRA60 Benefits or (if

applicable) his NRA65 Benefits, or both. This election shall require the consent of ~~the Principal Employer or an Associated~~an Employer (provided that such consent shall not be required in respect of NRA60 Benefits if the Member has reached age 60, and shall not be required in respect of NRA65 Benefits if the Member has reached age 65). Any benefits paid early under this Rule shall be reduced for early payment on a basis determined by the Actuary so that, as far as reasonably practicable, they are equal in value to the benefits that would have been paid to the Member at age 60 in respect of NRA60 Benefits and age 65 in respect of NRA65 Benefits.

~~In accordance with Clause 1(b), this sub-Rule (8) applies to all Members whose benefits are deferred under the Scheme whether or not such Members were in Reckonable Service on the Effective Date. For Members who were not in Reckonable Service on the Effective Date, references in this Rule 20A(8) to "NRA60 Benefits" means the benefits accrued by those Members under the applicable provisions of the Scheme in force prior to the Effective Date in respect of their Reckonable Service in the Scheme.~~

- | | | |
|-----------------------------|-----------|---|
| Preservation of
benefits | 21 | <ol style="list-style-type: none"> (1) This Rule applies where a Member or Pensioner ceases to be employed by the Principal Employer or an Associated<u>an</u> Employer in circumstances which are not covered by any other Rule in the Section B Rules, and either Clause 27 is not applicable or the Member elects not to take advantage of it. (2) A Member or Pensioner to whom this Rule applies shall receive the benefits specified in Rule 4. (3) The benefits payable under paragraph (2) of this Rule will be deferred until the Pensioner reaches Normal Retiring Age at which point they will be brought into payment, but if he dies before payment the death, family and Dependents' benefits will be paid under Rules 11A(7), (8), or (9)), 13A (and, where applicable, 13B), 14 and 15. A Member whose benefits are deferred under this paragraph may elect for early payment of his benefits in accordance with Rule 28. (4) If at any time when a Pensioner's benefits are being deferred under paragraph (3) of this Rule the Trustees are satisfied that that Pensioner could have Retired on Ill Health Grounds had he still been in Principal Employer or Associated Employer employment, the Trustees shall (subject, in particular, to paragraphs 3 and 4 of Schedule 13) terminate the deferment; and at any such time within 10 years before that Pensioner reaches Normal Retiring Age |
|-----------------------------|-----------|---|

(but as long as the Pensioner has reached Minimum Pension Age) the Trustees may at their discretion terminate the deferment of the said benefits on other compassionate grounds, provided that where the deferment is so terminated on other compassionate grounds, to the extent the said benefits relate to periods of Reckonable Service on and from 1 December 2006, the benefits shall be reduced on a basis to be determined by the Actuary so that, so far as is reasonably practicable, they are equal in value to the benefits which would have been paid to the Member at Normal Retiring Age.

(4A) The following provisions will apply in respect of the benefits under (4) above.

(a) **DELETED**

(b) Should both a Member's NRA60 and NRA65 Benefits be preserved under this Rule 21, and the Trustees terminate the deferment of the Pensioner's benefits under (4) because they are satisfied the Pensioner could have Retired on Ill Health Grounds had he still been in ~~Principal Employer of Associated~~ Employer employment, all benefits (whether NRA60 Benefits, NRA65 Benefits or both) deferred under this Rule shall be brought into payment immediately.

(c) Should both a Member's NRA60 Benefits and NRA65 Benefits be preserved under this Rule 21, and the Trustees wish to exercise their discretion under (4) above to terminate the deferment on other compassionate grounds, the Trustees may exercise this discretion in respect of either NRA60 Benefits, NRA65 Benefits, or both. If the deferment is terminated on other compassionate grounds in respect of one tranche of benefit only, the remaining tranche will continue to be deferred under this Rule 21 but, for avoidance of doubt, the Trustees may subsequently exercise their discretion to terminate the deferment of the remaining tranche on other compassionate grounds in accordance with (4) above.

(5) **DELETED**

(6) **DELETED**

Refund of
periodical
contributions

22

~~Any periodical contributions paid by reference to Part III or Part IV of the Superannuation Act 1965 shall be repaid to the Member to the same extent that is permitted by the said statutory~~

paid under
Parts III and IV
of the
Superannuation
Act 1965

provisions. **DELETED**

23 DELETED

Pensions
Increase

24

- (1) Any pension payable under the Section B Rules shall be increased from time to time in accordance with the Pensions (Increase) Act 1971 and the Social Security Pensions Act 1975 Sections 59 and 59A or any statutory modification or re-enactment thereof, as if the pension were payable under the Principal Civil Service Pension Scheme 1974 and any amendment or replacement thereof, and in this paragraph "pension" has the same meaning as it has in the said Act or any statutory modification or re-enactment thereof.
- (2) Any pension payable under the Section B Rules shall be increased in accordance with the Pensions (Increase) Act 1974 or any statutory modification or re-enactment thereof.
- (3) Any pension payable prior to Normal Retiring Age will receive annual increases (where payable) as if it were a pension payable on or after Normal Retiring Age.

24A DELETED

24B DELETED

Terminal Illness

25

- (1) This Rule shall apply where:
- (a) a registered medical practitioner has advised ~~the~~ Principal Employer in writing before the death of a Member that in his opinion such Member is suffering from a terminal illness and ought not to be told; and
- (b) the Member could have been Retired on Ill Health Grounds but was not so retired because the ~~Principal~~ Employer decided (and recorded such decision before the Member's death) not to make known to him the extent of his ill health; and
- (c) as a result of such decision the Member died in the employment of ~~the Principal~~ Employer instead of in retirement.
- (2) The Trustees shall pay in respect of such a Member whichever of the following two sets of benefits would, in the

opinion of the Trustees, be the more beneficial, either:

- (a) those benefits which would have been payable if the Member had been Retired on Ill Health Grounds on the day before he died in the employment of ~~the Principal~~ Employer; or
 - (b) those benefits which would have been payable on such Member's death in the employment of ~~the Principal~~ Employer.
- (3) ~~References to the "Principal Employer" in the preceding paragraphs of this Rule shall be construed as references to an Associated Employer where that employer is the Member's employer.~~ **DELETED**

26 DELETED

27 DELETED

Actuarially
Reduced
Benefits

- 28 (1) This Rule applies when a Pensioner's benefits are deferred in the Scheme (where he has left ~~Principal Employer or Associated~~ Employer employment), and the payment of immediate benefits as mentioned below in this Rule is not contrary to the provisions of Schedule 13. ~~In accordance with Clause 1(b), this Rule applies to all Pensioners whose benefits are deferred in the Scheme whether or not the Pensioner was in Reckonable Service on the Effective Date. For Members who were not in Reckonable Service on the Effective Date, references in this Rule 28 to "NRA60 Benefits" means the benefits accrued by those Members under the applicable provisions of the Scheme in force prior to the Effective Date in respect of their Reckonable Service in the Scheme.~~
- (2) A Pensioner who has reached Minimum Pension Age and who is no longer in service with ~~the Principal Employer or an Associated~~ Employer may elect for the deferment of his benefits (either NRA60 Benefits, NRA65 Benefits, or both) to be terminated and to receive immediate payment of such benefits specified in Rule 4 on a basis to be determined by the Actuary, so that as far as is reasonably practical they are equal in value to the benefits which would otherwise have been paid at age 60 in respect of NRA60 Benefits and age 65 in respect of NRA65 Benefits. This election shall require the consent of the Trustees ~~(and the consent of the Principal Employer if a Pensioner ceased to be in Reckonable Service prior to 1 January 1998)~~. If only one tranche of benefit is taken, the other shall continue to be deferred but, for avoidance of doubt, the remaining tranche can subsequently

be brought into payment early in accordance with this Rule.

- (3) ~~Nothing in this Rule shall enable the Trustees to reduce a Member's pension below his GMP or any widow's or widower's pension payable on his death below the widow or widower's GMP.~~**DELETED**
- (4) Rules 11A(3)(a)(i)(1), (5)(a)(i)(1), (6)(a)(~~iii~~)(2), (8)(a)(i)(1), (9)(a)(~~iii~~)(2) or (10) and 24 shall apply to the reduced pension payable under paragraph (2) of this Rule and any pensions payable under Rules 13A (and, where applicable, 13B), 14 or 15 shall be based on the reduced pension.

SCHEDULE 4A

SECTION C RULES OF THE CONTRIBUTORY PART OF THE SCHEME

Meaning of words used 1 In these Section C Rules the following expressions have the meaning hereby assigned to them:

"2 Year Relevant Member" means a Member who has:

- (a) At least 2 but fewer than 5 years' Service; and
- (b) At least 2 years' Qualifying Service.

For the avoidance of doubt, for the purposes of this definition Service and Qualifying Service may run concurrently.

"5 Year Relevant Member" means a Member who has:

- (a) At least 5 but fewer than 10 years' Service; and
- (b) At least 2 years' Qualifying Service.

For the avoidance of doubt, for the purposes of this definition Service and Qualifying Service may run concurrently.

"10 Year Relevant Member" means a Member who has:

- (a) At least 10 years' Service; and
- (b) At least 2 years' Qualifying Service.

For the avoidance of doubt, for the purposes of this definition Service and Qualifying Service may run concurrently.

"Adjusted NRA60 Pension" means, in respect of a Member, a pension equal to the sum of the amounts referred to in Rule 5A(1)(a), Rule 5A(1)(c) and (where relevant) Rule 5A(1)(e), and then (where the Member is in receipt of his NRA60 Pension) reduced as it would have been if the Member had chosen to give up the same proportion of that pension for a lump sum under Rule 6 as he chose to give up in respect of his actual NRA60 Pension. The term **"Adjusted NRA60 Pension"** also includes the Adjusted NRA60 Pension Supplement, if any, except where such Adjusted NRA60 Pension Supplement is specifically excluded from Adjusted NRA60 Pension in any other Rule;

"Adjusted NRA60 Pension Supplement" means, in respect of a Member, a Pension Supplement equal to the sum of the amounts referred to in Rule 5AB(1)(a)(i) and (where relevant) Rule 5AB(1)(a)(iii), and then (where the Member is in receipt of his

NRA60 Pension) reduced as it would have been if the Member had chosen to give up the same proportion of that pension for a lump sum under Rule 6 as he chose to give up in respect of his actual NRA60 Pension;

“Adjusted NRA65 Pension” means, in respect of a Member, a pension equal to the sum of the amounts referred to in Rule 5A(1A)(a) and Rule 5A(1A)(c), and then (where the Member is in receipt of his NRA65 Pension) reduced as it would have been if the Member had chosen to give up the same proportion of that pension for a lump sum under Rule 6 as he chose to give up in respect of his actual NRA65 Pension. The term “Adjusted NRA65 Pension” also includes the Adjusted NRA65 Pension Supplement, if any, except where such Adjusted NRA65 Pension Supplement is specifically excluded from Adjusted NRA65 Pension in any other Rule;

“Adjusted NRA65 Pension Supplement” means, in respect of a Member, a Pension Supplement equal to the sum of the amounts referred to in Rule 5AB(1)(b)(i) and 5AB(1)(b)(iii), and then (where the Member is in receipt of his NRA65 Pension) reduced as it would have been if the Member had chosen to give up the same proportion of that pension for a lump sum under Rule 6 as he chose to give up in respect of his actual NRA65 Pension;

“AVCs” means additional voluntary contributions paid by the Member or RMSPS AVC Only Beneficiary under Rule 3C;

“Beneficiaries” means the Member's widow or widower, his grandparents (save that for the purpose of this definition a Member's adoptive grandparents shall be deemed to be his grandparents) and their descendants (and the spouses, widows or widowers of those descendants), his Dependants, any person with an interest in his estate and any person nominated by him in writing to the Trustees.

“Calculation Year” means the year (or period of 365 days of Reckonable Service if Reckonable Service is not continuous) ending on the last day of Reckonable Service and each year (or period of 365 days) ending on a day which falls 91 days before the end of Reckonable Service or any multiple of 91 days before the end of Reckonable Service up to a maximum multiple of 8;

“Contributory Pay” means a Member's basic annual salary (including where appropriate London weighting and assigned allowances as set out in the terms and conditions of employment appropriate to him) together with contributory allowances (if any) as set out in the terms and conditions of employment appropriate to him, less an amount equal to the Lower Earnings Deduction. Contributory Pay shall be capped by reference to the Scheme

Earnings Cap;

"CSDB Pensionable Pay" means the total of:

- (a) the basic annual salary that the Member receives (including where appropriate London weighting, and any assigned allowances, contributory allowances or other payments (if any) which are stated as being pensionable in the terms and conditions of employment appropriate to him); and
- (b) the basic annual salary under (a) above that the Member would have received (taking account of any contractual pay increases) during any period of paid maternity, paternity or adoption leave (as those terms are used for the purposes of the Employment Rights Act 1996) had the Member remained in work during that period of leave; and
- (c) the basic annual salary under (a) above that the Member would have received (taking account of any contractual pay increases) during any period of paid reckonable sick leave had the Member remained in work during that period of leave; and
- (d) the basic annual salary under (a) above that the Member is deemed to have received as a result of having paid contributions in respect of any period of absence where the Member did not actually receive any salary or wages that were stated as being pensionable in the terms and conditions of employment appropriate to him,

during the 12 months up to and including each Renewal Date less an amount equal to the Lower Earnings Deduction provided that such deduction shall be reduced in such manner as the Trustees consider appropriate where the Member's Reckonable Service since the last Renewal Date is less than 12 months, and reduced proportionately to the hours worked in respect of a Part-time Member.

In accordance with Schedule 13, CSDB Pensionable Pay will not exceed the amount of the Scheme Earnings Cap in force over the relevant period. In addition, if the Member is a Part-time Member, the Scheme Earnings Cap will for this purpose be reduced in proportion to the number of hours worked for the relevant period.

A **"Dependant"** of any person means anyone who is financially dependent on the Member or was so dependent at the time of that person's death. This includes anyone who shares living expense with, or receives financial support from, the Member or other person, and whose standard of living would be affected by the loss of that person's contribution or support. The Trustees' decision as

to whether someone is another person's Dependant will be final;

"Employee" means an employee of an Employer;

"Exit Date" means the earlier of the date the Member opts out of Pensionable Service, ceases to be employed by the Principal Employer or an Associated Employer or POL, dies or retires;

"Final Pensionable Pay" means a Member's highest Pensionable Pay for any Calculation Year during the last 3 years of Reckonable Service before he leaves Reckonable Service, retires or dies, whichever occurs first. If he has not been in Reckonable Service for the whole of a Calculation Year the Trustees will calculate his Final Pensionable Pay by multiplying his total Pensionable Pay by the proportion which one year bears to his actual Reckonable Service and which is consistent with the Contracting-out and Preservation Laws.

Final Pensionable Pay will, if greater, be the highest average of a Member's Pensionable Pay in any 3 consecutive tax years in the 10 years before he leaves Service, retires or dies.

Where Final Pensionable Pay is determined by reference to a Calculation Year (or a period of 3 consecutive tax years) which ended before the date of leaving Reckonable Service, retirement or death (whichever occurs first) Final Pensionable Pay will be increased on the Relevant Basis to take account of the Relevant Period.

For the purposes of this definition:

- (a) the **"Relevant Period"** means the period between the end of the Calculation Year (or the end of the period of 3 consecutive tax years) and the last increase date decided by Trustees under Rule 12B (Pension Increases) before the Member left Reckonable Service, retired or died; and
- (b) the **"Relevant Basis"** means a basis which is consistent with that which applies in relation to ~~the non-GMP element~~ of pensions in payment under Rule 12B or such other basis as the Trustees may from time to time determine (having taken actuarial advice).

In accordance with Schedule 13, Final Pensionable Pay will not exceed the amount of the Scheme Earnings Cap at the date on which the Member leaves Reckonable Service, retires or dies, whichever occurs first;

"Incapacity" means serious physical or mental ill health (not simply a decline in energy or ability) such that, in the opinion of the

Employer, the Member is permanently incapable of:

- (a) carrying out his current duties;
- (b) carrying out such other duties for the Employer as the Employer might reasonably expect the Member to perform; and
- (c) engaging in employment with any other employer of a type which, in the opinion of his present Employer, would be reasonable and appropriate for the Member,

except that, for Members in Pensionable Service on 31 March 2000 but who subsequently become entitled to a preserved pension, "**Incapacity**" means physical or mental incapacity which prevents a Member from following his normal occupation or seriously impairs his earning capacity. The Employer's decision as to whether a Member is so incapacitated will be final.

"**Lower Earnings Deduction**" means, subject to the last sentence of this definition below, the annual rate of the lower earnings limit for National Insurance contributions or such lower amount as the Principal Employer (in relation to employees of the Principal Employer or an Associated Employer) or as POL (in relation to employees of POL) from time to time determines. In the event that the lower earnings limit ceases to be in force, the lower earnings limit shall be deemed to be such amount as the Principal Employer or POL (as the case may be) considers appropriate. With effect on and from 6 April 2000 the Lower Earnings Deduction shall not exceed £3,328.00 per year;

"**Minimum Pension Age**" means age 50 up to and including 5 April 2010 and age 55 on and from 6 April 2010 (and "**MPA**" shall have the same meaning);

"**Normal Retiring Age**" means age 60 for NRA60 Pension and age 65 for NRA65 Pension (except where specified otherwise in the Rules);

"**Notional RMSPS FPP NRA60 Pension Supplement**" means, in respect of a Member, the Pension Supplement attributable to Pensionable Service before 1 April 2008 to which, but for:

- (i) the amendments to the Scheme made by the QAR Reconfiguration Deed;
- (ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;
- (iii) any amendments to the Scheme (including by legislation)

after the Cut-Off Date:

(iv) any discretions or options exercised after the Cut-Off Date;
and

(v) any revaluation which would have applied after the Cut-Off
Date.

the Member would have been entitled under the Section C Rules if
he had opted-out of the Scheme under Rule 10E at the end of the
Cut-Off Date. For these purposes Pensionable Service before 1
April 2008 includes Pre-Cut-Off Date AVC FS Added Years Service
but does not include Post-Cut-Off Date AVC FS Added Years
Service;

“**Notional RMSPS NRA60 CSDB Pension**” means, in respect of a
Member, the NRA60 Pension (excluding any Pension Supplement)
attributable to Pensionable Service on and after 1 April 2008 to
which, but for:

(i) the amendments to the Scheme made by the QAR
Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of
the 2011 Act;

(iii) any amendments to the Scheme (including by legislation)
after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date;
and

(v) any revaluation which would have applied after the Cut-Off
Date.

the Member would have been entitled under the Section C Rules if
he had opted-out of the Scheme under Rule 10E at the end of the
Cut-Off Date;

“**Notional RMSPS NRA60 CSDB Pension Supplement**” means,
in respect of a Member, the Pension Supplement which would have
related to Pensionable Service on and after 1 April 2008 and in
respect of which the appropriate Normal Retiring Age would have
been 60 to which, but for:

(i) the amendments to the Scheme made by the QAR
Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of

the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date.

the Member would have been entitled under the Section C Rules if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date;

“Notional RMSPS NRA60 FPP Pension” means, in respect of a Member, the NRA60 Pension (excluding any Pension Supplement) attributable to Pensionable Service before 1 April 2008 to which, but for:

(i) the amendments to the Scheme made by the QAR Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date.

the Member would have been entitled under the Section C Rules if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date. For these purposes Pensionable Service before 1 April 2008 includes Pre-Cut-Off Date AVC FS Added Years Service but does not include Post-Cut-Off Date AVC FS Added Years Service;

“Notional RMSPS NRA65 Pension” means, in respect of a Member, the NRA65 Pension (excluding any Pension Supplement) to which, but for:

(i) the amendments to the Scheme made by the QAR Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of

the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date.

the Member would have been entitled under the Section C Rules if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date;

“Notional RMSPS NRA65 Pension Supplement” means, in respect of a Member, the Pension Supplement in respect of which the appropriate Normal Retiring Age would have been 65 to which, but for:

(i) the amendments to the Scheme made by the QAR Reconfiguration Deed;

(ii) the amendments, transfers and discharges under Part 2 of the 2011 Act;

(iii) any amendments to the Scheme (including by legislation) after the Cut-Off Date;

(iv) any discretions or options exercised after the Cut-Off Date; and

(v) any revaluation which would have applied after the Cut-Off Date.

the Member would have been entitled under the Section C Rules if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date;

"NRA60 Pension" means that part of a Member's pension which accrued under Rule 5A(1) in respect of Pensionable Service on or before 31 March 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 60). The term **"NRA60 Pension"** also includes the Pension Supplement, if any, accrued in respect of Pensionable Service on or before 31 March 2010 except either as provided in Rule 5AB or where such Pension Supplement is specifically excluded from NRA60 Pension in any other Rule;

"NRA65 Pension" means that part of a Member's pension which accrued under Rule 5A(1) in respect of Pensionable Service on or after 1 April 2010 (and so, for the avoidance of doubt, in respect of which the Member's Normal Retiring Age is 65). The term **"NRA65 Pension"** also includes the Pension Supplement, if any, accrued in respect of Pensionable Service on or after 1 April 2010 except either as provided in Rule 5AB or where such Pension Supplement is specifically excluded from NRA65 Pension in any other Rule;

"Part-time Member" means a Member who is contracted to work less than the full-time hours specified for his grade in the terms and conditions of employment appropriate to him;

"Part-timer's Contributory Pay" means a Part-time Member's basic annual salary (including where appropriate London weighting and assigned allowances as set out in the terms and conditions of employment appropriate to him) together with contributory allowances (if any) as set out in the terms and conditions of employment appropriate to him, less an amount equal to the Lower Earnings Deduction reduced in proportion to the number of hours worked. Part-timer's Contributory Pay shall be capped at an amount equal to the Scheme Earnings Cap reduced in proportion to the number of hours worked;

"Pension Supplement" means the pension calculated and payable in accordance with Rule 5AB;

"Pensionable Children" means children born of the Member, children legally adopted by him, a child of the Member conceived before his death and born after and any other children whom the Trustees are satisfied were wholly or mainly dependent on the Member at the time of his death and agree to treat as Pensionable Children.

