

DATED: 9th September, 2014

STM FIDECS PENSION TRUSTEES LIMITED

DEFINITIVE TRUST DEED AND RULES

**THE STM INTERNATIONAL
PENSION TRANSFER PLAN**

9th September 2014

THIS DECLARATION OF TRUST is made the 9th September 2014

By **STM FIDECS PENSION TRUSTEES LIMITED** whose registered office is situate at Montagu Pavilion, 8 – 10 Queensway, Gibraltar (“the Trustees”).

WHEREAS:-

The Trustees wish to create a trust being a pension plan to be known as The STM International Pension Transfer Plan or such other name as the Trustees shall declare (“the Plan”) for individuals requiring pension provision (“the Members”).

NOW THIS DEED WITNESSETH as follows:-

1. The Trustees **HEREBY DECLARE** that the sum of £100 has been transferred to the Trustees and placed under their control in order to create the Trust Fund referred to in clause 2 .
2. The Trustees **HEREBY IRREVOCABLY DECLARE** that they shall henceforth hold the sum of £100 together with all other money and property which maybe added to it by way of Members’ contributions and other moneys including accruals to be paid to the Trust Fund (“ the Fund “) on trust for the purpose of providing relevant benefits to the Members of The STM International Pension Transfer Plan and their Dependants and Relatives becoming eligible in accordance with the Rules annexed hereto in the First Schedule as amended from time to time but as modified by the provisions contained in the specimen deeds of adherence which are annexed hereto as the Second Schedule.
3. The Trustees **HEREBY DECLARE** that the provisions of this Deed, the Rules and the Schedules shall comprise the entire provisions of The STM International Pension Transfer Plan .
4. This Deed including the Schedules and the Rules shall be interpreted and construed in accordance with the laws of Gibraltar .

IN WITNESS whereof these presents have been executed the day and year first before written.

**THE COMMON SEAL of STM FIDECS
PENSION TRUSTEES LIMITED** was
hereunto affixed in the presence of:-



Director

Amr Chand

Director/Secretary

Amr Chand

Amr Chand

THE STM INTERNATIONAL PENSION TRANSFER PLAN

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FIRST SCHEDULE

THE RULES

SECTION 1 - GENERAL PROVISIONS OF THE PLAN

1.1 Introduction

It is intended that the Plan will:-

- (a) be capable of accepting a transfer payment from another pension scheme ;
- (b) comply with any preservation requirements as may be required by any Act enactment or resolution of the Gibraltar Parliament in respect of Members who leave employment or the Plan prior to becoming entitled to immediate benefits;
- (c) comply with any requirements as to equal access for men and women as may be required by any Act enactment or resolution of the Gibraltar Parliament.

Insofar as the provisions of succeeding sections of these Rules lay down the details to give effect to paragraphs (a), (b) and (c) above they will have overriding effect.

The Plan is established under a single irrevocable trust. Each member must enter into a binding agreement by deed with the Trustee / Administrator not to require withdrawal of trust funds or income of those trust funds otherwise than for the payment of benefits under the Plan at the time and in the form and in the circumstances provided by the Rules.

1.2 Commencement and duration

The Plan commenced on the commencement date as specified in Section 1.3

1.3 Definitions

In these Rules the words and expressions following will unless inconsistent with the subject or context have the following meanings:-

ACCOUNTING DATE means 30th June in each year (or such other date as the Trustees with the consent of the Administrator may from time to time decide).

ADMINISTRATOR means the person or company appointed to act as Administrator of the Plan under the provisions of Rule 3.9.

ARRANGEMENT means an arrangement made by a Member with the Administrator to providing benefits under these rules.

CHILD means the lawful, adopted, legitimate, illegitimate or stepchild or child or children of a Member.

COMMENCEMENT DATE means 9 September 2014

DEED means this document including any schedules and appendices attached.