A child will only be a Pensionable Child if at the date of the Member's death he is under age 18 or under age 25 and in full-time education or training approved by the Trustees (subject to Schedule 13) or incapable of self-support because of physical or mental incapacity. He will remain a Pensionable Child for so long as the Trustees may decide but not beyond age 18 or age 25 and in full-time education or training approved by the Trustees (subject to Schedule 13) unless he is incapable of self support because of physical or mental incapacity.

"Pensionable Pay" means for any Calculation Year or tax year a Member's basic annual salary (including where appropriate London weighting and assigned allowances as set out in the terms and conditions of employment appropriate to him) together with:

(i) in relation to any Calculation Year the yearly average of

contributory allowances as set out in the terms and conditions of employment appropriate to him over the period of two consecutive tax years ending during that Calculation Year plus the period (if any) between the end of the second of those tax years and the end of the Calculation Year (or any shorter period for which he has been a Member) revalued as decided by the Trustees; or

- (ii) in relation to any tax year, any contributory allowances during that tax year,

less in either case an amount equal to the average Lower Earnings Deduction in force from time to time during the Calculation Year or tax year. Where the Member has been in Reckonable Service for less than a year this deduction shall be reduced in such manner as the Trustees consider appropriate.

Where a contributory allowance has been converted into either basic annual salary or an assigned allowance after 31 March 2000 and where this would result in the allowance being double counted in the calculation of Pensionable Pay, the Trustees may adjust the contributory allowance used in the calculation of Pensionable Pay solely for the purpose of reducing or eliminating such double counting.

Pensionable Pay for a Part-time Member in relation to a Calculation Year or tax year is the Pensionable Pay that would have been applicable if the Member had worked in a full-time capacity.

If a Member's contributions are paid under Rules 3B (c) or (d) any reduction in or suspension of his pay shall be ignored for the purpose of calculating Pensionable Pay;

"Pensionable Service" means:

- (1) for a Member who has not worked for the Employer other than in a full-time capacity, his Reckonable Service; and
- (2) for a Member who is or has been a Part-time Member his Reckonable Service adjusted so that each part-time period of Reckonable Service reckons at its full length multiplied by the proportion which part-time hours bear to full-time hours (excluding meal breaks if they are excluded in the Member's terms and conditions of employment).

For this purpose the total period of additional Reckonable Service granted under Rule 5D to a Member who is or has been a Part-time Member will be reduced by the same proportion as the total Reckonable Service appropriate to him before enhancement under

Rule 5D is reduced under (2) above;

“Post-Cut-Off Date AVC FS Added Years Service” means, in relation to a Pre-Cut-Off Date Added Years Member, that part of the period of Reckonable Service referred to at item (ii) of the definition of “Reckonable Service” and purchased by the Member under Rule 3C which is not his Pre-Cut-Off Date AVC FS Added Years Service;

a **“Pre-Cut-Off Date Added Years Member”** means a Member who, on or before the Cut-Off Date, was paying AVCs to the Scheme under Rule 3C in order to purchase additional Reckonable Service;

“Pre-Cut-Off Date AVC FS Added Years Service” means, in relation to a Pre-Cut-Off Date Added Years Member, that part of the additional period of Reckonable Service referred to at item (ii) of the definition of “Reckonable Service” and purchased by the Member under Rule 3C which, in the opinion of the Actuary on the basis of such method and assumptions as are agreed at the Cut-Off Date between the Trustees and the Principal Employer, was secured by AVCs paid prior to the end of the Cut-Off Date;

“Qualifying Service” means Service (whether before, on or after the Cut-Off Date) as a Member together with qualifying service (for the purpose of the Preservation Laws) under any scheme from which a transfer of assets has been made to the Scheme in respect of the Member and any additional period of Reckonable Service secured by AVCs (under Rule 3C) or by additional contributions by the Employer (under Clause 25) provided that for the purpose of calculating whether the Member has at least 2 years' Qualifying Service, Qualifying Service interrupted by a break will be treated as continuous (but excluding the break) if the break does not exceed one month or is due to a trade dispute;

“Reckonable Service” means Service (whether before, on or after the Cut-Off Date) as a Member (subject to adjustment (if any) under Rule 3B(c)) together with any additional period secured by (i) a transfer of assets (under Clause 30), (ii) AVCs (under Rule 3C) and (iii) additional contributions by the Employer (under Clause 25). It does not include any period during which the Member has opted out of the Scheme under Rule 10E;

“Renewal Date” means 31 March of each year;

“Revalued Notional RMSPS FPP NRA60 Pension Supplement” means, in respect of a Member, his Notional RMSPS FPP NRA60 Pension Supplement revalued using the RMSPS Section C Revaluation Methodology;

“Revalued Notional RMSPS NRA60 CSDB Pension” means, in

respect of a Member, his Notional RMSPS NRA60 CSDB Pension revalued using the RMSPS Section C Revaluation Methodology;

“Revalued Notional RMSPS NRA60 CSDB Pension Supplement” means, in respect of a Member, his Notional RMSPS NRA60 CSDB Pension Supplement revalued using the RMSPS Section C Revaluation Methodology;

“Revalued Notional RMSPS NRA60 FPP Pension” means, in respect of a Member, his Notional RMSPS NRA60 FPP Pension revalued using the RMSPS Section C Revaluation Methodology;

“Revalued Notional RMSPS NRA60 Pension” means, in respect of a Member, the sum of his Revalued Notional RMSPS NRA60 FPP Pension and his Revalued Notional RMSPS NRA60 CSDB Pension;

“Revalued Notional RMSPS NRA65 Pension” means, in respect of a Member, his Notional RMSPS NRA65 Pension revalued using the RMSPS Section C Revaluation Methodology;

“Revalued Notional RMSPS NRA65 Pension Supplement” means, in respect of a Member, his Notional RMSPS NRA65 Pension Supplement revalued using the RMSPS Section C Revaluation Methodology;

“RMSPS Final Pensionable Pay” means a Member’s Final Pensionable Pay calculated as if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date;

“RMSPS NRA60 Benefits” means those of the benefits payable or prospectively payable to a Member under the RMSPS in respect of which the Normal Retiring Age is 60;

“RMSPS NRA60 Pension” means the amount of the “RMSPS NRA60 Pension” paid to the Member by the RMSPS under Part V of the RMSPS;

“RMSPS NRA60 Pension Enhancement” means, in respect of a Member, an additional amount of pension equal to the amount by which (a) exceeds (b), where:

(a) is the Member’s Revalued Notional RMSPS NRA60 Pension, calculated as if he had an unconditional right to draw it from his Exit Date without any reduction on account of early payment;

and

(b) is the Member’s Revalued Notional RMSPS NRA60

Pension, calculated as if he were drawing it from his Exit Date but reduced on a basis certified as reasonable by the Actuary to take account of payments from his Exit Date rather than age 60;

“RMSPS NRA60 Pension Supplement Enhancement” means, in respect of a Member, an additional amount of Pension Supplement equal to the amount by which (a) exceeds (b), where:

(a) is the sum of the Member’s Revalued Notional RMSPS FPP NRA60 Pension Supplement and his Revalued Notional RMSPS NRA60 CSDB Pension Supplement, calculated in both cases as if he had an unconditional right to draw them from his Exit Date without any reduction on account of early payment;

and

(b) is the sum of the Member’s Revalued Notional RMSPS FPP NRA60 Pension Supplement and his Revalued Notional RMSPS NRA60 CSDB Pension Supplement, calculated as if he were drawing that component from his Exit Date but reduced in both cases for early payment in respect of the period between his Exit Date and his 60th birthday on a basis certified as reasonable by the Actuary;

“RMSPS NRA65 Benefits” means those of the benefits payable or prospectively payable to a Member under the RMSPS in respect of which the Normal Retiring Age is 65;

“RMSPS NRA65 Pension” means the amount of the “RMSPS NRA65 Pension” paid to the Member by the RMSPS under Part V of the RMSPS;

“RMSPS NRA65 Pension Enhancement” means, in respect of a Member an additional amount of pension equal to the amount by which (a) exceeds (b), where:

(a) is the Member’s Revalued Notional RMSPS NRA65 Pension, calculated as if he had an unconditional right to draw it from his Exit Date without any reduction on account of early payment;

and

(b) is the Member’s Revalued Notional RMSPS NRA65 Pension, calculated as if he were drawing it from his Exit Date but reduced on a basis certified as reasonable by the Actuary to take account of payments from his Exit Date

rather than age 65;

“**RMSPS NRA65 Pension Supplement Enhancement**” means, in respect of a Member, an additional amount of Pension Supplement equal to the amount by which (a) exceeds (b), where:

(a) is the Member’s Revalued Notional RMSPS NRA65 Pension Supplement calculated as if he had an unconditional right to draw it from his Exit Date without any reduction on account of early payment;

and

(b) is the Member’s Revalued Notional RMSPS NRA65 Pension Supplement, calculated as if he were drawing it from his Exit Date but reduced for early payment in respect of the period between his Exit Date and his 65th birthday on a basis certified as reasonable by the Actuary;

“**RMSPS Pension Enhancement**” means the sum of a Member’s RMSPS NRA60 Pension Enhancement and his RMSPS NRA65 Pension Enhancement;

“**RMSPS Pension Supplement**” means the amount of the “RMSPS Pension Supplement” paid to the Member by the RMSPS in accordance with Rule 5, Part V of the RMSPS;

“**RMSPS Section C Revaluation Methodology**” means a revaluation methodology which revalues an amount under (i) and then, where the Deemed Exit Date is not the Notional Payment Date in respect of the amount, in accordance with (ii) or (iii) if applicable. For these purposes:

- the “**Deemed Exit Date**” is the earlier of the relevant Member’s Exit Date and the date on which he takes the Relevant Margin Benefit in respect of the amount;
- the “**Notional Payment Date**” in respect of the amount is the date which, if the amount were a benefit payable under the Scheme, would have been the Member’s Normal Retiring Age in respect of it; and
- the “**Relevant Margin Benefit**” in respect of the amount is the Scheme benefit or where appropriate benefit component in the calculation of which the relevant amount (as revalued using the RMSPS Section C Revaluation Methodology) is being used.

(i) Under this paragraph (i), the amount is revalued from the Cut-Off Date up to the day before the earlier of the Deemed Exit Date and the Notional Payment Date by the factor

which would, but for the amendments made to the Scheme by the QAR Reconfiguration Deed, have applied to revalue that amount if: (aa) it were a benefit payable under the Scheme which included no GMP component; (bb) such benefit was coming into payment to the Member on the earlier of the Notional Payment Date and the Deemed Exit Date; (cc) the Member had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date; and (dd) in respect of a revaluation period, the “inflation percentage” for the purposes of paragraph 2(3)(a) of Schedule 3 to the Pension Schemes Act 1993 was the percentage increase (if any) in the Government index of retail prices during the period which is the reference period in relation to that revaluation period.

Where the Notional Payment Date in respect of the relevant amount precedes the Cut-Off Date there shall be no revaluation under this paragraph (i).

(ii) where the Notional Payment Date in respect of the amount falls before the Deemed Exit Date, the amount (as revalued under (i) above where relevant) will be further increased:

- by the application of any Notional In Payment Increases which the amount would have received during the period between the Notional Payment Date (or the Cut-Off Date if later) and the Deemed Exit Date if it had been a pension which came into payment on the later of the Notional Payment Date and the Cut-Off Date, and then,
- unless otherwise stated in the next paragraph, by multiplying it by the Part Year Increase Factor.

The Part Year Increase Factor (which may apply even if the amount would not otherwise have been increased by this paragraph (ii), but which equally may lead to no increase in the relevant amount) will apply unless:

- (a) the amount was calculated by reference to the Member’s RMSPS Final Pensionable Pay; and
- (b) the Member’s actual Final Pensionable Pay under the Scheme is determined by reference to a Calculation Year (or a period of 3 consecutive tax years) which ended before the Final Deemed Increase Date.

For the purposes of this paragraph (ii):

(a) the “Notional In Payment Increases” are the percentage increases (compounded where relevant) which would have been applied to the amount under Rule 12B between the Notional Payment Date (or the Cut-Off Date if later) and the Deemed Exit Date if the amount had been a pension, which included no GMP, which came into payment on the later of the Notional Payment Date and the Cut-Off Date and, where the amount was calculated by reference to the Member’s RMSPS Final Pensionable Pay, as if the first reference in Rule 12B to the Member’s “Final Pensionable Pay” was to his Final Pensionable Pay calculated as if he had opted-out of the Scheme under Rule 10E at the end of the Cut-Off Date or the Notional Payment Date if later;

(b) the “Part Year Increase Factor” shall be calculated as the greater of: (a) one; and (b) $(1+A\%)$ divided by $(1+B\%)$, where:

A% = the full annual percentage increase granted under Rule 12B to non-GMP pensions in payment on the latest date prior to the Deemed Exit Date that such increases were granted (or, in case of zero or negative growth in the Retail Prices Index, that such an increase would have been granted had growth been positive); and

B% = (A% multiplied by: (i) the number of months in the period from: (a) the Deemed Exit Date (or, in the case of amounts which are calculated by reference to the Member’s RMSPS Final Pensionable Pay, the end of the Calculation Year by reference to which the Member’s actual Final Pensionable Pay under the Scheme is determined in respect of the amount); to (b) the first date after the Deemed Exit Date on which an increase under Rule 12B is due to be granted, plus (but only where the Notional Payment Date falls after his Final Deemed Increase Date) (ii) the number of months in the period from: (a) the

Final Deemed Increase Date in respect of the amount; to (b) the member's Notional Payment Date in respect of the amount) divided by 12,

and a month is to be treated as a whole month if it is so treated for the purposes of determining the increases payable under Rule 12B to pensions which have been in payment for less than a year; and

(c) the "Final Deemed Increase Date" in respect of an amount is the date on which the latest increase under Rule 12B prior to the Deemed Exit Date would have been granted had the amount been a pension in payment (which included no GMP) at that time.

(iii) where:

(a) the Notional Payment Date falls after the Deemed Exit Date in respect of the amount;

(b) the payment of the Relevant Margin Benefit in respect of the amount does not commence on the Deemed Exit Date; and

(c) the number of complete twelve-month periods between the Cut-Off Date and the Notional Payment Date in respect of the amount exceeds the sum of:

(1) the number of complete twelve-month periods between the Cut-Off Date and the Deemed Exit Date; plus

(2) the number of complete twelve-month periods between the Deemed Exit Date and the Notional Payment Date in respect of the amount.

the amount (as revalued under (i) above where relevant) will be further increased by the "Relevant Percentage", which means:

- if the Deemed Exit Date is between 1 January and 30 March (inclusive) in any year but the relevant Member's birthday is between 31 March and 31 December (inclusive), the higher revaluation

percentage which would have been specified for the revaluation period 1 January 2012 – 31 December 2012 in the Occupational Pensions (Revaluation) Order 2012 if the “inflation percentage” for the purposes of paragraph 2(3)(a) of Schedule 3 to the Pension Schemes Act 1993 were the percentage increase (if any) in the Government index of retail prices during the period which is the reference period in relation to that revaluation period; and

- otherwise, the higher revaluation percentage which would have been specified for the most recent single calendar year in the Occupational Pensions (Revaluation) Order coming into force at the start of the year of the Deemed Exit Date if the “inflation percentage” for the purposes of paragraph 2(3)(a) of Schedule 3 to the Pension Schemes Act 1993 were the percentage increase (if any) in the Government index of retail prices during the period which was the reference period in relation to that revaluation period.

To the extent that the amount would (if it had been a benefit payable under the Scheme) have related to Pensionable Service on and after 1 April 2008, it will then be further increased to the extent necessary (if at all) so that the overall percentage revaluation which has been applied to it by the end of the Deemed Exit Date is no less than the overall percentage revaluation which has by the end of that date been applied under Rule 5A(2)(b) to the Pension Block accrued by the Member at the Renewal Date coincident with the Cut-Off Date;

"Scheme Earnings Cap" has the meaning given to it in paragraph 7(a) of Schedule 13;

"Service" means service as an Employee (including service before the Employer participated in the Scheme) (whether before, on or after the Cut-Off Date);

"State Pension Age" means, in respect of each Member, that Member's "pensionable age" as set out in Part I of Schedule 4 of the Pensions Act 1995; and

"Unpaid Absence" means leave or absence from work which the Employer agrees should qualify as Unpaid Absence.

Membership

2

In accordance with the deed numbered 45 in Schedule 14, Section C closed to new Members on 1 April 2008 (and no person who had previously left the Scheme was permitted to re-join after that date) except for certain employees of ~~the Principal Employer or an Associated~~ Employer on 31 March 2008 who were under the age

of 18 at that date (such persons being eligible to become Members of Section C after 1 April 2008 if such employee made an application to join Section C within one month of his or her 18th birthday). All such persons have, as of the Effective Date, reached age 18 and so either joined Section C or have ceased to be eligible to do so. As of and from the Effective Date, therefore, Section C is closed to new members.

- No benefits (other than money purchase benefits) in respect of any period of membership ending on or before the Cut-Off Date **2A**
- (1) This Rule 2A overrides all other Section C Rules, each of which must be read as expressly subject to it.
- (2) No pension or other benefits are payable under these Section C Rules in respect of any period of Pensionable Service which ended on or before the Cut-Off Date.
- (3) Rule 2A(2) above is without prejudice to:
- (a) an RMSPS AVC Only Beneficiary's entitlement under Rule 3C of the Section C Rules in respect of AVCs, or Rule 6 of the Section D Rules in respect of any Accumulated Fund, to the extent that any of these remain uncrystallised within the Fund in respect of him; or
- (b) any benefits payable in respect of a period of Pensionable Service which was at the Cut-Off Date treated as continuous with a period of Pensionable Service continuing after the Cut-Off Date.

Contributions by Employers and Members **3**
3A

CONTRIBUTIONS BY EMPLOYERS

Subject to Clause 12 each Employer must contribute to the Scheme in respect of Members who are or have been employed by it at such rate as the Trustees and either the Principal Employer (in respect of contributions to be allocated to the RMG Fund) or POL (in respect of contributions to be allocated to the POL Fund) from time to time decide on actuarial advice.

The Employers will make any additional contributions that the Trustees consider necessary on actuarial advice to provide unreduced pensions under Rule 5C(ii).

3B CONTRIBUTIONS BY MEMBERS

- (a) Each Member in Reckonable Service must contribute to the Scheme at the rate of 6% of Contributory Pay or Part-timers' Contributory Pay.

- (b) **DELETED**
- (c) A Member in Reckonable Service on paid sick leave or part-time work in lieu of paid sick leave will contribute on the basis of the Contributory Pay for which he is eligible at full or half rate but unadjusted in respect of State benefits received by him. When by reason of adjustment in respect of State benefits the Contributory Pay is less than the Member's contributions, those contributions will be suspended during the period of reduction and contributions will be increased on actuarial advice after the Member's return to normal work so that the suspended contributions are fully paid by age 65 at the latest.

A Member's Reckonable Service will be deemed to continue during any such period but if he leaves Service before any suspended contributions are fully paid his Reckonable Service will be appropriately adjusted on actuarial advice. If a Member dies before suspended contributions are fully paid the lump sum becoming payable under Rule 7D will be reduced by the amount of the shortfall.

The application of the amendments made to the Scheme by the 2011 Act to a Member covered by this Rule is subject to any special conditions (consistent with the Contracting-out Laws) which the Principal Employer specifies and the Trustees agree.

- (d) A Member who is on Unpaid Absence, temporary loan to another employer, unpaid sick leave or sick pay at pension rate may at his option either:
- (i) not pay contributions (other than AVCs under Rule 3C) in which case such periods of absence will not count as Reckonable Service; or
 - (ii) pay his own and the Employer's contributions (or in the case of temporary loan to another employer, pay only his own contributions if the Employer's contributions are paid by the temporary employer) on his return to Reckonable Service (or in the case of temporary loan to another employer pay during his period of absence) calculated on the Contributory Pay he would have received from the Employer if such periods of absence had not taken place at a rate determined by the Trustees (on actuarial advice) to be fair and reasonable. In this event the Member will be treated as remaining in Reckonable Service in accordance with Rule

10B(a) (Temporary Absence).

3C ADDITIONAL VOLUNTARY CONTRIBUTIONS BY MEMBERS

A Member in Reckonable Service may pay AVCs to the Scheme on a basis agreed by the Trustees. If the Trustees so require, a Member must give notice of his intention to start, reduce or stop paying AVCs.

Before 1 April 2008, a Member could enter into an arrangement whereby his AVCs could, at his option, be used to purchase additional Reckonable Service in accordance with such terms as the Trustees decided and notified to the Member.

On and after 1 April 2008 with the consent of the Trustees a Member may purchase additional pension on such basis as the Trustees shall from time to time at their discretion determine. No Member may purchase an additional pension under this Rule with the result that his total Reckonable Service (including any actual or notional Reckonable Service used, on such basis as the Trustees with the advice of the actuary determine, to calculate the purchase of any additional pension under this Rule) shall exceed 45 years.

Alternatively, a Member or RMSPS AVC Only Beneficiary's AVCs may be used to provide additional retirement benefits for or in respect of the Member or RMSPS AVC Only Beneficiary on a money purchase basis. In these circumstances:

- (a) the Member or RMSPS AVC Only Beneficiary's AVCs will be invested separately from all the other assets of the Scheme;
- (b) the additional benefits will be determined by the Trustees unless the Member or RMSPS AVC Only Beneficiary has made his wishes known to them in writing. In this event, the additional benefits will, so far as possible, accord with those wishes provided that where benefits are being provided on a money purchase basis under this rule to or in respect of an RMSPS AVC Only Beneficiary, the only benefit which may be provided is a transfer value or annuity policy purchase under Clause 27A or a lump sum upon death. This restriction will not apply to an RMSPS AVC Only Beneficiary whose only rights under the Scheme on the Cut-Off Date (ignoring any uncrystallised rights to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, this Rule 3C in respect of AVCs, Rule 6 of the Section D Rules in respect of any Accumulated Fund, or any previous provision of the Scheme) were in respect of pensions in payment.

~~A Member who on leaving Service before age 65 is granted a refund of contributions under Rule 9B will be granted a refund of his AVCs (other than those used to purchase additional death in Service benefits) with appropriate interest (less tax at such rates as apply from time to time).~~

A Member may also pay contributions to Section D in accordance with Section D Rule 3A.

4 DELETED

Pensions for
Members

5

5A NORMAL RETIREMENT

(1) Subject to Rule 5A(1B) below, a Member who retires at or after age 60 and has completed 2 years' Qualifying Service will receive a pension for life ("NRA60 Pension") of the sum of the amount (if any) by which (a) exceeds (b), plus the amount (if any) by which (c) exceeds (d), plus (where relevant) (e), where:

(a) is 1/60th of his Final Pensionable Pay for each complete year of Pensionable Service (together with an additional pro rata amount for each complete day) before 1 April 2008; and (other than, in the case of a Pre-Cut-Off Date Added Years Member, any year or day of Post-Cut-Off Date AVC FS Added Years Service);

(b) is the Member's Revalued Notional RMSPS NRA60 FPP Pension;

(c) is the sum of the Member's Revalued Pension Blocks, as calculated under (2) below, for Pensionable Service on and after 1 April 2008 and on and before 31 March 2010;

(d) is the Member's Revalued Notional RMSPS NRA60 CSDB Pension; and

(e) in the case of a Pre-Cut-Off Date Added Years Member, is 1/60th of his Final Pensionable Pay for each complete year of Post-Cut-Off Date AVC FS Added Years Service (together with an additional pro rata amount for each complete day).

plus the Pension Supplement (if any) calculated and payable in accordance with Rule 5AB.

(1A) Subject to Rule 5A(1B) below, a Member who retires at or after age 65 and has completed 2 years' Qualifying Service will receive a pension for life ("NRA65 Pension") of the sum of the amount (if any) by which (a) exceeds (b), plus (c), where:

(a) is the sum of the Member's Revalued Pension Blocks, as calculated under (2) below, for Pensionable Service on and after 1 April 2010, and on and before 31 March 2012;

(b) is the Member's Revalued Notional RMSPS NRA65 Pension; and

(c) is the sum of the Member's Revalued Pension Blocks, as calculated under (2) below, for Pensionable Service on and after 1 April 2012,

plus the Pension Supplement (if any) calculated and payable in accordance with Rule 5AB.

(1B) For the purposes of calculating the Member's pension under this Rule 5A, the total amount of Pensionable Service for ~~(1)(a), (1)(c), (1)(e), 1(A)(a)~~ and ~~(1A)(c)~~ above combined (including the Pension Supplement, if any) shall not exceed 45 years including for these purposes actual or notional Reckonable Service in connection with any additional pension purchased under Rule 3C.

(1C) Members who are in Reckonable Service on or after the Effective Date will be entitled to both NRA60 Pension (calculated in accordance with Rule 5A(1) above) and NRA65 Pension (calculated in accordance with Rule 5A(1A) above).

(2) ~~In respect of Pensionable Service on or after 1 April 2008, each Member shall accrue benefits~~The calculation of a Member's Revalued Pension Blocks shall be on the following basis:

(a) At each Renewal Date the Member shall accrue a pension of 1/60th of the Member's CSDB Pensionable Pay for the year up to and including the Renewal Date (a "**Pension Block**") and like accrual shall apply at the Exit Date in respect of the period of Pensionable Service between the immediately preceding Renewal Date and the Exit Date. Consistent with Rule 5A(1B), the Member will cease to accrue pension benefits under this paragraph on completion of 45 years' Pensionable

Service.

- (b) The Pension Block accrued at each Renewal Date shall be revalued first at the Renewal Date at the end of the subsequent year and then at each subsequent Renewal Date thereafter up to and including the Renewal Date immediately preceding the Exit Date by the annual increase in the Government index of retail prices for all items (or such other index of prices which the Trustee and either the Principal Employer (in relation to benefits payable from the RMG Fund) or POL (in relation to benefits payable from the POL Fund) shall agree) for the 12 months to the preceding September subject to a maximum increase of 5% and a minimum increase of 0% each year. Each Pension Block, as successively revalued under this paragraph (b), will be a **"Revalued Pension Block"**.

Retirement
Options and
Flexible
Retirement

5AA RETIREMENT OPTIONS AND FLEXIBLE RETIREMENT

- (1) **DELETED**
- (2) A Member's NRA60 Pension and NRA65 Pension are separate benefit entitlements, and shall constitute separate arrangements for the purposes of the Finance Act 2004 provided that the Trustees have the power, with the consent of the Principal Employer (in relation to benefits payable from the RMG Fund) or of POL (in relation to benefits payable from the POL Fund), to arrange the benefits under the Scheme (in respect of one or a number of Members) so that NRA60 Pension and NRA65 Pension constitute the same arrangement for the purposes of the Finance Act 2004.
- (3) A Member may draw his NRA60 Pension and his NRA65 Pension at different times in accordance with the provisions of this Rule. However, if a Member wishes to draw his NRA60 Pension, he must draw all his NRA60 Pension at the same time and may not draw only part of his NRA60 Pension (and the same applies to his NRA65 Pension). Provided that where a Member has two or more periods of Reckonable Service which are treated separately in accordance with Rule 10A, the Member may draw benefits in respect of those periods of Reckonable Service separately on the same basis as applied under the Scheme before the Effective Date.

Retirement from Service

- (4) A Member in Reckonable Service who has reached Minimum Pension Age and has completed 2 years' Qualifying Service may, with the consent of ~~the Principal Employer or an Associated~~ Employer (except that such consent shall not be necessary in respect of NRA60 Pension where the Member has reached age 60 and shall not be necessary in respect of NRA65 Pension where the Member has reached age 65), retire from Service and shall be entitled to elect one of the following options:
- (a) take his NRA60 Pension and NRA65 Pension at retirement (in which case his benefits shall be subject to (6) below); or
 - (b) take his NRA60 Pension at retirement (if this has not already been put into payment in accordance with (5) below) which shall be subject to (6) below and defer his NRA65 Pension in accordance with Rule 9 (unless the Member is age 65 or over in which case his NRA65 Pension will be paid immediately); or
 - (c) take his NRA65 Pension at retirement (which shall be subject to (6) below) and defer his NRA60 Pension under Rule 9 (if this has not already been put into payment in accordance with (5) below) unless the Member is age 60 or over in which case his NRA60 Pension will be paid immediately; or
 - (d) defer either or both his NRA60 Pension (if this has not already been put into payment in accordance with (5) below) and NRA65 Pension under Rule 9, unless the Member is over Normal Retiring Age in which case the relevant benefit will be paid immediately.

For avoidance of doubt the options in this Rule 5AA(4) are not available to a Member who remains in Service.

Flexible retirement whilst remaining in Service

- (5) A Member who is in Reckonable Service, who has reached Minimum Pension Age and who has completed 2 years' Qualifying Service but has not yet reached age 75 and who remains in Service may elect any of the following options (subject to the provisions below):
- (a) take both his NRA60 Pension and his NRA65 Pension at the same time and remain in Service (and for avoidance of doubt cease to accrue any further benefits under the Scheme) in which case

his benefits shall be subject to (6) below; or

- (b) take his NRA60 Pension (which shall be subject to (6) below) and:
 - (i) remain in Reckonable Service and accrue (or continue to accrue) NRA65 Pension under Rule 5A(1A); or
 - (ii) remain in Service but opt-out of the Scheme under Rule 10E (and for avoidance of doubt cease to accrue any further benefits under the Scheme). Any NRA65 Pension accrued up to the date the Member opted-out of the Scheme shall be retained in the Scheme in accordance with Rule 10E, or paid immediately if the Member is age 65 or over; or
- (c) take his NRA65 Pension which shall be subject to (6) below (and for avoidance of doubt cease to accrue any further benefits under the Scheme) and remain in service. His NRA60 Pension shall be retained in the Scheme in accordance with Rule 9, or paid immediately if the Member is age 60 or over; or
- (d) remain in Service but opt-out of the Scheme under Rule 10E (and for the avoidance of doubt cease to accrue any further benefits under the Scheme). His NRA60 Pension and NRA65 Pension accrued up to the date the Member opted-out of the Scheme shall be retained in the Scheme in accordance with Rule 10E, or paid immediately if the Member is over the Normal Retiring Age appropriate to the benefits being put into payment.

A Member may only elect any of options (a), (b) or (c) above if ~~the Principal Employer or an Associated~~ Employer consents (provided that such consent shall not be required in respect of his NRA60 Pension where the Member has reached age 60, and shall not be required in respect of his NRA65 Pension where the Member has reached age 65).

A Member who elects option (b)(i) above may, subsequent to that decision, elect anytime before age 75 to take his NRA65 Pension (and, for avoidance of doubt, cease to accrue any further benefits under the Scheme) and remain in Service provided that, should he be under age 65, ~~the~~

~~Principal Employer or an Associated~~an Employer consents.

For avoidance of doubt, for as long as a Member remains in Reckonable Service on or after 1 April 2010 and does not make an election under this Rule 5AA(5), he will continue to accrue his NRA65 Pension, and continue to defer his NRA60 Pension until the earlier of the date he opts out of the Scheme under Rule 10E, leaves service or reaches age 75.

- (6) Any benefits brought into payment under either (4) or (5) above shall, if brought into payment before the Normal Retiring Age appropriate to the benefits being put into payment and unless specified otherwise in Rules 5C or 5D, be reduced for early payment on a basis certified as reasonable by the Actuary.
- (7) If a Member reaches age 65 and remains in Service with ~~the Principal Employer or an Associated~~an Employer he may draw his NRA65 Pension (and his NRA60 Pension, if this has not already been brought into payment) at anytime after that age (but no later than age 75) whilst continuing to remain in Service (in accordance with (5) above). Alternatively, if after age 65 he remains in Reckonable Service, he may continue to accrue his NRA65 Pension (and continue to defer his NRA60 Pension if this has not already been brought into payment) until the earlier of the date he opts out of the Scheme under Rule 10E, leaves Service or reaches age 75.
- (8) Any Member who ceases to be in Reckonable Service (whether or not he remains in Service) at or after age 60 shall not be entitled to defer payment of his NRA60 Pension after the date on which he ceased to be in Reckonable Service. Any Member who ceases to be in Reckonable Service (whether or not he remains in Service) at or after age 65 shall not be entitled to defer payment of his NRA65 Pension after the date on which he ceased to be in Reckonable Service.
- (9) No late retirement factor shall be applied for any Member in respect of NRA60 Pension taken after age 60, or any NRA65 Pension taken after age 65.
- (10) If a Member has commenced receipt of his NRA60 Pension but continues to accrue NRA65 Pension and becomes entitled to any enhancements (or waiver of early retirement reductions) under Rules 5C or 5D, such enhancements (or waiver of early retirement reductions) shall apply to a Member's NRA65 Pension only (although when calculating

the qualification for, and the amount of, any enhancement all of a Member's Reckonable Service (whether in respect of NRA60 Pension or NRA65 Pension) shall be taken into account). Provided that a Member's total Reckonable Service for NRA60 Pension, NRA65 Pension and any enhancements cannot exceed 45 years.

- (11) Should a Member continue to be in Reckonable Service on and after 1 April 2010 and not draw his NRA60 Pension, such Reckonable Service will still apply for the purposes of calculating Final Pensionable Pay in respect of the Member's NRA60 Pension accrued prior to 1 April 2008 (and his NRA60 Pension accrued on and after 1 April 2008 but before 1 April 2010 will continue to be revalued in accordance with Rule 5A(2)(b)).

In these circumstances, the Member shall not be entitled to revaluation of his NRA60 Pension under Rule 9A.

- (12) Should the Member take his NRA60 Pension but remain in Reckonable Service, notwithstanding the fact that he will actually continue in Reckonable Service:
- (a) for the purposes of determining his "Final Pensionable Pay" in respect of his NRA60 Pension accrued prior to 1 April 2008, the definition of Final Pensionable Pay will be read as if the Member had ceased to be in Reckonable Service on the day he takes his NRA60 Pension; and
- (b) for the purposes of determining, in respect of his NRA60 Pension accrued on and after 1 April 2008 but before 1 April 2010, when revaluation will cease to apply under Rule 5A(2)(b), the definition of "Exit Date" shall be read as if the date the Member takes his NRA60 Pension was his Exit Date.

Deemed crystallisation of NRA60 Pension where no margin over RMSPS NRA60 Pension

5AX (a) A Member who, on the earliest of the dates specified in (b) below (his "**Deemed Crystallisation Date**"), has a prospective NRA60 Pension under Rule 5A(1) of nil shall, where relevant for these Section C Rules, be treated as taking his NRA60 Pension when he takes his RMSPS NRA60 Pension or, if he has transferred out his RMSPS NRA60 Pension, on the later of his 60th birthday and his Deemed Crystallisation Date.

(b) The dates specified for the purposes of (a) above are:

(i) the Member's Exit Date;

- (ii) the effective date of any election by the Member under Rule 5AA which results in the Member ceasing to accrue further benefits under the Scheme or which would require his NRA60 Pension to be paid immediately; and
- (iii) the date of an election by the Member under the RMSPS to receive his RMSPS NRA60 Pension notwithstanding that he has no NRA60 Pension under the Scheme.

5AB PENSION SUPPLEMENT

Calculation of
Pension
Supplement

(1) The Pension Supplement shall be ~~accrued as follows~~ equal to (a) plus (b), where:

(a) is equal to any amount by which (i) exceeds (ii), plus (where relevant) (iii), where:

(i) is the sum of the Member's Revalued Pension Supplement Blocks, as calculated under (1A) below, for Pensionable Service on and after 1 April 2008 and on and before 31 March 2010;

(ii) is the Member's Revalued Notional RMSPS NRA60 CSDB Pension Supplement; and

(iii) in respect of Pensionable Service on or before 31 March 2008, the case of a Pre-Cut-Off Date Added Years Member, is a pension ~~at~~ of the annual rate of 1/60th of the average Lower Earnings Deduction in force from time to time over the period during which Final Pensionable Pay is determined for each year of Pensionable ~~Post-Cut-Off Date~~ AVC FS Added Years Service; and

(b) is equal to any amount by which (i) exceeds (ii), plus (iii), where:

(i) is the sum of the Member's Revalued Pension Supplement Blocks, as calculated under (1A) below, for Pensionable Service on and after 1 April 2010 and on and before 31 March 2012;

(ii) is the Member's Revalued Notional RMSPS NRA65 Pension Supplement; and

(iii) is the sum of the Member's Revalued Pension Supplement Blocks, as calculated under (1A) below, for Pensionable Service on and after 1 April 2012,

provided that the total amount of Pensionable Service for (a) and (b) combined shall not when added to the Member's Pensionable Service on or before 31 March 2008 exceed 45 years. Consistent with this requirement (and in accordance with Rule 5A(1B)), the Member will cease to accrue the Pension Supplement on completion of 45 years' Pensionable Service in the Plan.

(1A) The calculation of a Member's Revalued Pension Supplement Blocks shall be on the following basis:

~~(ba) in respect of Pensionable Service on and after 1 April 2008, at~~ At each Renewal Date following 1 April 2008 until such time as the Member ceases to be in Pensionable Service, a sum calculated as 1/60th of the Lower Earnings Deduction in force for the 12 months up to and including that Renewal Date, (such Lower Earnings Deduction to be reduced in such manner as the Trustees consider appropriate for periods of non-Reckonable Service in the same 12 month period, and reduced proportionately to the number of hours worked in respect of a Part-time Member).

(b) The Pension Supplement earned at each Renewal Date shall be revalued on the same basis as the Member's Pension Block is revalued under Rule 5A. Like accrual shall apply pro-rata at the Exit Date in respect of the period of Pensionable Service between the immediately preceding Renewal Date and the Exit Date,

~~provided that the total amount of Pensionable Service for (a) and (b) combined shall not exceed 45 years. Consistent with this requirement (and in accordance with Rule 5A(1B)), the Member will cease to accrue the Pension Supplement on completion of 45 years' Pensionable Service in the Plan~~Each Pension Supplement Block, as successively revalued under this paragraph (1A), will be a "Revalued Pension Supplement Block".