DEED OF ADHERENCE means a deed of adherence to be executed by a Member in the case of the Plan in the style and form contained in the Second Schedule and as annexed hereto.

DEPENDANT means any child of the Member or any person who was financially dependant on the Member at the date of his death.

DISCRETIONARY TRUSTS has the meaning of any sum or sums directed to be held on such trusts with regard to a deceased Member or Pensioner.

EARNINGS means the amount of an individual's total earned income arising in respect of remuneration from an office or employment or from a trade, profession or vocation either alone or in partnership, but does not include unearned income or remuneration as director of an investment company.

ELIGIBLE MEMBER means a member who has attained the Minimum Benefit Commencement Age or a member who has not attained the Minimum Benefit Commencement Age but who is in the opinion of the Trustee/Administrator permanently incapacitated.

FUND means the pension fund constituted under the Rules.

JOINING DATE means the date the Deed of Adherence has been signed by each Member

MEMBER means an eligible individual who has made an arrangement under the Plan for the provision of benefits.

MEMBER'S ACCOUNT means that part of the assets of the Fund, which is certified for the time being by the Trustees as being attributable to the Member.

MEMBER'S INTEREST means the value on a particular date, as determined by the Trustee/Administrator, of all contributions and transfer payments received on behalf of the Member with appropriate allowance for the investment return received thereon and after taking account of the amount and timing of any benefits paid to or on behalf of the member.

MEMBER'S UNVESTED INTEREST means the value on a particular date, as determined by the Trustee/Administrator, of that portion of the Member's Interest which has not yet been applied to provide or calculate a benefit that has been paid from the Plan or from any other previous pension scheme for the member from which a transfer payment has been received.

MEMBERSHIP LETTER has the meaning given to that expression in Rule 5.3.

MINIMUM BENEFIT COMMENCEMENT AGE means the minimum age in Gibraltar that retirement benefits can be taken.

NOMINATED BENEFICIARY means a person being either the spouse of the Member, some Dependant or other individual or body selected by the Member.

NORMAL RETIREMENT DATE means the selected retirement age specified in the Membership Letter which can be no earlier than age 55 or later than 75 years. The Trustee, may at his discretion, allow a Member to retire after reaching normal retirement date provided that the Member's age does not exceed seventy-five years.

PENSIONER means a person who is for the time being receiving a pension out of the fund.

PENSION COMMENCEMENT DATE means the date a member is entitled to commence drawing benefits from the Plan .

PERPETUITY PERIOD means the period of 100 years from the Commencement Date plus such further period (if any) as may be lawful.

PLAN means the Plan governed by these Rules and known as The STM International Pension Transfer Plan .

RELATIVE means and includes in relation to any deceased Member:-

- (a) the widow or widower of the Member or Pensioner;
- (b) the father or mother or grandparents (whether lawful or adoptive) of the Member or Pensioner and the widow or widower of such father or mother or grandparents;
- (c) any person (except such Member or Pensioner) who is the child or remoter issue (whether lawful or adoptive) of such father or mother or grandparents, and the spouse or widow or widower of any such person; or
- (d) any person who has been the wife or husband of the Member or Pensioner.

RULES means these Rules or other Rules for time being in force, having regard to any alterations made to these Rules pursuant to this Deed .

RELEVANT BENEFITS means any pension, lump sum or other similar benefits, gratuity or other like benefits given or to be given on retirement, injury or on death or in anticipation of retirement.

TRANSFER PLAN means another pension scheme other than the Plan which the Trustees of the Plan have determined as being eligible to receive a transfer payment or value provided that no person who is resident in Gibraltar other than an individual who has Category 2 Status in accordance with the Qualifying (Category 2) Individual Rules 2004 or the spouse or a child of that individual in respect of whom an election has been made under rule 11 of those Rules which has not been withdrawn or become invalid shall be permitted to benefit under that other pension scheme . .

TRUSTEE(S) means the trustees or trustee for the time being of the Plan having been duly appointed in accordance with the Rules.