Pension Supplement at retirement

- (2) Subject to the other provisions of this Rule 5AB below:
- (a) ~~any Pension Supplement accrued in respect of Pensionable Service on or before 31 March~~

~~2010~~calculated under Rule 5AB(1)(a) shall only become payable at the time the Member takes his NRA60 Pension, provided that such time is before the Member's State Pension Age; and

- (b) any Pension Supplement ~~accrued in respect of Pensionable Service on and after 1 April 2010~~calculated under Rule 5AB(1)(b) shall only become payable at the time the Member takes his NRA65 Pension, provided that such time is before the Member's State Pension Age.

Should the Member take neither NRA60 Pension nor NRA65 Pension before State Pension Age, therefore, no Pension Supplement shall be paid to him.

Pension Supplement on reduced early retirement

- (3) Should both:
- (a) the Member take a reduced early retirement pension (whether NRA60 Pension, NRA65 Pension, or both) before Normal Retiring Age; and
- (b) the Member is at that time under State Pension Age,

notwithstanding (2) above, no Pension Supplement shall be payable unless at the Member's Normal Retiring Age the Member will be under State Pension Age (in accordance with legislation in force at the date of the Member's retirement). If Pension Supplement is payable under this Rule 5AB(3), the total amount of the Pension Supplement which would have been paid to the Member between Normal Retiring Age and State Pension Age (had the Member retired at Normal Retiring Age) will be paid to the Member over the period starting from commencement of his early retirement pension until the attainment of State Pension Age in such a manner as the Trustees shall determine. Any Pension Supplement paid under this Rule 5AB(3) will be reduced for early payment on a basis certified as reasonable by the Actuary.

Pension Supplement on unreduced early retirement

- (4) Should the Member take an unreduced (but not enhanced) early retirement pension (whether NRA60 Pension, NRA65 Pension, or both) before Normal Retiring Age, the Member shall (where (2) applies) receive a Pension Supplement from the date of his early retirement.

Pension Supplement on enhanced early

- (5) Should the Member take an enhanced early retirement pension (whether NRA60 Pension, NRA65 Pension, or both) before Normal Retiring Age, the Member shall (where

retirement (2) applies) receive a Pension Supplement from the date of his early retirement. Any Pension Supplement paid under this Rule 5AB(5) will be enhanced on the same basis as applies to his enhanced early retirement pension.

Pension Supplement whilst in Service (including transferred-in Pension Supplement) (6) Notwithstanding the provisions of Rules 5AA or 9C, no Pension Supplement shall be brought into payment while the Member is in Service (except that, where the Trustees so determined at the relevant time, any part of the Pension Supplement which is provided to a Member by the Trustees in recognition of that Member having transferred assets to the Scheme may be paid to that Member in accordance with (2), (3), (4) or (5) above while that Member is still in Service).

Once the Member leaves Service, any Pension Supplement which would, but for this Rule 5AB(6), have been brought into payment previously, shall be brought into payment at the time the Member actually leaves Service if, at the date of leaving Service, the Member is under State Pension Age. Any such Pension Supplement payable shall be paid at the rate which would at that time have been in payment had the Pension Supplement come into payment at the time the Member took the relevant pension (and so, for avoidance of doubt, will not therefore include any arrears of Pension Supplement).

Suspension of Pension Supplement (7) In accordance with the previous provisions of Rule 10A in force before the Effective Date, if a Member in receipt of a pension returned to Service, that pension (together with the Pension Supplement, if any) was suspended. On and from 1 January 2008, Rule 10A was amended so that, on and from that date, any pension so suspended was immediately brought into payment once again. However, and in accordance with that Rule, any such Pension Supplement was not brought into payment until the Member actually left Service. In accordance with (6) above, and notwithstanding the deletion of the relevant parts of Rule 10A on and from the Effective Date, any Pension Supplement previously suspended shall not be brought into payment until the Member actually leaves Service if, at the date of leaving Service, the Member is under State Pension Age.

Pension Supplement ceasing to be paid (8) Where a Member has taken pension (whether NRA60 Pension, NRA65 Pension, or both) prior to his State Pension Age and where in accordance with (2), (3), (4), (5), (6) or (7) above some or all of the any Pension Supplement has actually come into payment, anythat Pension Supplement ~~in payment~~ shall cease to be paid once the

Member reaches State Pension Age.

5B LATE RETIREMENT

A Member who retires after Normal Retiring Age and has completed 2 years' Qualifying Service will receive a pension for life calculated in accordance with Rule 5A (and will also receive the Pension Supplement, if any, in accordance with Rule 5AB).

~~The pension will not be less than is necessary to comply with the anti-franking requirements of the Contracting-out laws (where those requirements apply).~~

~~Payment of GMP will not be postponed for more than 5 years after the age at which the GMP becomes payable under Section 13 of the Pension Schemes Act 1993 except with the Member's consent.~~

5C EARLY RETIREMENT (NOT INCAPACITY)

A Member who has reached Minimum Pension Age and who:

- (i) is neither a 5 Year Relevant Member nor a 10 Year Relevant Member and who is retired by the Employer (not for Incapacity) before age 65 will be entitled to the preserved pension under Rule 9A (including future increases under that Rule) payable from Normal Retiring Age to which he would otherwise have become entitled on leaving Service;
- (ii) is either a 5 Year Relevant Member or a 10 Year Relevant Member and who is retired by the Employer (not for Incapacity) before age 65 will, where the Employer declares the circumstances to be appropriate, be granted an immediate pension calculated as described in Rule 5A (together with the Pension Supplement) ~~where the Employer declares the circumstances to be appropriate;~~
 - (a) the Pension Supplement;
 - (b) his RMSPS Pension Enhancement;
 - (c) his RMSPS NRA60 Pension Supplement Enhancement; and
 - (d) where his State Pension Age in accordance with legislation in force at the date of his retirement is more than 65, his RMSPS NRA65 Pension Supplement Enhancement, or where his State Pension Age in accordance with legislation in force at the date of his retirement is less than or equal to

65, an additional amount of Pension Supplement equal to his Revalued Notional RMSPS NRA65 Pension Supplement:

- (iii) is either a 5 Year Relevant Member or a 10 Year Relevant Member and who is retired by the Employer (not for Incapacity) before age 65 may at his option be granted an immediate pension calculated as described in Rule 5A (together with the Pension Supplement) but reduced for early payment (in respect of any benefits taken before Normal Retiring Age) on a basis certified as reasonable by the Actuary, where the Employer declares the circumstances to be appropriate.

In either case the Trustees must be reasonably satisfied that the pension is at least equal in value to the preserved pension (including future increases under Rule 9A) from Normal Retiring Age to which he would otherwise have become entitled.

5D EARLY RETIREMENT THROUGH INCAPACITY

A Member who is retired by the Employer before Normal Retiring Age through Incapacity and who does not qualify for a pension under sub-Rule (v) below will receive (subject, in particular, to paragraphs 3 and 4 of Schedule 13):

- (i) if he is not a 2 Year Relevant Member, a 5 Year Relevant Member nor a 10 Year Relevant Member, ~~a refund of his contributions in accordance with Rule 9B (unless he is entitled to a preserved pension under Rule 9A and in which case accordance with the provisions of that Rule will apply) 9A;~~
- (ii) if he is a 2 Year Relevant Member, an immediate pension calculated as described in Rule 5A together with the Pension Supplement;
- (iii) if he is a 5 Year Relevant Member, an immediate pension calculated as described in Rule 5A based on his Pensionable Service enhanced (in accordance with (vi) and (vii)) in whichever of the following ways gives the better result:
- (a) by doubling the years of Reckonable Service or, if less by increasing the years of Reckonable Service by the number of additional years he could have completed up to Normal Retiring Age, together with the Pension Supplement in each case; and
- (b) by increasing the years of Reckonable Service by

75% of the number of additional years he could have completed up to Normal Retiring Age, together with the Pension Supplement;

- (iv) if he is a 10 Year Relevant Member, an immediate pension calculated as described in Rule 5A based on Pensionable Service enhanced (in accordance with (vi) and (vii)) in whichever of the following ways gives the better result:
 - (a) to 20 years or by $6\frac{2}{3}$ years whichever gives the greater pension or, if less, by increasing the years of Reckonable Service by the number of additional years he could have completed up to Normal Retiring Age, together with the Pension Supplement in each case; and
 - (b) by increasing the years of Reckonable Service by 75% of the number of additional years he could have completed up to Normal Retiring Age, together with the Pension Supplement;
- (v) if he is neither a 5 Year Relevant Member nor a 10 Year Relevant Member, and is retired through Incapacity which in the opinion of the Employer (whose decision shall be final) results from his employment and is not due to his negligence he will receive an immediate pension calculated as described in Rule 5A based on Pensionable Service but enhanced (in accordance with (vi) and (vii)) by increasing Reckonable Service to 10 years or, if less, to the Reckonable Service he would have completed had he stayed in Reckonable Service up to Normal Retiring Age, together with the Pension Supplement in each case.
- (vi) For the purposes of determining the additional pension due to the Member as a result of the enhancements of Pensionable Service as set out in sub-rules (iii) to (v) (inclusive) above, the following calculations shall apply.
 - (a) the total number of enhanced years of Pensionable Service shall be multiplied by the Member's CSDB Pensionable Pay received during his last 12 months of Reckonable Service except that, for the purposes of this sub-rule (vi), the words "during the 12 months up to and including the Renewal Date" shall be treated as if they had been omitted from the definition of CSDB Pensionable Pay in Rule 1;
 - (b) the sum calculated in (a) above shall then be multiplied by 1/60th. The additional pension determined by this calculation shall then be added

to the pension calculated in accordance with Rule 5A.

Should a Member be in part-time employment at any point during his last 12 months of Reckonable Service, his CSDB Pensionable Pay for the purposes of this sub-rule (vi) shall be based upon the equivalent CSDB Pensionable Pay he would have earned had he been employed on a full-time basis during that period of Reckonable Service.

For the avoidance of doubt, the enhancement of Pensionable Service as set out in sub-rules (iii) to (v) (inclusive) above does not affect the calculation of a Member's Notional RMSPS NRA60 FPP Pension, Notional RMSPS NRA60 CDSB Pension, Notional RMSPS NRA60 CSDB Pension Supplement, Notional RMSPS FPP NRA60 Pension Supplement, Notional RMSPS NRA65 Pension or Notional RMSPS NRA65 Pension Supplement.

- (vii) For the purpose of determining the additional pension due to the Member as a result of the enhancements as set out in sub-rules (iii) to (v) inclusive above shall be calculated as in (vi) above but as if the references to "Normal Retiring Age" in (iii)(a), (iii)(b), (iv)(a), (iv)(b) and (v) were instead a reference to "age 65". In accordance with Rule 5AA(10) when calculating the qualification for and the amount of any enhancement all a Member's Reckonable Service (whether in respect of NRA60 Pension or NRA65 Pension) shall be taken into account.
- (viii) If a Member is retired on grounds of Incapacity on or after 1 April 2010 under this Rule 5D and his NRA60 Pension was not already in payment at the date of his Incapacity retirement, his NRA60 Pension shall be brought into payment at the same time as his NRA65 Pension and the enhancement set out in (vi) above.

In each of the above cases, the Trustees must be reasonably satisfied that the pension is at least equal in value (e.g. taking account of the longer period of payment) to the preserved pension (including future increases under Rule 9A) payable from Normal Retiring Age to which he would otherwise have become entitled.

Choosing a lump sum 6

A Member may choose to give up NRA60 Pension NRA65 Pension, or both (including the Pension Supplement, if any) for a lump sum in accordance with this Rule when he draws the relevant tranche of benefit. He ~~must, however, keep a pension not less than his GMP (unless the Member is paid a serious ill health lump sum under General Rule 14(2))~~ and may only take one lump sum from each tranche of benefit. The Trustees will convert pension to lump sum

on a basis which has been certified as reasonable by the Actuary. The maximum lump sum a Member may choose shall be subject to the limits in paragraph 7(b) of Schedule 13.

Lump sum payable on Member's death	7	
	7A	DELETED
	7B	DELETED
	7C	DELETED
	7D	LUMP SUM DEATH BENEFITS

If a Member dies on or after the Effective Date, a lump sum will be payable by the Trustees in accordance with Rule 7E. The amount of the lump sum payable in respect of the Member depends on which of the following sub-rules is applicable to him on the day he died.

- | | | |
|--|-----|---|
| Death in Reckonable Service and NRA60 Pension not in payment | (1) | If the Member was in Reckonable Service but his NRA60 Pension had not come into payment, the lump sum payable is the greater of <u>amount (if any) by which:</u> |
| | (a) | 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay"); |
| | | <u>exceeds and</u> |
| | (b) | where the Member has NRA60 Pension preserved in the Scheme in accordance with Rule 9A or Rule 10E as a result of a previous period of Reckonable Service which is not treated as continuous in accordance with Rule 10A, an amount equal to 5 years' payments of the Member's preserved annual NRA60 Pension (but excluding the Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension (if this was not otherwise the case). the amount referred to in either Rule 7D(3)(a)(i) or Rule 7D(3)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(3)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 |

Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(3)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the two references to his "Final Pensionable Pay" in Rule 7D(3)(a)(ii) were to his "RMSPS Final Pensionable Pay".

Death in
Reckonable
Service and
NRA60 Pension
in payment

(2) If the Member was in Reckonable Service but his NRA60 Pension had come into payment, the lump sum payable is the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) ~~if~~ the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the ~~pension—payments~~ of NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)); and

(ii) an amount equal to 5 years' payments of his annual Adjusted NRA65 Pension at the rate at which that pension would have been payable (but excluding the Adjusted NRA65 Pension Supplement, if any) to the Member had he retired from employment with ~~the Principal Employer or an Associated~~ an Employer on the date of his death with an entitlement to the immediate payment of such pension (if this was not otherwise the case); or

(b) 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring

the penultimate paragraph of the definition of "Pensionable Pay") less the aggregate of:

- (i1) the total amount of NRA60 Pension and RMSPS NRA60 Pension (including increases and any Pension Supplement and RMSPS Pension Supplement) paid to the Member between the date his NRA60 Pension commenced and the date of his death; and
- (i2) the amount of the lump sum (if any) paid to the Member in accordance with Rule 6; and of these Section C Rules and Rule 8, Part V of the RMSPS

exceeds

- (eb) where the Member has NRA60 Pension preserved in the Scheme in accordance with Rule 9A or Rule 10E as a result of a previous period of Reckonable Service which is not treated as continuous in accordance with Rule 10A, an amount equal to 5 year's payments of the Member's preserved annual NRA60 Pension (but excluding the Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension if this was not otherwise the case the amount referred to in either Rule 7D(4)(a)(i) or Rule 7D(4)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(4)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(4)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; (iii) the two references to his "Final Pensionable Pay" in Rule 7D(4)(a)(ii) were to his "RMSPS Final Pensionable Pay"; and (iv) the amounts in Rule 7D(4)(a)(ii)(1) and (2) excluded amounts received from the Scheme.

Death in Service
while opted-out

- (3) ~~If the Member has a preserved pension under Rule 9A from a previous period of Reckonable Service or had opted out~~

(etc) with NRA60 Pension and NRA65 Pension not in payment

of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service and no benefits from the Scheme had come into payment, the lump sum payable is the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) an amount equal to 5 years' payment of his preserved annual Adjusted NRA60 Pension (but excluding the Adjusted NRA60 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension; and

(ii) an amount equal to 5 years' payment of his preserved annual Adjusted NRA65 Pension (but excluding the Adjusted NRA65 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension; or

(b) 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay")

exceeds

(b) the amount referred to in either Rule 7D(3)(a)(i) or Rule 7D(3)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(3)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(3)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and (iii) the two references to his "Final

Pensionable Pay” in Rule 7D(3)(a)(ii) were to his “RMSPS Final Pensionable Pay”.

Death in Service while opted-out (etc) with NRA60 Pension in payment and NRA65 Pension not in payment (Member between MPA and 65)

- (4) If the Member ~~has a preserved pension under Rule 9A from a previous period of Reckonable Service~~ or had opted out of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service, his NRA60 Pension was in payment but his NRA65 Pension had not come into payment, the lump sum payable is the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension payments of NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)); and

(ii) an amount equal to 5 years' payments of his preserved annual Adjusted NRA65 Pension (but excluding the Adjusted NRA65 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension; or

(b) 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay") less the aggregate of:

(i) the total amount of NRA60 Pension and RMSPS NRA60 Pension (including increases and any

Pension Supplement and RMSPS Pension Supplement) paid to the Member between the date his NRA60 Pension commenced and the date of his death; and

- (ii) the amount of the lump sum (if any) paid to the Member in accordance with Rule 6— of these Section C Rules and Rule 8, Part V of the RMSPS;

exceeds

- (b) the amount referred to in either Rule 7D(4)(a)(i) or Rule 7D(4)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(4)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(4)(a)(i)(2) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; (iii) the two references to his "Final Pensionable Pay" in Rule 7D(4)(a)(ii) were to his "RMSPS Final Pensionable Pay"; and (iv) the amounts in Rule 7D(4)(a)(ii)(1) and (2) excluded amounts received from the Scheme;

Death in Service while opted-out (etc) with NRA60 Pension not in payment but NRA65 Pension in payment (Member between MPA and 60)

- (5) ~~If the Member has a preserved pension under Rule 9A from a previous period of Reckonable Service or had opted out of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service, his NRA60 Pension had not yet come into payment but his NRA65 Pension was in payment, the lump sum payable is the~~ amount (if any) by which:

- (a) the greater of:

- (a) the aggregate of:

- (i) an amount equal to 5 years' payments of his preserved annual Adjusted NRA60 Pension (but excluding the Adjusted NRA60 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such

pension; and

- (ii) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the pension—payments of NRA65 Pension and RMSPS NRA65 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)); or
- (bii) 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay") less the aggregate of:
 - (i1) the total amount of NRA65 Pension and RMSPS NRA65 Pension (including increases and any NRA65 Pension Supplement and RMSPS Pension Supplement) paid to the Member between the date his NRA65 Pension commenced and the date of his death; and
 - (ii2) the amount of the lump sum (if any) paid to the Member in accordance with Rule 6 of these Section C Rules and Rule 8, Part V of the RMSPS;

exceeds

- (b) the amount referred to in either Rule 7D(5)(a)(i) or Rule 7D(5)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(5)(a)(i)(1) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(5)(a)(i)(2) did not include

any payments of NRA65 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA65 Pension; (iii) the two references to his "Final Pensionable Pay" in Rule 7D(5)(a)(ii) were to his "RMSPS Final Pensionable Pay"; and (iv) the amounts in Rule 7D(5)(a)(ii)(1) and (2) excluded amounts received from the Scheme.

Death after leaving Service with NRA60 and NRA65 Pension preserved (Member is under age 60)

(6) If the Member had ceased to be in Service and both his NRA60 Pension and NRA65 Pension were preserved in the Scheme, the lump sum payable is the amount (if any) by which:

(a) the aggregate of:

(a) an amount equal to 5 years' payments of his preserved annual Adjusted NRA60 Pension (but excluding the Adjusted NRA60 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension if this was not otherwise the case; and

(b) an amount equal to 5 years' payments of his preserved annual Adjusted NRA65 Pension (but excluding the Adjusted NRA65 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension,

provided that the total lump sum ~~payable under~~ referred to in this Rule 7D(6)(a) shall not exceed 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay")

exceeds

(b) the amount referred to in Rule 7D(6)(a) calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(6)(a)(i) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(6)(a)(ii) was to his Revalued Notional RMSPS NRA65 Pension rather than to his

preserved annual Adjusted NRA65 Pension; and (iii) the two references to his "Final Pensionable Pay" were to his "RMSPS Final Pensionable Pay".

Death after leaving Service with NRA60 Pension in payment and NRA65 Pension preserved (Member is between MPA and 65)

(7) If the Member had ceased to be in Service and his NRA60 Pension had come into payment but his NRA65 Pension was preserved in the Scheme, the lump sum payable is the amount (if any) by which:

(a) the aggregate of:

(a) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the ~~pension payments~~ NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)); and

(b) an amount equal to 5 years' payments of his preserved annual Adjusted NRA65 Pension (but excluding the Adjusted NRA65 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension,

provided that the total lump sum ~~payable under~~ referred to in this Rule 7D(7)(a) shall not exceed 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay")-

exceeds

(b) the amount referred to in Rule 7D(7)(a) calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(7)(a)(i) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(7)(a)(ii) was to his Revalued Notional RMSPS NRA65 Pension rather than to his preserved annual Adjusted NRA65 Pension; and

(iii) the two references to his “Final Pensionable Pay” were to his “RMSPS Final Pensionable Pay”.

Death after leaving Service with NRA60 Pension preserved and NRA65 Pension in payment (Member is between MPA and 60)

(8) If the Member had ceased to be in Service and his NRA60 Pension was preserved in the Scheme but his NRA65 Pension had come into payment, the lump sum payable is the amount (if any) by which:

(a) the aggregate of:

(a) an amount equal to 5 years' payments of his preserved annual Adjusted NRA60 Pension (but excluding the Adjusted NRA60 Pension Supplement (if any)) assuming he had an entitlement to the immediate payment of such pension; and

(b) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the pension-payments of NRA65 Pension and RMSPS NRA65 Pension which would have been payable during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)),

provided that the total lump sum ~~payable under~~ referred to in this Rule 7D(8)(a) shall not exceed 4 times Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay")

exceeds

(b) the amount referred to in Rule 7D(8)(a) calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(8)(a)(i) was to his Revalued Notional RMSPS NRA60 Pension rather than to his preserved annual Adjusted NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(8)(a)(ii) did not include any payments of the Member's RMSPS NRA65 Pension; and (iii) the two references to his “Final Pensionable Pay” were to his “RMSPS Final Pensionable Pay”.

Pensioner in receipt of NRA60 and NRA65 Pension

(9) If the Member was in receipt of both his NRA60 Pension and his NRA65 Pension, unless (10) below applies, the lump sum payable is the aggregate of:

(a) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension payments which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement (if any)); and

(b) if the Member died within 5 years of his NRA65 Pension coming into payment, an amount equal to the pension payments which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement (if any)).

Member dies within 5 years of Incapacity retirement

(10) If the Member is retired through Incapacity under Rule 5D and dies in the 5 years following his retirement under that Rule, the lump sum payable is the amount (if any) by which:

(a) the greater of:

(a) the aggregate of:

(i) if the Member died within 5 years of his NRA60 Pension coming into payment, an amount equal to the pension—payments of NRA60 Pension and RMSPS NRA60 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if any)); and

(ii) an amount equal to the pension payments in respect of NRA65 Pension and RMSPS NRA65 Pension which would have been made during the remainder of the 5 year period if he had not died (but disregarding any future increases and the Pension Supplement and RMSPS Pension Supplement (if

any)); or

(b~~ii~~) 4 times the Member's Final Pensionable Pay (but in determining Final Pensionable Pay for this purpose Pensionable Pay will not be reduced by the Lower Earnings Deduction and Pensionable Pay for a Part-time Member will be ascertained ignoring the penultimate paragraph of the definition of "Pensionable Pay") less the aggregate of:

(i~~1~~) the total amount of ~~pension (both~~ NRA60 Pension, RMSPS NRA60 Pension, NRA65 Pension and RMSPS NRA65 Pension (including increases and any Pension Supplement) and any RMSPS Pension Supplement) paid to the Member between the date such pension commenced and the date of his death; and

(i~~2~~) the amount of the lump sum (if any) paid to the Member in accordance with Rule 6— of these Section C Rules and Rule 8, Part V of the RMSPS

exceeds

(b) the amount referred to in either Rule 7D(10)(a)(i) or Rule 7D(10)(a)(ii) (whichever is greater), calculated as if: (i) the Member's pension entitlement for the purposes of Rule 7D(10)(a)(i)(1) did not include any payments of NRA60 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA60 Pension; (ii) the Member's pension entitlement for the purposes of Rule 7D(10)(a)(i)(2) did not include payments of NRA65 Pension but rather was calculated solely by reference to payments of the Member's RMSPS NRA65 Pension; (iii) the two references to his "Final Pensionable Pay" in Rule 7D(10)(a)(ii) were to his "RMSPS Final Pensionable Pay"; and (iv) the amounts in Rule 7D(10)(a)(ii)(1) and (2) excluded amounts received from the Scheme.

Member who has exercised his

(11) Where a Member has transferred out either his NRA60 Pension or his NRA65 Pension in accordance with Clause

rights to take a partial transfer under Clause 27

27(1A), the provisions of this Rule 7D will apply only in respect of that tranche of benefit which is still retained in the Scheme.

Member who before the Cut-Off Date had a preserved pension in the Scheme

(12) (a) This sub-rule (12) applies, notwithstanding Rule 2A, in respect of a Member who on the Cut-Off Date had pension preserved in the Scheme as a result of any previous period of Pensionable Service which was not at the Cut-Off Date being treated as continuous with a period of Pensionable Service that continued after the Cut-Off Date.

(b) References in the previous provisions of this Rule 7D to the Member's "Revalued Notional RMSPS NRA60 Pension" shall include all pensions in respect of which the Normal Retiring Age was 60 to which the Member is entitled or prospectively entitled under the RMSPS or would have been entitled but for any transfer out from the RMSPS.

(c) References in the previous provisions of this Rule 7D to payments of the Member's "RMSPS NRA60 Pension" shall include payments of any pension from the RMSPS in respect of which the Member's Normal Retiring Age was 60, and references to any lump sum paid to the Member in accordance with Rule 8, Part V of the RMSPS shall include any lump sum paid in respect of such pension.

Transfer-out of RMSPS NRA60 benefit and/or RMSPS NRA65 benefit

(13) (a) Where before he dies a Member's RMSPS NRA60 Benefits are transferred out of the RMSPS, calculations in the preceding paragraphs of this Rule 7D which refer to payments of RMSPS NRA60 Pension or the lump sum (if any) paid to him in accordance with Rule 8, Part V of the RMSPS shall be carried out assuming:

(i) that the Member's Revalued Notional RMSPS NRA60 FPP Pension together with his Revalued Notional RMSPS NRA60 CSDB Pension came into payment at the same time as his NRA60 Pension; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA60 Pension, he exercised those options in the same proportions in relation to his Revalued Notional RMSPS NRA60 FPP Pension and

Revalued Notional RMSPS NRA60 CSDB Pension.

and otherwise as if references to his RMSPS NRA60 Pension were to the sum of his Revalued Notional RMSPS NRA60 FPP Pension and his Revalued Notional RMSPS NRA60 CSDB Pension.

Where Rule 7D(12) applies to a Member, equivalent adjustments will be made in respect of the pension and lump sum payments referable to a previous period of Pensionable Service as described in Rule 7D(12)(c) to the extent that those benefits are transferred out of the RMSPS before he dies.

(b) Where before he dies a Member's RMSPS NRA65 Benefits are transferred out of the RMSPS, calculations in the preceding paragraphs of this Rule 7D which refer to payments of RMSPS NRA65 Pension or the lump sum (if any) paid to him in accordance with Rule 8, Part V of the RMSPS shall be carried out assuming:

(i) that the Member's Revalued Notional RMSPS NRA65 Pension came into payment at the same time as his NRA65 Pension; and

(ii) that if and to the extent that the Member exercised any commutation or surrender options in relation to his NRA65 Pension, he exercised those options in the same proportions in relation to his Revalued Notional RMSPS NRA65 Pension.

and otherwise as if references to his RMSPS NRA65 Pension were to his Revalued Notional RMSPS NRA65 Pension.

(c) For the avoidance of doubt, (a) and (b) above may both apply to the same Member where appropriate.

7E DISCRETIONARY TRUSTS

The Trustees will pay the lump sum death benefit (together with any arrears of pension or lump sum benefits which may be payable under the Rules) to one or more of the Beneficiaries or apply it for their benefit in such proportions as they see fit. They may at their discretion deduct the cost of funeral expenses from the lump sum

death benefits and pay it to the person who incurred the funeral expenses. If they cannot do so within 2 years they will pay it to the Member's personal representatives, unless there is no will of the Member under which it will pass and the successor on the Member's intestacy is the Crown or the Duchy of Lancaster or Cornwall, in which case no benefit will be payable. Interest will only be added if the Trustees so determine and the limits in Schedule 13 are not exceeded.

So long as no-one other than a Beneficiary can become entitled the Trustees may:

- (i) direct that all or part of the benefit will be held by themselves or other trustees on such trusts (including discretionary trusts) and with such powers and provisions (including powers of selection and variation) as the Trustees see fit; or
- (ii) pay all or part of the benefit to the trustees of any other existing trust.

Pensions for
Spouses,
Children and
Dependants

8

Rules 8A, 8B and 8F set out general provisions concerning the provision of spouse's and children's pensions. Rule 8EE sets out specific provisions concerning what benefits are payable and in what circumstances depending on the status of the Member on the date he died.

General provision
about spouse's
and dependants'
pensions

8A

SPOUSE'S PENSION AND DEPENDANTS' PENSION

If a Member dies leaving a surviving spouse, the spouse will receive a pension until remarriage. The Trustees may at their discretion restore the pension if that marriage ends.

~~A spouse will always receive any GMP that the Scheme is required to provide for the spouse under the Contracting-out Laws. Additionally, the spouse's pension~~
The spouse's pension in respect of Service after the Cut-Off Date must, where the Contracting-out Laws so require, be sufficient to satisfy the statutory standard referred to in Section 12A of the Pension Schemes Act 1993 or such higher standard as is agreed between the *Principal Employer and the Trustees*, *Trustees and either the Principal Employer (in respect of Service with the Principal Employer or an Associated Employer) or POL (in respect of Service with POL)*. If the Trustees agree with *either the Principal Employer (in respect of benefits payable from the RMG Fund) or POL (in respect of benefits payable from the POL Fund)* that the spouse's pension in respect of Reckonable Service up to and including the Cut-Off Date should also be underpinned in certain circumstances, then the Trustees will also comply with the terms of the agreement in so far as it

affects the relevant benefits.

If the Member dies leaving no surviving spouse, the Trustees may pay a pension to one or more of the Member's Dependants. This pension may be calculated as a spouse's pension. However the Trustees may pay a pension of a smaller amount, and may reduce or stop any pension at any time as they see fit.

General provision concerning children's pensions

8B CHILDREN'S PENSIONS

If a Member dies leaving one or more Pensionable Children, a children's pension will be paid.

The children's pension will be paid to one or more of the Pensionable Children or applied for their benefit in such proportions as the Trustees see fit from time to time, and may be paid to some person or persons on fixed or discretionary trusts for all or any of them. It will finish when there is no remaining Pensionable Child.

8C DELETED**8D DELETED****8E DELETED**

Detailed provisions for spouse's and children's pensions

8EE SPOUSE'S AND CHILDREN'S PENSIONS

If a Member who was in Reckonable Service on the Effective Date dies, the following spouse's and children's pensions will be payable depending on which of the following sub-rules is applicable to him on the day he died.

Death in Reckonable Service and NRA60 Pension not in payment

(1) If the Member was in Reckonable Service but his NRA60 Pension had not come into payment:

(a) the spouse's pension shall be equal to the aggregate (excluding the Pension Supplement (if any)) of 50% of the Member's NRA60 Pension and 50% of the Member's NRA65 Pension to which the Member would have been entitled under Rule 5D if he had retired on the date of his death in any of the circumstances referred to in (ii), (iii), (iv) and (v) of that Rule; and

(b) subject to Rule 8F, the children's pension will be the aggregate (excluding the Pension Supplement (if any)) of 25% of the NRA60 Pension and 25% of the NRA65 Pension to which the Member would have been entitled under Rule 5D if he had retired on the date of his death in any of the

circumstances referred to in (ii), (iii), (iv) and (v) of that Rule where there is one Pensionable Child, and the aggregate of 50% of that NRA60 Pension and 50% of that NRA65 Pension where there are two or more Pensionable Children.

Death in Reckonable Service and NRA60 Pension in payment

(2) If the Member was in Reckonable Service but his NRA60 Pension had come into payment:

(a) the spouse's pension shall be equal to the aggregate of:

(i) 50% of the Member's NRA60 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death (or, if greater, which would have been in payment if he had not given up any NRA60 Pension for a lump sum); and

(ii) 50% of the Member's NRA65 Pension (excluding the Pension Supplement (if any)) to which the Member would have been entitled under Rule 5D if he had retired on the date of his death in any of the circumstances referred to in (ii), (iii), (iv) and (v) of that Rule,

provided that for the first 91 days after the Member's death, the spouse's pension payable under (i) above shall be at the same rate as the Member's NRA60 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death; and

(b) subject to Rule 8F, the children's pension will be the aggregate of 25% of the Member's NRA60 Pension and 25% of the Member's NRA65 Pension calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that NRA60 Pension and 50% of that NRA65 Pension where there are two or more Pensionable Children.

Death in Service while opted-out (etc) with NRA60 Pension not in payment (Member under

(3) If the Member ~~has a preserved pension under Rule 9A from a previous period of Reckonable Service or had opted out of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service and no benefits from the Scheme had come into payment:~~

age 60)

- (a) the spouse's pension shall be equal to the aggregate of 50% of the Member's preserved NRA60 Pension and 50% of the Member's preserved NRA65 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting-out Laws up to the date of death~~; and
- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's preserved NRA60 Pension and 25% of the Member's preserved NRA65 Pension, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that preserved NRA60 Pension and 50% of that preserved NRA65 Pension where there are two or more Pensionable Children.

Death in Service while opted-out (etc) with NRA60 Pension in payment and NRA65 Pension not in payment (Member between MPA and 65)

- (4) If the Member ~~has a preserved pension under Rule 9A from a previous period of Reckonable Service~~ or had opted out of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service, his NRA60 Pension was in payment but his NRA65 Pension had not come into payment:
 - (a) the spouse shall be entitled to a pension equal to the aggregate of:
 - (i) 50% of the Member's NRA60 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death (or, if greater, which would have been in payment if he had not given up any NRA60 Pension for a lump sum); and
 - (ii) 50% of the Member's preserved NRA65 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting-out Laws up to the date of death~~,

provided that for the first 91 days after the Member's death, the spouse's pension payable under (i) above shall be at the same rate as the Member's NRA60 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death; and

- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's NRA60 Pension in payment and 25% of the Member's preserved NRA65 Pension, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that NRA60 Pension in payment and 50% of that preserved NRA65 Pension where there are two or more Pensionable Children.

Death in Service while opted-out (etc) with NRA60 Pension not in payment but NRA65 Pension in payment (Member between MPA and 60)

- (5) If the Member ~~has a preserved pension under Rule 9A from a previous period of Reckonable Service or~~ had opted out of the Scheme under Rule 10E or had ceased to be eligible for membership under Rule 12D but in all cases was still in Service, his NRA60 Pension had not yet come into payment but his NRA65 Pension was in payment:

- (a) the spouse shall be entitled to a pension equal to the aggregate of:
- (i) 50% of the Member's preserved NRA60 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting-out Laws up to the date of death;~~ and
 - (ii) 50% of the Member's NRA65 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death (or, if greater, which would have been in payment if he had not given up any NRA65 Pension for a lump sum),

provided that for the first 91 days after the Member's death, the spouse's pension payable under (ii) above shall be at the same rate as the Member's NRA65 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death; and

- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's NRA65 Pension in payment and 25% of the Member's preserved NRA60 Pension, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that NRA65 Pension in payment and 50% of that preserved NRA60 Pension where there are two or more Pensionable

Children.

Death after leaving Service with NRA60 and NRA65 Pension preserved (Member is under age 60)

- (6) If the Member had ceased to be in Service and both his NRA60 Pension and NRA65 Pension were preserved in the Scheme:
- (a) the spouse's pension shall be equal to the aggregate of 50% of the Member's preserved NRA60 Pension and 50% of the Member's preserved NRA65 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting out Laws up to the date of death~~; and
- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's preserved NRA60 Pension and 25% of the Member's preserved NRA65 Pension, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that preserved NRA60 Pension and 50% of that preserved NRA65 Pension where there are two or more Pensionable Children.

Death after leaving Service with NRA60 Pension in payment and NRA65 Pension preserved (Member is between MPA and 65)

- (7) If the Member had ceased to be in Service and his NRA60 Pension had come into payment but his NRA65 Pension was preserved in the Scheme:
- (a) the spouse shall be entitled to a pension equal to the aggregate of:
- (i) 50% of the Member's NRA60 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death (or, if greater, which would have been in payment if he had not given up any NRA60 Pension for a lump sum); and
- (ii) 50% of the Member's preserved NRA65 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting out Laws up to the date of death~~,

provided that for the first 91 days after the Member's death, the spouse's pension payable under (i) above shall be at the same rate as the Member's NRA60 Pension (excluding the Pension

Supplement (if any)) in payment at the date of his death; and

- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's NRA60 Pension in payment and 25% of the Member's preserved NRA65 Pension, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that NRA60 Pension in payment and 50% of that preserved NRA65 Pension where there are two or more Pensionable Children.

Death after leaving Service with NRA60 Pension preserved and NRA65 Pension in payment (Member is under age 60)

- (8) If the Member had ceased to be in Service and his NRA60 Pension was preserved in the Scheme but his NRA65 Pension had come into payment:

- (a) the spouse shall be entitled to a pension equal to the aggregate of:
- (i) 50% of the Member's preserved NRA60 Pension calculated as described in Rule 9A but excluding the Pension Supplement (if any) ~~and including any increases in GMP made in accordance with the Contracting-out Laws up to the date of death;~~ and
- (ii) 50% of the Member's NRA65 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death (or, if greater, which would have been in payment if he had not given up any NRA65 Pension for a lump sum),

provided that for the first 91 days after the Member's death, the spouse's pension payable under (ii) above shall be at the same rate as the Member's NRA65 Pension (excluding the Pension Supplement (if any)) in payment at the date of his death; and

- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's preserved NRA60 Pension and 25% of the Member's NRA65 Pension in payment; both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that preserved NRA60 Pension and 50% of that NRA65 Pension in payment where there are two or more Pensionable

Children.

Pensioner in receipt of NRA60 and NRA65 Pensions

- (9) If the Member was in receipt of both his NRA60 Pension and his NRA65 Pension:
- (a) the spouse's pension shall be equal to the aggregate of 50% of the Member's NRA60 Pension and 50% of the Member's NRA65 Pension in payment at the date at his death (or, in each case if greater, 50% of the relevant pension which would have been in payment if he had not given up that pension for a lump sum), in both cases excluding the Pension Supplement (if any), provided that for the first 91 days after the Member's death, the spouse's pension payable under this Rule shall be not less than the aggregate of the Member's NRA60 Pension and NRA65 Pension (in both cases excluding the Pension Supplement (if any)) in payment at the date of his death; and
- (b) subject to Rule 8F, the children's pension shall be the aggregate of 25% of the Member's NRA60 Pension in payment and 25% of the Member's NRA65 Pension in payment, both calculated as in (a) above where there is one Pensionable Child, and the aggregate of 50% of that NRA60 Pension in payment and 50% of that NRA65 Pension in payment where there are two or more Pensionable Children.

Member who has exercised his rights to take a partial transfer under Clause 27

- (10) Where a Member has transferred out either his NRA60 Pension or his NRA65 Pension in accordance with Clause 27(1A), the provisions of this Rule 8EE will apply only in respect of that tranche of benefit which is still retained in the Scheme.

8F ORPHANS

If no spouse's pension is being paid the children's pension will be increased from one-quarter to one-third of the appropriate Member's pension where there is one Pensionable Child and from one-half to two-thirds where there are two or more.