YEAR means in relation to the calculation of benefits for a Member, a completed Plan year as agreed by the Trustees and/or Member.

1.4 Interpretation - General provisions

All words importing the singular number will include the plural, and vice-versa, and words importing the masculine, the feminine or neuter genders will, unless the context otherwise requires include a reference to either or both of the other genders.

All references to any enactment, other than a reference to any definition contained in any enactment, will be deemed to include a reference to any statutory modification or re-enactment thereof for the time being in force.

1.5 Effect of headings and marginal notes

The arrangement of Rules, headings to rules and any marginal notes will not form part of the Rules and will not affect the interpretation of any one or more of the Rules.

SECTION 2 – CONSTITUTION / PROVIDER

2.1 Constitution of the fund

The investments, cash and other assets held by the Trustees for the purposes of the Plan constitute the Fund and will include:-

- (a) investments, cash and other assets transferred by the trustees of any fund pursuant to the Rules;
- (b) all contributions by Members pursuant to the Rules;
- (c) the interest, dividends and income of the fund and any donations, legacies or other exceptional receipt.

2.2 Declaration of Trust

The Trustees will hold the Fund upon trust to provide benefits for Members and their Dependants and Relatives becoming eligible in accordance with the Rules as from time to time in force, provided that no person who is resident in Gibraltar other than an individual who has Category 2 Status in accordance with the Qualifying (Category 2) Individuals Rules 2004 or the spouse or a child of that individual in respect of whom an election has been made under rule 11 of those Rules which has not been withdrawn or become invalid shall be permitted to benefit.

SECTION 3 – ADMINISTRATION

3.1 Appointment and removal of Trustees

The fund is vested in the Trustees as trustees. Subject to as mentioned below the following powers of appointment and removal will be vested in the Trustees:-

- (i) the power at any time of appointing new trustees;
- (ii) the power at any time to appoint a corporate body as sole trustee (whether or not it is a trust corporation)

PROVIDED THAT:-

- (a) it is confirmed that a person is not prevented from being appointed or acting as a Trustee of the Plan due to the fact that he is not resident nor domiciled in Gibraltar or is not of British nationality;
- (b) if all the Trustees are resident outside Gibraltar they will appoint a person resident in Gibraltar to act on their behalf as Administrator and to discharge all duties imposed upon the Administrator of the Plan by statute or by this Deed .

3.2 Retirement of Trustees

The Trustees may retire at any time without assigning any reason and without being responsible for any costs occasioned by such retirement provided that prior notice is given to the Members, and provided that no retirement shall be effective unless and until there is a continuing or replacement trustee.

3.3 Trustees to have control of fund

The Trustees will, subject to these Rules, have sole and absolute control of the Fund and the administration thereof and determine (within the limits laid down by these Rules) the investments which it will hold from time to time.

3.4 Trustees may appoint nominee to hold investments

All investments will be taken in the names of the Trustees or in the sole name of any nominee or nominees appointed by the Trustees to act as their nominee or nominees.

3.5 Remuneration of Trustees

The Trustees will be entitled to such remuneration (if any) as may from time to time be agreed between the Trustees and the Members. Such remuneration will be a charge on the Fund except to the extent that the Members may from time to time agree to pay it.

Any associated company of the Trustees will, without being liable to account for any profit or fees thereby made, be entitled:-

- (a) to act as investment manager or adviser to the Trustees;
- (b) to carry out the administration of the Plan on behalf of the Trustees;

- (c) perform any services on behalf of the Plan or of the Trustees;
and make any charge commensurate with the services so provided.

3.6 How Trustees may act

(a) Corporate Trustees

A Corporate Trustee may act by resolution of its board of directors, and any consent, decision, notice or other document or instrument of whatsoever nature will be deemed to be sufficient to comply with the Rules if signed on behalf of the Trustees by any two directors of the Trustees, or any one director and the secretary.