Early Leavers **9**

9A PRESERVED PENSION

A Member:

- (a) who leaves Service or opts-out of the Scheme under Rule 10E before age 65 with at least 2 years' Qualifying Service or in respect of whom a transfer payment has been received from a personal pension scheme; and
- (b) who does not become entitled to an immediate benefit under any other Rule; and
- (c) whose benefits are not otherwise transferred out of the Scheme,

will receive a pension for life from Normal Retiring Age of an amount calculated as described in Rule 5A (including the Pension Supplement, if any) increased during preservation by the percentage appropriate under the Revaluation Laws provided that any part of the deferred pension attributable to Reckonable Service on or after 6 April 2009 will be increased during preservation by the "appropriate lower revaluation percentage" but as if:

- (i) any reference to "2.5 per cent" in the definition of "lower maximum rate" instead read "5 per cent"; and
- (ii) the "appropriate lower revaluation percentage" specified by the Secretary of State under the Revaluation Laws was determined on that basis,

where the terms "appropriate lower revaluation percentage" and "lower maximum rate" have the meanings given to them under the Revaluation Laws.

If a Member is still entitled to benefits under this Section C in respect of a period before a break in Reckonable Service, he will be entitled to a full preserved pension in respect of the period after the break whether or not he has 2 years' Qualifying Service.

A Member may take benefits early under Rules 9C or 9CA, but may not defer NRA60 Pension after age 60 or NRA65 Pension after age 65.

9B ~~REFUND OF CONTRIBUTIONS~~

~~A Member who:~~

- (a) ~~leaves Service or who opts out of the Scheme under Rule 10E before age 65 without becoming entitled to a preserved pension under Rule 9A; and~~
- (b) ~~does not become entitled to any benefit under any other Rule; and~~
- (c) ~~does not take a cash transfer sum under the Transfer Value Laws or whose benefits are not otherwise transferred out of the Scheme;~~

~~will receive a refund of his contributions with compound interest at such rate as is determined by the Trustees (less tax at such rate as applies from time to time).~~

~~If the Member's Service was contracted out under this Section C:~~

- (i) ~~the Trustees will pay a Contributions Equivalent Premium under Section 55(2) of the Pension Schemes Act 1993 (payment of state scheme premiums on termination of certified status); and~~
- (ii) ~~the Member's refund of contributions will be reduced by the amount described in Section 61 of that Act (deduction of Contributions Equivalent Premium from refund of scheme contributions).~~ **DELETED**

9C EARLY PENSION - WHILST IN SERVICE

If a Member opted-out of the Scheme under Rule 10E but remains in Service and where some or all of his benefits have not yet been brought into payment, he may, on or after the Effective Date, elect, any time after Minimum Pension Age, to remain in Service and to take his NRA60 Pension or, if applicable, his NRA65 Pension, or both. This election shall require the consent of ~~the Principal Employer or an Associated~~ an Employer (provided that such consent shall not be required in respect of his NRA60 Pension if the Member has reached age 60, and shall not be required in respect of his NRA65 Pension if the Member has reached age 65). Any benefits paid early under this Rule shall be reduced on a basis which has been certified as reasonable by the Actuary to take account of early payment.

If only one tranche is brought into payment under this Rule, the remaining tranche will continue to be deferred under Rule 9A (although, for avoidance of doubt, the remaining tranche can be brought into payment early subsequently under either this Rule or Rule 9CA).

~~In accordance with Clause 1(b), this provision applies to all Members in Service whether or not they were in Reckonable Service on the Effective Date. For Members who were not in Reckonable Service on the Effective Date, references in this Rule 9C to "NRA60 Pension" means the pension accrued by those Members under the applicable provisions of the Scheme in force prior to the Effective Date in respect of their Reckonable Service in the Scheme.~~

9CA EARLY PENSION - NO LONGER IN SERVICE

Unreduced early
retirement
pension

- (1) If a Member whose benefits are preserved under Rule 9A is no longer in Service, he may (subject, in particular, to paragraphs 3 and 4 of Schedule 13) receive an immediate pension calculated as described in Rule 5A (including the Pension Supplement, if any) if in the Trustees' opinion, either (i) he would have retired through Incapacity under Rule 5D had he remained in Service, or (ii) if he has reached Minimum Pension Age, on any compassionate grounds as the Trustees may determine provided that where the pension is paid on compassionate grounds, to the extent it relates to periods of Reckonable Service on and from 1 December 2006, it shall be reduced by the Trustees on a basis which has been certified as reasonable by the Actuary to take account of early payment.

Payment of the pension is subject to the following provisions:

- (i) should both a Member's NRA60 Pension and NRA65 Pension be preserved under Rule 9A, and the Trustees terminate the deferment of the Member's benefits because they are satisfied the Member would have retired through Incapacity under Rule 5D had he remained in Service, all benefits (whether NRA60 Pension, NRA65 Pension or both) deferred under this Rule shall be brought into payment immediately; and
- (ii) should both a Member's NRA60 Pension and his NRA65 Pension be preserved under Rule 9A, and the Trustees wish to exercise their discretion to terminate the deferment on compassionate grounds, the Trustees may exercise this discretion in respect of either the Member's NRA60 Pension, NRA65 Pension, or both. If the deferment is terminated on compassionate grounds in respect of one tranche of benefit only, the remaining tranche will continue to be deferred under Rule 9A (although, for avoidance of doubt, the remaining

tranche can subsequently be brought into payment early under either (1) or (2) of this Rule 9CA).

Reduced early
retirement
pension

- (2) A Member entitled to a deferred pension under Rule 9A who is no longer in Service shall be entitled subject to the consent of the Trustees to call for an immediate pension on or after reaching Minimum Pension Age calculated as described in Rule 5A (including the Pension Supplement, if any) but reduced by the Trustees on a basis which has been certified as reasonable by the Actuary to take account of early payment.

Should both a Member's NRA60 Pension and his NRA65 Pension be preserved under Rule 9A, the Member may call for immediate payment in respect of either the Member's NRA60 Pension, NRA65 Pension, or both (any such pension being payable with the consent of the Trustees and on a reduced basis in accordance with the first paragraph of this Rule 9CA(2)). If only one tranche is brought into payment under this Rule 9CA(2), the remaining tranche will continue to be deferred under Rule 9A (although, for avoidance of doubt, the remaining tranche can subsequently be brought into payment early under either (1) or (2) of this Rule 9CA).

9CB UNDERPIN

In the case of early retirement under either Rule 9C or 9CA, the Trustees must be reasonably satisfied that the pension is at least equal in value to the preserved pension (including future increases under Rule 9A) payable from age 60 (in respect of NRA60 Pension) and age 65 (in respect of NRA65 Pension) to which he would otherwise have become entitled.

9D DELETED

9E DELETED

9F DELETED

Periods of
absence

10

10A BREAKS IN RECKONABLE SERVICE

In accordance with Rule 2, Section C is closed to new Members. Should any Member have rejoined Section C on or prior to 31 March 2008, his benefits will be dealt with in accordance with the previous provisions of this Rule 10A in force at the relevant time.

10B TEMPORARY ABSENCE

If a Member is, whether before, on or after the Cut-Off Date, on Unpaid Absence, temporary loan to another Employer, unpaid sick leave or sick pay at pension rate then:

- (a) the Member will be treated as remaining in Reckonable Service for such period as the Trustees and the Employer determine subject to payment of contributions under Rule 3B(d)(ii) in respect of the period of Unpaid Absence, temporary loan, unpaid sick leave or sick pay at pension rate. Should:
 - (i) the Member leave Reckonable Service before contributions under Rule 3B(d)(ii) are fully paid, Reckonable Service will be appropriately adjusted on actuarial advice; or
 - (ii) the Member die before contributions under Rule 3B(d)(ii) are fully paid, the lump sum under Rules 7D(1) or (2) will be reduced by the amount of the shortfall.

The Rules will apply to a Member covered by this Rule 10B(a) subject to any special conditions (consistent with the Contracting-out Laws) which the Employer specifies and the Trustees agree; and

- (b) he will, if the Employer so decides, continue to be covered for death benefits under Rules 7D(1) or (2). If the Employer does so decide and the Member dies whilst on Unpaid Absence, temporary loan, unpaid sick leave or sick pay at pension rate:
 - (i) the lump sum will be reduced by an amount equal to the contributions which he would have paid under Rule 3B(d)(ii) in respect of the period of his absence to the date of death; or
 - (ii) the Member will be treated as having remained in Reckonable Service to the date of death.

If a Member, having been on Unpaid Absence, temporary loan to another employer, unpaid sick leave or sick pay at pension rate returns to Reckonable Service but does not pay contributions under Rule 3B(d)(ii) in respect of the period of Unpaid Absence, temporary loan, unpaid sick leave or sick pay at pension rate then Reckonable Service will be treated as continuous but excluding the period of Unpaid Absence, temporary loan, unpaid sick leave or

sick pay at pension rate.

10C MATERNITY

A Member will be treated as still in Reckonable Service throughout any period of absence from work during her statutory "maternity leave period" (as defined in Section 235 of the Employment Rights Act 1996) and any further period of absence due to pregnancy or confinement for which she receives contractual remuneration or statutory maternity pay.

A Member who receives contractual remuneration or statutory maternity pay for a period of absence must pay contributions on the amount received. A Member who does not receive contractual remuneration or statutory maternity pay for her statutory "maternity leave period" does not have to pay contributions for that period. The Member's benefits will in any event be calculated as if she had worked normally throughout the period of absence and received the remuneration likely to be paid for doing so.

At the end of the Member's statutory maternity leave period or period of paid maternity absence, the Member will be treated as if she had left Reckonable Service unless she is on Unpaid Absence.

If the Member:

- (i) is treated as if she had left Reckonable Service as described above, in the event that she exercises a statutory right to return to work her Reckonable Service before being treated as having left Service and after returning to work will be treated as continuous (but excluding the break (if any)); or
- (ii) is on Unpaid Absence as described above, the provisions of Rule 10B (Temporary Absence) will apply.

Members shall also be treated during their periods of maternity leave as may be required to comply with relevant legislation.

10D ADOPTION AND PATERNITY LEAVE

A Member will be treated as still in Reckonable Service throughout any period of absence from work during his ordinary adoption leave period or his paternity leave period (as defined in the Employment Rights Act 1996) and any further period of absence due to adoption leave or paternity leave for which he receives contractual remuneration or statutory adoption pay or statutory paternity pay (as applicable).

A Member who receives contractual remuneration or statutory

adoption pay or statutory paternity pay (as applicable) for a period of absence must pay contributions on the amount received. A Member who does not receive contractual remuneration or statutory adoption pay for his ordinary adoption leave period or statutory paternity pay for his paternity leave period does not have to pay contributions for that period. The Member's benefits will in any event be calculated as if he had worked normally throughout the period of absence and received the remuneration likely to be paid for doing so.

At the end of the Member's ordinary adoption leave period or period of paid adoption leave or paternity leave period the Member will be treated as if he had left Reckonable Service unless he is on Unpaid Absence.

If the Member:

- (i) is treated as if he had left Reckonable Service as described above, in the event that he exercises a statutory right to return to work his Reckonable Service before being treated as having left service and after returning to work will be treated as continuous (but excluding the break (if any)); or
- (ii) is on Unpaid Absence as described above, the provisions of Rule 10B (Temporary Absence) will apply.

Members shall also be treated during their periods of adoption, paternity and such other similar leave as may be required to comply with relevant legislation.

10E OPTING OUT OF THE SCHEME

A Member in Reckonable Service may by complying with such procedures as may be required choose to stop accruing benefits under the Scheme and he will thereupon cease to be in Reckonable Service. He will then become entitled to such rights and options as may be appropriate under Clause 27 and Rule 9.

11 DELETED

General Rules
about Benefits

12

12A DELETED

12B PENSION INCREASES

~~That part of each~~Each pension in payment under the Section C Rules (together with the Pension Supplement, if any) ~~that exceeds any GMP~~ will increase by the lower of 5% compound in each year or the increase in the Retail Prices Index over the preceding year

on a date decided by the Trustees. The initial pension for a Member, in respect of Pensionable Service before 1 April 2008 only, who retires or is retired from this Section C and whose Final Pensionable Pay was determined by reference to a Calculation Year (or a period of 3 consecutive tax years) which ended before the date on which he retired or left Reckonable Service will be adjusted to take into account the increases to which he would have been entitled between the end of the Relevant Period (as defined for the purposes of "Final Pensionable Pay" (see Rule 1)) and the date on which he retired or left Reckonable Service. Pensions paid for less than a year may be increased by a smaller amount. ~~Where GMP is payable, the part of the GMP that is attributable to earnings for the tax year 1988-1989 and subsequent tax years will increase in each year by the percentage specified in any order made by the Secretary of State under Section 109 of the Pension Schemes Act 1993. The remainder of the GMP will not increase.~~

12C DEDUCTION OF TAX

The Trustees may deduct from any payment under this Section C any tax for which they may be liable in respect of it.

12D CEASING TO BE ELIGIBLE

If a Member remains in Service but ceases to be eligible for membership of this Section C and so ceases to contribute in accordance with Rule 3B (and Rule 3C if applicable) before Normal Retiring Age, the benefit payable in respect of him under this Section C will be calculated as if, at the date he ceased to be eligible to be covered by this Section C, he had ceased to be in Reckonable Service with entitlement to benefit under Rule 9A (regardless of the length of his Qualifying Service). However, if he leaves Service before Normal Retiring Age the provisions of Rule 9 will apply according to the actual length of his Qualifying Service.

12E DELETED

12F DELETED

12G OFF-SET FOR CRIME, FRAUD OR NEGLIGENCE

If a Member owes money to his or her Employer arising from a criminal, fraudulent or negligent act or omission, the Employer may require the Member's benefits (including benefits payable on the Member's death) to be reduced by an amount that the Trustees decide (on advice from the Actuary) is equal to the debt. If the debt is more than the value of the benefits that can be reduced, the benefits will cease to be payable. However, this Rule does not apply to ~~GMPs~~, benefits granted in respect of a transfer payment to

the Scheme (except for benefits to which this Rule may apply notwithstanding Section 91 of the Pensions Act 1995 (inalienability of occupational pension)) and benefits granted in respect of additional voluntary contributions.

The Member will be given a certificate that shows the amount of the debt to the Employer and the effect of the reduction in benefits. If the Member disputes the amount of the debt, the benefits will not be reduced until the debt has become enforceable under an order of a court or in consequence of an award of an arbitrator.

If a Member's benefits are reduced under this Rule, the Trustees will pay the Employer an amount equal to the Member's debt or, if less, the value of the Member's benefits. Alternatively, if the Employer so chooses, the Trustees will allow the Employer to reduce his contributions by that amount or value.

In addition to the above, the Trustees are entitled to the benefit of a charge, lien or set-off against benefits under the Scheme which are attributable to Pensionable Service on and after 1 April 1998 for the purpose permitted by Section 91(5)(e) of the Pensions Act 1995 (crime, negligence, fraud, breach of trust). Before exercising this entitlement, the Trustees will follow the procedural steps set out in Section 91.

Benefits may also be forfeited where the circumstances in General Rule 15 apply.

- 12H DELETED**
- 12I DELETED**
- 12J DELETED**
- 13 DELETED**
- 14 DELETED**
- 15 DELETED**
- 16 DELETED**
- 17 DELETED**
- 18 DELETED**
- 19 DELETED**
- 20 DELETED**

21 DELETED

22 DELETED

SCHEDULE 4B

SECTION D RULES OF THE CONTRIBUTORY PART OF THE SCHEME

(SHARED AVC FACILITY - KNOWN AS "BONUSPLAN")

Meaning of words used	1	<p>Words and expressions defined in Clause 1A or Section C Rule 1 have a corresponding meaning in these Section D Rules except that:</p> <p>"Accumulated Fund" means a Member's <u>the Accumulated Fund</u> as described in Rule 5 <u>of:</u></p> <p><u>(a) a Member; and/or</u></p> <p><u>(b) an RMSPS AVC Only Beneficiary in respect of whom there remains an Accumulated Fund within the Scheme under Rule 5;</u></p> <p>"Member" means a Member of Section C of the Scheme who has chosen to make voluntary contributions to this Section D under Rule 3A with the consent of the Employer;</p> <p><u>"Non-Member Pensioner" means an RMSPS AVC Only Beneficiary in respect of whom there remains an Accumulated Fund within the Scheme under Rule 5 whose only rights under the Scheme on the Cut-Off Date (ignoring any uncrystallised rights to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, Rule 3C of the Section C Rules in respect of AVCs, Rule 6 of these Section D Rules in respect of any Accumulated Fund, or any previous provision of the Scheme) were in respect of pensions in payment; and</u></p> <p><u>"Non-Member Deferred" means an RMSPS AVC Only Beneficiary in respect of whom there remains an Accumulated Fund within the Scheme under Rule 5 and who is not a Non-Member Pensioner.</u></p>
Joining Section D	2	<p>A member who is subject to the Section C Rules may choose with the Employer's consent to join this Section D (and may remain a Member of Section C and continue to accrue benefits under that Section).</p>
Contributions by Members and Employers	3 3A	<p>CONTRIBUTIONS BY MEMBERS</p> <p>A Member will pay contributions at a rate of 4.5% of an amount equal to the annual rate of the Lower Earnings Deduction. His contributions shall terminate when he takes benefits under this Section D, save that, if a Member wishes to continue to earn further benefits under this Section D in accordance with Rule 6A after he has taken benefits from this Section D, he shall contribute under this</p>

Rule 3A for such period as required by Rule 6A. Contributions will be deducted from earnings and paid to the Trustees by the Employer. A Part-time Member will instead pay contributions at a rate of 4.5% of an amount equal to the proportion of the Lower Earnings Deduction used in the calculation of his Part-Timer's Contributory Pay.

3B CONTRIBUTIONS BY EMPLOYERS

The Employer's contributions to this Section D will be the same as the Member's contributions except that the Employer will not contribute in any year more than an amount equal to 8.02% of the Member's basic annual salary less 9% of the Member's Contributory Pay or Part-timer's Contributory Pay.

For this purpose a Member's "basic annual salary" includes London weighting (where appropriate) and assigned allowances and contributory allowances (if any) as set out in the terms and conditions of employment appropriate to him.

3C TEMPORARY SUSPENSION OF CONTRIBUTIONS

If in any period a Member's Contributory Pay or Part-timer's Contributory Pay is temporarily reduced or suspended no contributions will be payable by or in respect of him during that period under Rules 3A and 3B.

4 DELETED

Accumulated
Fund

5 The Trustees will (after making an allowance for any expenses on a basis certified as reasonable by the Actuary) allocate to a Member or RMSPS AVC Only Beneficiary's Accumulated Fund the contributions paid by him and by the Employer in respect of him and a fair share (determined with actuarial advice) of the income, gains and losses arising on the assets of this Section D.

Benefits for
Members and
other
individuals

6 Unless Rule 6A applies, a Member or RMSPS AVC Only Beneficiary's Accumulated Fund will be ~~Members~~ used (whether he retires from Service, leaves Service early ~~or~~, dies in Service or left Service before the Cut-Off Date) to provide additional benefits (including lump sum benefits) on a money purchase basis. These additional benefits will be determined by the Trustees and shall comply so far as possible with any wishes made known by the ~~Members~~ Member or RMSPS AVC Only Beneficiary in writing to the Trustees. However, the only benefit which may be provided from the Accumulated Fund of a Non-Member Deferred is a transfer value or annuity policy purchase under Clause 27A or a lump sum upon death.

Flexible
Retirement

6A FLEXIBLE RETIREMENT

A Member may elect to take the benefits in Rule 6 at the following times:

- (a) when he takes his NRA60 Pension;
- (b) when he takes his NRA65 Pension; or
- (c) once he has taken both his NRA60 Pension and his NRA65 Pension, anytime thereafter (but before age 75) as he may elect.

A Member who takes his NRA65 Pension (and thereby ceases to be in Reckonable Service) shall cease to pay contributions under Rule 3A and the Employers' contributions under Rule 3B shall also cease.

Should a Member take his benefits under this Section D when he takes his NRA60 Pension but remains in Reckonable Service under the Scheme, he may elect to contribute under Rule 3A (in which case Employer contributions shall continue to be payable under Rule 3B) and to earn further benefits under this Section D. Those contributions shall continue until he ceases to be in Reckonable Service, unless Rule 3C applies.

A Non-Member Pensioner may elect to take the benefits in Rule 6 at any time before age 75.

7 DELETED

Corresponding
Provisions

8 Provisions corresponding to those contained in Rules 9A, ~~9B~~, 9C, 9CA, 10 and 12 (excluding provisions relating to pension increases) of Section C of the Scheme shall apply under this Section D.

9 DELETED

10 DELETED

SCHEDULE 4C**SECTION E RULES**

Application	1	The Rules contained in this Schedule 4C shall apply to Members of this Section E.
<u>No benefits (other than money purchase benefits) in respect of any period of membership ending on or before the Cut-Off Date</u>	1A	<p>(1) <u>This Rule 1A overrides all other Section E Rules, each of which must be read as expressly subject to it.</u></p> <p>(2) <u>No pension or other benefits are payable under these Section E Rules in respect of any period of employment or Reckonable Service which ended on or before the Cut-Off Date.</u></p> <p>(3) <u>Rule 1A(2) above is without prejudice to:</u></p> <p>(a) <u>any RMSPS AVC Only Beneficiary's entitlement to benefits on a money purchase basis under General Rule 19A in respect of a Member's Fund, to the extent that a Member's Fund remains uncrystallised within the Fund in respect of him; or</u></p> <p>(b) <u>any benefits payable in respect of a period of employment or Reckonable Service which was at the Cut-Off Date treated as continuous with a period of employment or Reckonable Service continuing after the Cut-Off Date.</u></p>
Interpretation and Definition	2	
	2A	INTERPRETATION
		Terms defined in the Deed and in the General Rules shall have the same meaning in these Rules.
	2B	DEFINITION
		The following term shall have the following meaning in these Rules:
		" Former Section " means whichever of Section A or Section B to which the Member was subject immediately prior to joining Section E.
Eligibility	3	ELIGIBILITY
		With effect on and from 1 April 2007, Section E closed to new Members and neither the Principal Employer nor an Associated Employer will invite employees to join Section E with effect on and

from that date.

Contributions **4** A Member of Section E shall contribute to the Scheme at such rate and for such periods as would have applied to him as if his membership of his Former Section had continued.

Transfer of Reckonable Service **5** All Reckonable Service built up in a Member's Former Section in relation to his period of service immediately prior to joining Section E (which was transferred to Section E in accordance with the previous provisions of this Rule applying to the Member upon the date of his joining Section E) shall be treated as if it were Reckonable Service in Section E of the Scheme and will be continuous with Reckonable Service accrued after joining Section E. No Section E Member, following such transfer of Reckonable Service, shall have any further rights under his Former Section in relation to that period of Reckonable Service.

Section E Benefits **6**

6A SECTION E BENEFITS

Subject to Rule 7, the benefits payable to a Member of Section E shall be of the same amount and payable in the same circumstances as would have applied to the Member if he had continued to be subject to the Rules of his Former Section as in force from time to time. For the avoidance of doubt, the benefits payable to a Member who was formerly subject to the Rules of Section A of the Scheme shall be calculated in accordance with the provisions of the Section A Rules, but subject to the power to elect under General Rule 17(2) to be treated as if he was formerly subject to the Section B Rules, and the benefits payable to a Member who was formerly subject to the Section B Rules shall be calculated in accordance with the provisions of the Section B Rules.

Application of General Rules to Section E Members **6B**

APPLICATION OF GENERAL RULES TO SECTION E MEMBERS

In accordance with the provisions of General Rule 1XA, a reference in the General Rules to Members who are subject to the Section A Rules shall, where the context so admits, be deemed to include a Section E Member who was formerly subject to the Section A Rules and a reference in the General Rules to Members who are subject to the Section B Rules shall, where the context so admits, be deemed to include a Section E Member who was formerly subject to the Section B Rules.

Benefits on Redundancy **7**

Notwithstanding Rule 6, in the event that a Member is made redundant by ~~the Principal Employer or by an Associated~~ an Employer:

(1) he will have no entitlement to immediate payment of his

pension before his Normal Retiring Age without reduction for early payment or to any enhancement of his Reckonable Service on account of his redundancy, including any such benefits which would otherwise be payable under Section B Rule 8; and

- (2) no lump sum compensation will be payable to him on account of his redundancy including any such benefits which would otherwise be payable under the Section A Rules.

SCHEDULE 5**STATUTES AND RELATED INSTRUMENTS REFERRED TO IN NON-CONTRIBUTORY
SECTION RULE 2(A) AND SECTION A RULE 1(1)**

Forfeiture Act 1870, Section 2, as amended by Section 10(2) of and Schedule III to Criminal Law Act 1967.

Pensions Commutation Acts 1871 to 1882.

Pensions Commutation Regulations 1968 S.I. 1968/1163.

Superannuation Act 1965, Sections 1-17, 20-25, 28-32, 40-44, 49-77, 82-88, 91, 94, 98, 99, 103-106 and all Schedules to the Act.

Treasury Directions on breaks between unestablished and established services, enclosed with Treasury Circular No. 6 of 1949.

Broken Services Rules promulgated by Treasury Establishment Circular No. 34 of 1958.

Superannuation (Treatment of Compulsory National Service of Civil Servants) Rules 1949 S.I. 1949/517.

Superannuation (Service in certain places abroad) Order 1950 S.I. 1950/948 as amended by S.I. 1956/1701, S.I. 1959/136, S.I. 1959/1239, S.I. 1959/2276 and S.I. 1964/1420.

Superannuation (Reserve and Auxiliary Forces) Rules 1952 S.I. 1952/135.

Superannuation (Allocation of Pension Rules) 1965 S.I. 1965/1201.

Superannuation (National Board for Prices and Incomes) Order 1965 S.I. 1965/1285 and S.I. 1967/571.

Superannuation (Rent Tribunals) Order 1965, S.I. 1965/2092.

Gaming Act 1968, Section 10, Schedule 1 para 4.

Race Relations Act 1968, Section 14, Schedule 1 para 3.

Superannuation (Monopolies Commission) Order 1969 S.I. 1969/349.

Superannuation (Commission on Industrial Relations) Order 1969 S.I. 1969/665.

Commonwealth Telegraphs (Cable and Wireless Ltd. Pension), Regulations. 1955/1893 Regulations 10(5) and 16(3).

National Insurance Act 1965. Section 110.

National Insurance (Modification of the Superannuation Acts) Regulations 1948 S.I. 1948/498 as amended by S.I. 1949/1620.

National Insurance (Modification of the Superannuation Acts) Regulations 1960 S.I. 1960/1270.

National Insurance (Modifications of the Superannuation Acts) Regulations 1961 S.I. 1961/1358.

National Insurance (Modifications of the Superannuation Acts) (Amendment) Regulations 1965 S.I. 1965/1296.

Superannuation (Miscellaneous Provisions) Act 1967, Sections 2 and 18.

Family Law Reform Act 1969, Section 9.

Pensions Commutation (Amendment) Regulations 1970 S. I. 1970/515.

Pensions Increase Act 1971.

Pensions (Preservation of Increases) Order 1971 S. I. 1971/1648.

National Insurance (Modification of the Superannuation Acts) Amendment Regulations 1971 S.I. 1971/1441.

Pensions (Increase) Act 1974.

NON-STATUTORY INSTRUMENT

Treasury minute on marriage gratuities dated 3rd May 1966.

Principal Civil Service Pension Scheme 1974 (but not Section 11: Injury Benefits) as amended or replaced from time to time.

SCHEDULE 6

TRUSTS, POWERS AND PROVISIONS UPON, WITH AND SUBJECT TO WHICH THE DESIGNATED SUM IS TO BE HELD IN PURSUANCE OF A DIRECTION GIVEN BY A MEMBER OR PENSIONER UNDER NON-CONTRIBUTORY SECTION RULE 9(2)(b) OR GENERAL RULE 16

The persons appointed for such purposes by the Trustees in accordance with Non-Contributory Section Rule 9(2)(b) or General Rule 16 (hereinafter called "**the Trustees of the Designated Sum**") shall stand possessed of the designated sum which a Member or Pensioner has directed to be paid to the Trustees of the Designated Sum and the income thereof upon the trusts and with and subject to the powers and provisions following (that is to say):

- (1) During the period of 21 years from the death of the Member or Pensioner the Trustees of the Designated Sum may pay or apply the designated sum and the income thereof or any part thereof respectively to or for the benefit of all or any one or more exclusively of the other or others of the following persons:
 - (a) the widow or widower of such Member or Pensioner;
 - (b) the issue of such Member or Pensioner;
 - (c) his or her grandparents; the grandparents of his widow or her widower, the grandparents of any previous or deceased wife or husband of such Member or Pensioner;
 - (d) the issue of each of the grandparents of such Member or Pensioner and the issue of each of the grandparents of the widow or widower of such Member or Pensioner and the issue of each of the grandparents of any previous or deceased wife or husband of such Member or Pensioner; and
 - (e) the person or persons (if any and whether of full age or not) to whom such Member or Pensioner has at any time put himself in loco parentis or of whose person or property such Member or Pensioner has at any time been guardian,

in such shares and in such manner as the Trustees of the Designated Sum shall in their absolute discretion from time to time determine and so that the Trustees of the Designated Sum may if they think fit pay any sum to the parent or guardian of any infant to be applied for the benefit of such infant without seeing to the application thereof.

- (2) Further during the said period of 21 years the Trustees of the Designated Sum may at any time pay or apply the designated sum and the income thereof or any part thereof respectively to or for the benefit of any person who in the opinion of the Trustees of the Designated Sum was wholly or in part dependent on the earnings of such Member or Pensioner at his death in such manner as the Trustees of the Designated Sum shall in their absolute discretion think fit.
- (3) Subject as aforesaid the designated sum and the income thereof or so much thereof respectively as shall not have been paid or applied under the foregoing powers shall be paid to such person or persons (other than the Crown, the Duchy of Lancaster or the

Duke of Cornwall) as would at the death of such Member or Pensioner have become entitled thereto under the law of intestacy of the Member's or Pensioner's domicile at the date of his or her death (if he or she was domiciled in any part of the United Kingdom or the Isle of Man) or under the law of intestacy of England (if he or she was not so domiciled) if such Member or Pensioner had died intestate and solvent and (if not domiciled in some other part of the United Kingdom or the Isle of Man) domiciled in England such persons if more than one taking the same shares and interests as they would be entitled to under such law.

- (3A) The Trustees of the Designated Sum may at their discretion deduct the cost of funeral expenses from any lump sum death benefits and pay it to the person who incurred the funeral expenses.
- (4) In paragraph (1) of this Schedule the expression "grandparent" and "issue" shall be construed as if the step-child, adopted child or illegitimate child of any person were that person's child.
- (5) In paragraph (2) of this Schedule the expression "earnings" shall mean any payments by way of salary or wages under any employment or of pension benefits under the Rules of the Scheme.

SCHEDULE 7

DELETED

SCHEDULE 8**TABLE OF COST OF ADDED YEARS**

(Applicable to Members subject to the Section A or Section B Rules
in accordance with General Rule 19)

Age	Percentage of salary	Age	Percentage of salary
22	.40	41	.83
23	.41	42	.88
24	.41	43	.94
25	.42	44	1.01
26	.43	45	1.09
27	.45	46	1.18
28	.46	47	1.29
29	.47	48	1.41
30	.49	49	1.56
31	.51	50	1.73
32	.53	51	1.95
33	.55	52	2.22
34	.57	53	2.57
35	.60	54	3.04
36	.63	55	3.70
37	.67	56	4.68
38	.70	57	6.31
39	.74	58	9.59
40	.78		

In applying the table age will be reckoned in years and completed months. If the age is not an exact number of years the percentage will be calculated proportionately by reference to the figures for the age reckoned in completed years and the next higher age.

SCHEDULE 9

DELETED

SCHEDULE 10**LIST OF COUNTRIES AND PLACES TO WHICH SECTION B RULE 12 APPLIES**

Admiralty Islands (Pacific Ocean); Afghanistan; Albania; Angola; Arabian Sub-Continent and Islands; Australia (West and North of latitude 31½° South and longitude 150° East); Port Darwin;

Bolivia; Brazil; British Honduras; Brunei; Bulgaria; Burma;

Cambodia [Indo-China]; Cameroon; Cape Verde Islands; Central African Republic; Chad; China; Christmas Island (Pacific Ocean); Cocos (or Keeling) Islands; Colombia; Congo [Belgian Congo]; Costa Rica; Cuba; Czechoslovakia;

Dahomey; Ecuador; Egypt (excluding Alexandria) [United Arab Republic]; Ethiopia; Fernando Po; Fiji; French Guiana; French Somaliland;

Gabon; Gambia; Ghana [Gold Coast]; Gilbert and Ellice Islands; Guatemala; Guyana [British Guiana]; Guinea;

Haiti; Honduras; Hong Kong; Hungary;

Iceland; India; Indonesia; Iraq; Iran - see Persia; Israel; Ivory Coast; Japan; Jordan; Kenya; Korea;

Laos [Indo-China]; Lebanon; Liberia; Libya [including territory previously known as Cyrenaica];

Macao; Malagasy Republic [Madagascar]; Malawi [Nyasaland]; Malaysia [Federation of Malaya, Sabah (North Borneo) and Sarawak]; Maiden Island; Maldives; Mali; Martinique; Mauritania; Mauritius; Mexico; Mozambique;

Nauru; Nepal; Netherlands Antilles; New Hebrides; Nicaragua; Nicobar Islands; Niger; Nigeria; Norway (Narvik and Tromso only);

Pakistan; Panama; Paraguay; Penrhyn Island; Persia (Iran); Peru; Philippines; Poland; Portuguese Guinea; Puerto Rico [Porto Rico]; Reunion; Romania; Russia;

Sao Tome; Salvador; Samoan Islands; Senegal; Sierra Leone; Singapore; Solomon Islands; Somalia [Somaliland]; Spanish possessions in Africa (excluding N. Africa); Sri Lanka [Ceylon]; Sudan; Suriname [Dutch Guiana]; Sweden (Lulea only); Syria;

Tahiti; Taiwan [Formosa]; Tanzania [Tanganyika and Zanzibar]; Thailand [Siam]; Togo; Tonga; Trinidad and Tobago; Turkey in Asia (excluding Izmir);

Uganda; Upper Volta; USA (Houston, New Orleans and St. Louis only); Venezuela; Vietnam (North and South) [Indo-China]; Yugoslavia; and Zambia [Northern Rhodesia]

Ships operated by or on behalf of the Principal Employer in the sea area bounded on the North by the Continents of Asia and America and the Arctic Circle, on the East by the Continent of America (including the Panama Canal) and Longitude 67 degrees West, on the South by the

Antarctic Circle and on the West by the Continent of Africa (including Port Said and the Suez Canal) and Longitude 18 degrees East.

SCHEDULE 11

DELETED

SCHEDULE 12**PARTICIPATION BY ASSOCIATED EMPLOYERS**

1. An Associated Employer as defined in Clause 1 of the Deed may participate in the Scheme by executing a Deed of Participation and it shall thereupon become an Associated Employer in respect of those of its employees who remain Members of the Scheme, and shall make contributions at the same rate as is required of the Principal Employer under the provisions of the Scheme or such rate of contributions as may be agreed from time to time between the Principal Employer, the Trustees and the Associated Employer.

2. An Associated Employer shall cease to participate in the Scheme if at any time it revokes the Deed of Participation, or the Deed is revoked by the Principal Employer, or the Associated Employer goes into liquidation, and Clause 23 of the Deed shall apply provided that with the agreement of the Principal Employer an Associated Employer may continue to participate in the Scheme for a period of not more than 12 months or such longer period as the Principal Employer may permit.

SCHEDULE 13

OVERRIDING FINANCE ACT PROVISIONS

1XA. (a) Subject to (b), with effect from the Cut-Off Date (and, for the avoidance of doubt, in respect of any benefit payable after that date whether in respect of service before, on or after it) any pension or lump sum benefit payable to or in respect of any individual under the Scheme shall be reduced or limited by this Schedule 13 by the Pre-Cut-Off Date Reduction, provided that such reduction or limitation may not reduce the amount of any benefit payable to any person to less than zero. The “Pre-Cut-Off Date Reduction” in respect of any pension or lump sum benefit payable from the Scheme to or in respect of an individual is the amount (if any) by which that pension or lump sum benefit would have been reduced on account of this Schedule 13 but for any reduction in the benefits payable from the Scheme to or in respect of that individual effected by the 2011 Act. The effect of this paragraph 1XA(a) is that a benefit payable under the Scheme may be reduced or limited by this Schedule 13 even though it does not exceed the limits as set out below.

(b) The principle in (a) above does not apply to the extent that the relevant reduction or limitation is solely intended to ensure that a payment is an authorised payment (as that term is used for the purposes of the Finance Act 2004).

1. The provisions of this Schedule 13 override any other provisions of the Deed or of the Rules with which they are inconsistent and, in accordance with Clause 1(b), apply to all Members of the Scheme provided that:

- (a) This Schedule shall not apply in relation to Members in the non-contributory section of the Scheme so shall not override the provisions of the Non-Contributory Section Rules.
- (b) This Schedule shall not apply in relation to Section A Members (or those Section E Members who were Section A Members before joining Section E) and so shall not override the provisions of the Section A Rules (or, in the same manner, the Section E Rules).
- (c) This Schedule shall only apply in part to Section B Members (or those Section E Members who were Section B Members before joining Section E) and so shall not override the following provisions of the Section B Rules (or, in the same manner, the Section E Rules):
 - (i) Rule 1 definition of "Pensionable Salary";
 - (ii) Rule 8(3)(b), application of 6 ⅔ enhancement;
 - (iii) Rule 13C(1) for the purpose of applying the "first 91 days";
 - (iv) Rule 15, payment of dependants' pension equivalent to widow's or widower's pension under Rule 13A (and, where applicable, 13B); and

- (v) Rule 24, Application of Pension (Increase) Act 1971 Pensions (Increase) Act 1974 and Social Security Pensions Act 1975.
- (d) For the purpose of this Schedule all Section B Members or those Section E Members who were Section B Members before joining Section E will be treated as if they had joined the Scheme before 17 March 1987 unless they elect otherwise subject to their not having a break in Post Office service (or service with ~~the Principal Employer or an Associated~~ an Employer) other than any period of temporary loan.
2. The Scheme will be administered as a Registered pension scheme in accordance with the Finance Act 2004.
3. Subject to Clause 33(10), the Trustees shall only make payments from the Scheme which are authorised payments (as that term is used for the purposes of the Finance Act 2004) except that:
- (a) if the Rules contain a provision which would require the Trustees to make (with or without the consent of another) a payment which would be an unauthorised payment, then the effect of Regulation 3 of the Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 but without the limitation to the transitional period, (as adopted by clause 1(a) of the deed numbered 40 in Schedule 14) continues to apply and the Trustees therefore have a discretion whether or not to make the payment, by virtue of that regulation; and
- (b) the Trustees may, with the consent of the Principal Employer (in the case of payment from the RMG Fund) or of POL (in the case of payment from the POL Fund), if they think fit in any particular circumstance make a payment from the Fund notwithstanding that it is or may be an unauthorised payment. The Trustees will where reasonably practicable obtain the consent of the Member or beneficiary (where applicable) before making any such payment. No person will, however, have an entitlement to such a payment.
4. The Trustees may, with the consent of the Principal Employer (in the case of a benefit payable from the RMG Fund) or of POL (in the case of a benefit payable from the POL Fund), use reasonable endeavours to rearrange any benefit that would not be an authorised payment so that the benefit actually paid is an authorised payment.
5. Except as otherwise mentioned in this Schedule 13, the benefits, rights and options of or in respect of all Members and other persons entitled or who become entitled on or after 6 April 2006 under the Scheme will, as a restriction imposed by the Deed and the Rules, be subject to:
- (a) the same restrictions as applied to them immediately before 6 April 2006 (or would have applied had they then been entitled) by virtue of the previous provisions of the Scheme in force immediately before 6 April 2006; and
- (b) the restrictions which applied as requirements of the approval of the Scheme by HMRC under IR12 (2001) ("**IR12**"),

in each case as increased, indexed or revalued where appropriate in such manner and at such dates as the Trustees, with the consent of the Principal Employer (insofar as the restriction relates to a benefit payable from the RMG Fund) or of POL (insofar as the restriction relates to a benefit payable from the POL Fund), decide ("**Scheme Limits**") and neither the amount nor the nature of any benefit will be increased or varied as a result of the said restrictions ceasing to apply to the Scheme on or after 6 April 2006 except where specified in the Deed or the Rules or this Schedule 13.