(b) Trustees in general

- (i) The Trustees may meet and regulate their meetings as they will think fit, or may conduct their business by agreement in correspondence. A quorum for a meeting will be two Trustees present in person, unless a corporate body is appointed sole Trustee hereof, or unless otherwise determined. In the event of the number of Trustees being reduced below two, the remaining Trustee will forthwith appoint a person or persons as new Trustees hereof to restore the number to not less than two.
- (ii) The decision of a majority of the Trustees who are present and vote at a duly convened meeting of the Trustees at which a quorum is present will be binding on all the Trustees.
- (iii) The Trustees will cause proper minutes to be kept and formally recorded together with any resolutions and proceedings.

3.7 Members as directors of corporate Trustees

No director of the Trustees can be a Member.

3.8 Secretary

A secretary of the Plan may from time to time be appointed by the Trustees for such period and generally upon such terms as they will think fit and the secretary will have an office, the address of which will be notified to members and at which notices may be served on him and enquiries may be made.

3.9 Administrator

The Trustees must appoint an Administrator of the Plan, who will be a person or company ordinarily resident in Gibraltar, for the purpose of managing the Plan and who will be responsible for the payment of benefits and of tax on benefits. Until any appointment is made the Trustees will act as Administrator. In the event of an appointed Administrator ceasing for whatever reason to be the appointed Administrator, a new Administrator will immediately be appointed by the Trustees.

3.10 Expenses of Administration

The Trustees / Administrator will be repaid out of the fund for all liabilities costs and expenses incurred by them in the execution of the trusts hereof and in the management and administration of the Plan.

3.11 Books of Account

The Trustees will cause proper books of account to be kept showing all the dealings with the Fund, and an account and balance sheet of the fund made up to the accounting date in each year will be prepared.

3.12 Record of Members and relevant matters

The Trustees will keep a record of all Members of the Plan and of all matters relevant to the administration of the Plan and will keep accounts to show the position of the Plan and the amounts contributed to the Plan on behalf of each Member including those amounts to be disbursed as costs, charges and expenses under the terms of this Deed. All books of account and records of the Trustees will be kept at the registered office of the Trustees or at such other place as the Trustees think fit.

3.13 Investment

- (a) All moneys belonging to the Fund will either be placed on current or deposit account with a bank or invested in the name or under the legal control of the Trustees in the purchase of or at interest upon the security of such stocks, funds, shares, securities or other investments or property of whatsoever nature and wheresoever situate and whether involving liability or not, and whether producing income or not, or upon such personal credit with or without security, as the Trustees will in their absolute discretion think fit, to the extent that the Trustees will have the same full and unrestricted powers of investing and transposing investments in all respects as if they were absolutely and beneficially entitled thereto and so that without prejudice to the generality of the foregoing, trust money may:-
- (i) be invested in or upon any securities the holding of which is restricted to a particular class of persons, the Trustees being members of that class,
 - (ii) be used for entering into underwriting contracts of all kinds, whether resulting in the actual investment of trust moneys or not;
 - (iii) be invested by effecting with one or more Insurance Companies managed fund contracts, deferred annuity policies, annuity policies or contracts for the purpose of providing pensions or benefits, whether immediate or future and whether contingent or otherwise, for the purposes of the Plan, and the Trustees will have full power to deal with and dispose of any policy effected by them whether by sale, surrender or otherwise in such manner in all respects as the Trustees will in their absolute discretion think fit;
 - (iv) be used to sell, purchase or create any option contract traded on any recognised option market or financial future markets. The Trustees must comply with any requirement necessary with regard to such contracts.
- (b) No loan will be made to the members of the Plan.
- (c) The value of the member's fund at any time invested in residential property is restricted to 50% of the value of the Member's fund .

3.14 Power to delegate investment functions

The Trustees will have power from time to time to delegate their powers of making and managing investments and of keeping a register thereof to any person firm or company whom they consider competent to do so, and to pay to such person firm or company such fees as may be agreed, provided the Trustees consider such fees to be reasonable in all the circumstances.

3.15 Power to open bank accounts

The Trustees will open any necessary banking account or accounts for, and in the name of, the Plan with whichever bank or banks the Trustees see fit and will be entitled to operate that account or those accounts and to sign, endorse or otherwise deal with cheques, bills and other negotiable and restricted instruments as they think fit.

3.16 Power to employ agents and rely on advisers

The Trustees may act on the opinion or advice of any accountant, actuary, lawyer or any other professional person or agent employed or instructed in the carrying out of the business of the Plan. This may include the receipt and payment of pensions and other such benefits. The Trustees will not be responsible for the default of any agent if employed in good faith.

3.17 Notices

Any notice to the Trustees or to any Member, Pensioner or other person in receipt of a pension or annuity or entitled to any other benefit hereunder may be given by sending the same through the post in a letter addressed to him at his last known place of abode, and any notice so sent will if sent by post be deemed to be served on the fourth day following that on which it was posted.

3.18 Members to give notice of addresses

Every Member, Pensioner and annuitant will give notice in writing to the Trustees of his place of residence at the time he becomes a Member and at the time he becomes entitled to a pension out of the Fund and, thereafter, will give immediate notice of any change of residence.

3.19 Indemnity

The Trustees will be indemnified against all liabilities incurred by them in the execution of the trusts hereof and the management and administration of the Plan, and will have a lien on the Fund for such indemnity and no trustee will be liable for anything whatever other than that arising out of the trustee's own fraud, gross negligence or wilful default, and further, the Trustees may enter into such agreements and give such undertakings indemnities or guarantees which are binding on the Fund, as the Trustees will, in their absolute discretion, decide are necessary and proper for the efficient administration of the Plan.

3.20 Payment of pensions

The following administrative provisions will apply to the payment of pensions:-

- (a) all pensions and annuities will be payable at such periods as the Trustees will from time to time, either generally or in any particular case, decide and any pension or annuity may be paid in advance if the Trustees think fit;
- (b) pensions will not be apportioned. Where a pension is paid in arrears and ceases to be payable due to the death of the member or any other reason, no accrual in favour of the member or his personal representatives shall be made following the due payment date immediately prior to the cessation of the pension."
- (c) pensions and annuities shall be paid only to a bank account maintained by the Pensioner or annuitant.

- (d) before making or sanctioning any payment out of the Fund, the Trustees may require the production of a certificate, or such other evidence as they may think fit, of the birth, marriage, continued existence or death of the person claiming a benefit or of a Member, his spouse or Dependents or the identity of any person named in a certificate or any other material fact;
- (e) if the Trustees are of the opinion that any person entitled to benefit is incapable of managing his affairs due to physical or mental infirmity, the Trustees will be entitled at their discretion to pay any such benefit to any person approved by them who undertakes to apply such benefit to or for the maintenance or benefit of the person concerned, and the Trustees will not be under any obligation to see to the application of any benefits so payable and actually paid to such person as aforesaid.

3.21 Claims only in accordance with Rules

No Member, Pensioner or annuitant will have any claim or right to any benefit save if and so far as the Plan allows and in accordance with the Rules.

3.22 Annuity in satisfaction of Member's rights

The Trustees, acting on actuarial advice if appropriate, may at any time, and from time to time, if and when they will for any reason consider it convenient in any particular case, purchase from any Insurance Company any policy of insurance or annuity contract for the purpose of answering or satisfying any benefits which may be paid to any person under the Rules, whether immediately or prospectively, on terms which as nearly as may be correspond to the terms on which such benefits would otherwise be payable under the Rules. Any policy or contract so purchased will be purchased in the name or names of the person or persons to whom the benefits purchased are to be paid, or in the name of the Trustees for him or them, and will be paid or applied for the purposes and in the manner to and for and in which the said benefits in respect of which the same was purchased is payable or applicable in accordance with the Rules.