6. The Trustees, with the consent of the Principal Employer (insofar as the waiver or modification relates to a benefit payable from the RMG Fund) or of POL (insofar as the waiver or modification relates to a benefit payable from the POL Fund), may decide to waive or modify all or any part of the Scheme Limits whether conditionally or otherwise in respect of some or all Members. If any Scheme Limits are disapplied by the Trustees as a matter of practice, such disapplication shall be taken as having been made with the consent of the Principal Employer or of POL (as appropriate) unless the Principal Employer or POL (as the case may be) expressly decides otherwise in any particular case.

7. With effect on and from 6 April 2006 (except as specified in 7(i) below) the following provisions will apply and the Scheme Limits varied accordingly.
 - (a) A Scheme-specific limit (the "**Scheme Earnings Cap**"), operating in the same manner as the permitted maximum (as that term was defined in Section 590C of the Income and Corporation Taxes Act 1988) will apply to all Members (other than those who were neither actually nor potentially subject to the permitted maximum immediately before 6 April 2006) and shall be £108,600 for tax year 2006/7. For subsequent tax years the Scheme Earnings Cap will be the amount for the previous tax year increased by:
 - (A) the same percentage increase in the Index of Retail Prices for the 12-month period ending the previous September (rounded up to the nearest multiple of £600); or
 - (B) such greater amount as the Principal Employer (insofar as the limit relates to a benefit payable from the RMG Fund) or as POL (insofar as the limit relates to a benefit payable from the POL Fund) may at its absolute discretion from time to time direct the Trustees.

 - (b) The maximum limit on lump sum benefits contained in paragraph 8.5 of IR12 will not apply and Members may draw such an amount of lump sum benefits in accordance with the Rules as they determine up to the lesser of:
 - (i) the maximum amount that would constitute a pension commencement lump sum under the Finance Act 2004; and
 - (ii) 25% of the standard lifetime allowance (as that term is used for the purposes of the Finance Act 2004).

 - (c) The restrictions on the amount of additional voluntary contributions which can be paid to the Scheme in paragraphs 4.1 to 4.4 (inclusive) of IR12 will not apply.

Instead, the amount of additional voluntary contributions Members may make to the Scheme is limited as follows:

- (i) in respect of Members:
 - (1) subject to the Section B Rules or the Section E Rules, the maximum amount of additional voluntary contributions a Member may pay under General Rules 19 or 19XA (to purchase added years) is the amount which, when aggregated with the contributions paid under General Rule 7, would be 15% of the Member's Salary (as that term is defined in Section B Rule 1); and
 - (2) subject to the Section C Rules, the maximum amount of additional voluntary contributions a Member may pay under Section C Rule 3C to purchase additional Reckonable Service (in accordance with the second paragraph of that Rule) and/or additional pension (in accordance with the third paragraph of that Rule) is the amount which, when aggregated with the contributions paid under Section C Rule 3B, would be 15% of the Member's Pensionable Pay (as that term is defined in Section C Rule 1); and
- (ii) in respect of Members subject to the Section B Rules, the Section C Rules or the Section E Rules, the maximum amount of additional voluntary contributions a Member may pay to the Scheme for the purposes of securing additional benefits on a money purchase basis is the amount which, when aggregated with all the Member's other contributions to the Scheme, would be 100% of the Member's Salary or, as applicable, Pensionable Pay (as those terms are defined, respectively, in Section B Rule 1 and Section C Rule 1),

And for these purposes no account shall be taken of any reduction of salary referred to in General Rule 19.

- (d) Member's additional voluntary contributions will be capable of commutation in so far as the payment would be an authorised payment under the Finance Act 2004 and the restriction in paragraph 8.3 of IR12 shall not apply.
- (e) Additional voluntary contributions under the Scheme made on a money purchase basis will not be brought into account in applying the Scheme Limits.
- (f) The maximum limits on benefits on death in service contained in paragraph 11.2 of IR12 will not apply (although, in accordance with (a) above, the Scheme Earnings Cap will continue to apply for the calculation of any lump sum death benefit under the Scheme which is calculated by reference (however expressed) to a multiple of salary).
- (g) The restrictions in IR12 on the circumstances in which Members may take benefits whilst remaining in service will not apply to the Scheme. Members may

take benefits whilst remaining in service with ~~the Principal Employer or an Associated~~an Employer in accordance with the provisions of the Rules.

- (h) The requirements contained in IR12 to take account of retained benefits (as that term is used in Appendix I of IR12) will not apply when calculating the Scheme Limits.
 - (i) On and from 1 December 2006 (in accordance with the deed numbered 43 in Schedule 14), the requirements in IR12 providing that benefits were limited by reference to 40 years' service (or 40 years' service prior to normal retirement age and a further 5 years thereafter) shall not apply. Members' benefits under the Scheme are instead limited by reference to 45 years' reckonable service (in accordance with the provisions of the Rules).
8. The Trustees may, with the consent of the Principal Employer (in relation to benefits payable from the RMG Fund) or of POL (in relation to benefits payable from the POL Fund), arrange the benefits under the Scheme (in respect of one or a number of Members) so that those benefits constitute a single or multiple arrangements for the purposes of the Finance Act 2004.
9. If any Member or any other person entitled to a benefit under the Scheme is (or has notified the Trustees in writing that he or she intends to register to be) within any of the transitional provisions and savings in Schedule 36 of the Finance Act 2004 then the Trustees may apply those provisions including (without limitation) exercising the power to surrender the relevant excess under paragraph 12(5) of that schedule but so that the Trustees will not be liable for any loss or cost arising from failure to apply those provisions where they relate to primary or enhanced protection (as those terms are used for the purposes of the Finance Act 2004).
10. The Trustees may, with the consent of the Principal Employer (in relation to benefits payable from the RMG Fund) or of POL (in relation to benefits payable from the POL Fund), determine any matters of ambiguity or dispute arising out of this Schedule 13 (including without limitation paragraph 1XA above) or the application of the Finance Act 2004 to the Scheme.

SCHEDULE 14**DEEDS OF THE SCHEME**

	DEED	DATE
1.	Principal Deed	24 September 1969
2.	First Supplemental Deed	24 June 1970
3.	Second Supplemental Deed	2 September 1971
4.	Third Supplemental Deed	19 November 1971
5.	Fourth Supplemental Deed	24 November 1971
6.	Fifth Supplemental Deed	24 May 1972
7.	Sixth Supplemental Deed	27 September 1972
8.	Seventh Supplemental Deed	15 December 1972
9.	Eighth Supplemental Deed	22 December 1972
10.	Ninth Supplemental Deed	29 May 1975
11.	Tenth Supplemental Deed	23 September 1975
12.	Eleventh Supplemental Deed	17 January 1978
13.	Twelfth Supplemental Deed	18 January 1978
14.	Thirteenth Supplemental Deed	21 November 1978
15.	Fourteenth Supplemental Deed	26 November 1979 revoked 13 June 1980
16.	Fifteenth Supplemental Deed	13 June 1980
17.	Sixteenth Supplemental Deed	9 September 1981
18.	Seventeenth Supplemental Deed	1 April 1983
19.	Eighteenth Supplemental Deed	17 September 1985
20.	Nineteenth Supplemental Deed	28 August 1987
21.	Twentieth Supplemental Deed	19 January 1988
22.	Twenty-first Supplemental Deed	7 June 1988
23.	Twenty-second Supplemental Deed	10 October 1988
24.	Twenty-third Supplemental Deed	16 October 1989
25.	Twenty-fourth Supplemental Deed	25 April 1991
26.	Twenty-fifth Supplemental Deed	31 May 1994
27.	Twenty-sixth Supplemental Deed	30 October 1996

28.	Twenty-seventh Supplemental Deed	19 March 1998
29.	Twenty-eighth Supplemental Deed	1 April 1999
30.	Twenty-ninth Supplemental Deed	20 December 1999
31.	Merger Agreement	22 December 1999
32.	Thirtieth Supplemental Deed	29 March 2000
33.	Supplemental Deed of Amendment and Substitution	1 May 2001
34.	Transfer Agreement	24 December 2001
35.	Deed of Amendment	18 December 2002
36.	Deed of Amendment	18 November 2002
37.	Supplemental Deed of Amendment	2 March 2004
38.	Supplemental Deed of Amendment	2 March 2004
39.	Second Principal Trust Deed and Rules	24 August 2005
40.	Interim Amending Deed	5 April 2006
41.	Interim Amending Deed	30 November 2006
42.	First Supplemental Age Discrimination Deed	17 October 2007
43.	Second Supplemental Age Discrimination Deed	20 December 2007
44.	Deed of Amendment	20 December 2007
45.	Deed of Amendment - CSDB	27 March 2008
46.	Deed of Amendment	31 March 2009
47.	Deed of Amendment - Normal retiring age	15 October 2009
48.	Third Principal Trust Deed and Rules	21 December 2009
49.	Deed of Amendment - Confidential Information	22 December 2009
50.	Deed of Amendment	28 April 2010
51.	Deed of Amendment	16 May 2011
52.	Deed of Amendment	2 February 2012
53.	Supplemental Deed of Amendment	30 March 2012

SCHEDULE 15**ALLOCATION OF ASSETS TO THE POL FUND**

Words and terms in this Schedule will have the same meanings as in, and will be interpreted in a manner consistent with, the Postal Services Act 2011 (Transfer of Assets) Order 2012 (S.I. 2012/688) (the “Assets Order”) unless the contrary is stated.

1. The Trustees will allocate assets of the Scheme to the POL Fund in accordance with this Schedule with effect from the Segregation Time.
2. The Trustees will:
 - (a) as soon as reasonably practicable after the Segregation Time but with effect from the Segregation Time, allocate to the POL Fund the assets relating to money purchase benefits for which the POL Fund is liable in accordance with Clause 11(1A)(f); and
 - (b) provisionally allocate other assets to the POL Fund with effect from the Segregation Time in accordance with paragraph 4, subject to adjustment as necessary under paragraphs 7 and 8.
3. As soon as reasonably practicable after the Interim Transfer has taken place, the Trustees will determine the “Initial POL Allocation Amount” by:
 - (a) calculating the proportion which the value as at the Segregation Time of the liabilities attributed to the POL Fund under Clause 11(1A)(f) bears to the value at that time of the liabilities of the Scheme. For these purposes the liabilities of the POL Fund and the Scheme will be calculated in accordance with Schedule 1 to the Assets Order, using the principles used to determine the Interim Transfer Amount; and
 - (b) applying that proportion to the estimated value as at the Effective Date of the Scheme assets (determined in accordance with paragraphs 3 and 4 of Schedule 1 to the Assets Order and using the principles used to determine the Interim Transfer Amount) but excluding the Interim Transfer Amount. For the avoidance of doubt, this means that the exclusions from the asset value calculation under paragraph 4 of Schedule 1 to the Assets Order will apply under this paragraph 3(b).
4. The Trustees will, as soon as reasonably practicable after the Initial POL Allocation Amount is determined, allocate to the POL Fund an amount of assets which have a value as at the Effective Date, determined in a manner consistent with paragraph 3(b) above, that is equal to the Initial POL Allocation Amount. For the avoidance of doubt, this allocation will be net of any amounts disbursed for the purposes of, or to meet any liabilities attributable to, the POL Fund between the Segregation Time and the date the allocation is made under this paragraph 4.
5. The specific assets to be allocated to the POL Fund in satisfaction of the obligation in paragraph 4 will include such proportion of the Estimated Final Transfer Amount

Portfolio as the value as at the Segregation Time of the liabilities attributable to the POL Fund bears to the value at that time of the liabilities of the Scheme as per paragraph 3(a) above. Subject to that, the specific assets will be determined in accordance with the principles agreed by the Principal Employer and POL prior to the Effective Date (or will in default of such agreement be determined by the Trustees).

6. As soon as reasonably practicable after the Final Transfer has taken place, the Trustees will determine the “**Final POL Allocation Amount**” by:

(a) calculating the proportion which the value as at the Segregation Time of the liabilities attributed to the POL Fund under Clause 11(1A)(f) bears to the value at that time of the liabilities of the Scheme. For these purposes the liabilities of the POL Fund and the Scheme will be calculated in accordance with Schedule 1 to the Assets Order, using the principles used to determine the Final Transfer Amount; and

(b) applying that proportion to the audited value as at the Effective Date of the Scheme assets (determined as per paragraph 3(b) above but using the principles used to determine the Final Transfer Amount) but excluding the audited values as at the Effective Date of any assets which were transferred as part of the Interim Transfer and the Final Transfer Amount.

7. As soon as reasonably practicable after the Final POL Allocation Amount is determined, the Trustees will as required by paragraph 8 below adjust the provisional allocation under paragraph 4 to take account of any difference between the Adjusted Initial POL Allocation Amount and the Adjusted Final POL Allocation Amount. This adjustment will be made by reallocating assets to the POL Fund or the RMG Fund (as appropriate) with effect from the Segregation Time. If the Adjusted Initial POL Allocation Amount is equal to the Adjusted Final POL Allocation Amount, there will be no adjustment under paragraph 8 to the paragraph 4 provisional allocation.

8. If the Adjusted Initial POL Allocation Amount is not equal to the Adjusted Final POL Allocation Amount, the assets will be reallocated under this paragraph with a value as at the Final Transfer Date equal to that difference. If the Adjusted Initial POL Allocation Amount is more than the Adjusted Final POL Allocation Amount, assets with a value as at the Final Transfer Date equal to that difference will be reallocated from the POL Fund to the RMG Fund. If the Adjusted Initial POL Allocation Amount is less than the Adjusted Final POL Allocation Amount, assets with a value as at the Final Transfer Date equal to that difference will be reallocated from the RMG Fund to the POL Fund.

For these purposes, the Adjusted Initial POL Allocation Amount and Adjusted Final POL Allocation Amount are defined as follows:

(a) the “**Adjusted Initial POL Allocation Amount**” as at the Final Transfer Date is calculated as the audited value as at the Effective Date of those Scheme assets which were provisionally allocated to the POL Fund under paragraph 4 multiplied by $(1 + \text{int}_{\text{POL_ACTUAL}})^{(N/365)}$, where “**N**” is the period in days from (and excluding) the Effective Date to (and including) the Final Transfer Date, less the value as at the Final Transfer Date of any assets that were transferred

as part of the Final Transfer from the POL Fund by the Trustees in accordance with whichever of paragraphs 8 or 9 of Schedule 7 to the Assets Order applies;

Note: The Adjusted Initial POL Allocation Amount is intended to represent an amount equal to the audited Initial POL Allocation Amount as at the Effective Date as adjusted for the change in value of such assets from (and excluding) the Effective Date to (and including) the Final Transfer Date less any part of the Final Transfer that is transferred from the POL Fund as at the Final Transfer Date.

(b) the calculation of the Adjusted Final POL Allocation Amount depends on the POL Fund's proportionate share of the audited value as at the Effective Date of those Scheme assets which are not invested in the Estimated Final Transfer Amount Portfolio (the "POL Share of the Non-EFTA Assets"). This is calculated as the Audited Initial Assets POL Allocation Amount less the Audited POL Share of the EFTA as at the Effective Date, where:

- the "Audited Initial Assets POL Allocation Amount" as at the Effective Date is the proportion of the audited value as at the Effective Date of those Scheme assets which should have been provisionally allocated to the POL Fund under paragraph 4. For the avoidance of doubt, this is:

(RMPP A_E – the audited value as at the Effective Date of any assets which were transferred as part of the Interim Transfer) multiplied by (POL $L_{C,12,11} \div$ RMPP $L_{C,12,11}$); and

- the "Audited POL Share of the EFTA" as at the Effective Date is the POL Fund's proportionate share of the audited value as at the Effective Date of those Scheme assets which have been invested in the Estimated Final Transfer Amount Portfolio. For the avoidance of doubt, this is:

If RMPP $FL'_{EC,12,13} < 100\%$, $(1.25 \times MVA2 - MVA1) \times$ POL $L_{C,12,11}$

If RMPP $FL'_{EC,12,13} \geq 100\%$, RMPP $FL'_{EC,12,13} \times (1.25 \times MVA2 - MVA1) \times$ POL $L_{C,12,11}$

(c) the "Adjusted Final POL Allocation Amount" as at the Final Transfer Date is calculated as:

- If the Final POL Allocation Amount is less than or equal to the POL Share of the Non-EFTA Assets as at the Effective Date:

Final POL Allocation Amount (as at the Effective Date) $\times (1 + \text{int}_{STRATEGIC})^{(N/365)}$

- If the Final POL Allocation Amount is greater than the POL Share of the Non-EFTA Assets as at the Effective Date:

The sum of:

(Final POL Allocation Amount (as at the Effective Date) – POL Share of the Non-EFTA Assets (as at the Effective Date)) x (1 + int_{BUFFER})^(N/365); and

POL Share of the Non-EFTA Assets (as at the Effective Date) x (1 + int_{STRATEGIC})^(N/365)

Where in both cases, “N” is the period in days from (and excluding) the Effective Date to (and including) the Final Transfer Date.

Note: The Adjusted Final POL Allocation Amount is intended to represent an amount equal to the Final POL Allocation Amount as at the Effective Date as adjusted for the change in value of the POL Fund assets from (and excluding) the Effective Date to (and including) the Final Transfer Date depending on whether or not such assets were invested in the Estimated Final Transfer Amount Portfolio.

9. The specific assets to be used in satisfaction of the obligation (if any) in paragraphs 7 and 8 will be determined in accordance with the principles agreed by the Principal Employer and POL prior to the Final Transfer Date (or will in default of such agreement be determined by the Trustees).

10. For the purposes of this Schedule:

- the “Effective Date” means 31 March 2012;
- RMPP FL'_{EC 12 13} is the estimated funding level of the Scheme as defined in, and calculated in accordance with, Schedule 1 to the Assets Order;
- RMPP A_E, RMPP L_{C 12 11}, MVA1 and MVA2 are as defined in, and calculated in accordance with, Schedule 1 to the Assets Order;
- POL L_{C 12 11} is determined in the same way as RMPP L_{C 12 11} in Schedule 1 to the Assets Order but by reference only to those of the active members of the Scheme as at the end of Interim Calculation Date 1 who immediately following the Segregation Time are employed by POL;
- int_{BUFFER} is the annualised total percentage return on the Estimated Final Transfer Amount Portfolio from (and excluding) the Effective Date to (and including) the Final Transfer Date;
- int_{STRATEGIC} is the annualised total percentage return, on a set of reference portfolios which, in the joint opinion of the Principal Employer and POL (or in default of agreement on the matter between the Principal Employer and POL, which in the opinion of the Trustees), mirrors the long-term strategic investment allocation of the POL Fund, from (and excluding) the Effective Date to (and including) the Final Transfer Date; and
- int_{POL ACTUAL} is the annualised total percentage return, on a set of reference portfolios which, in the joint opinion of the Principal Employer and POL (or in default of agreement on the matter between the Principal Employer and POL, which in the

opinion of the Trustees), mirrors the actual investment allocation of the POL Fund assets, from (and excluding) the Effective Date to (and including) the Final Transfer Date.

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person authorised by Royal Mail Group)
Limited to act for that purpose)

Authorised signatory

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Pensions Trustees Limited was affixed)
to this deed in the presence of:)
)
)

Director

Director/Secretary