No Member or person on whose behalf any such policy or contract is purchased under the provisions of this Rule will thereafter have any claim upon or interest in the fund.

3.23 Effect of misstatements

If any Member or Dependant of a Member will make any misstatements as to any of the matters referred to in the preceding Rules, the Trustees, on discovering the misstatement, will have power, acting on actuarial advice if appropriate, to make such arrangements as they will consider fair by way of adjustment of any pension, annuity or other money payable out of the fund.

3.24 Information to be available

Every person having any rights under the Plan being a present or former Employee or Member will on demand be entitled to inspect a copy of the Rules during normal office hours, and of all amendments thereof and the latest statement of accounts and balance sheet.

3.25 Arbitration

In the case of any dispute or difference arising between any person or persons interested in the Fund (whether actually or prospectively or contingently) and the Trustees or the Member concerning the exact meaning or construction of any of these Rules or any rights or liabilities thereunder, it will (so far as the decision or determination of such dispute or difference is not otherwise effectively provided for by the Rules) be referred to arbitration by a single arbitrator (to be appointed, failing

agreement between the parties, by the Leader of the Gibraltar Bar) in accordance with the provisions of the Arbitration Act or any modification or re-enactment thereof for the time being in force.

3.26 Restrictions

No annuity payable under the plan shall be capable of surrender, assignment or commutation except as described in Section 9 and that no loanback facility will be allowed i.e. a plan cannot be mortgaged or charged as security for a loan.

SECTION 4 - ALTERATIONS IN AND ADDITIONS TO RULES

4.1 Power of alteration

The Trustees may at any time, and subject only to the following Rules of this Section, by deed, alter or repeal all or any of the Rules for the time being in force or make any new Rules to the exclusion of or in addition to all or any of the existing Rules aforesaid, and any Rules so made will be deemed to be Rules of the same validity as if originally embodied herein and will be subject in like manner to be altered or modified.

4.2 Effect on existing benefits

No alteration or addition will prejudice or affect any pension or annuity then payable under the Plan.

4.3 Alterations not to affect purpose of the Plan

There will be no alteration which will have the effect of altering the purpose of the Plan, which will continue to be the provision of Relevant Benefits for Members, either on retirement at a specified age or on death or incapacity at some earlier age.

4.4 Alterations not to contravene any laws or regulations

There will be no alterations which will contravene any law or regulation of Gibraltar for the time being applicable to the conduct of pension plans .

4.5 Consent of Trustees

There will be no alteration without the consent in writing of the Trustees.

SECTION 5 - ELIGIBILITY AND MEMBERSHIP

5.1 Eligibility

Membership of the Plan shall be open to such persons as the Trustee / Administrator of the Plan may admit to membership at their absolute discretion.

5.2 Application for membership

- (a) An individual who wishes to enter into membership of the Plan must complete the Deed of Adherence and any relevant application form required by the Administrator and/or Trustees which must include the following undertakings:
 - (i) the Member agrees to be bound by these Rules:
 - (ii) the Trustees agree to administer the Plan as required by these Rules.

- (b) A person can become a Member only if the Trustees agree.

5.3 Membership Letter

The Trustees shall provide to every Member who has joined the Plan details in writing of the Plan as follows.-

- (i) A Plan Schedule confirming the details of the plan
- (ii) A copy of the signed Fee Structure
- (iii) A copy of the Deed of Adherence which has been signed by a Director of STM Fidecs Pensions Trustees Ltd.
- (iv) A copy of the investment schedule
- (v) A Reconciliation account confirming the amounts received, deducted and invested
- (vi) Nominated beneficiaries

SECTION 6 – TRANSFERS TO THE PLAN

- (a) A member of the Plan, who has accumulated pension entitlements within another pension scheme - may request that the Trustee/ Administrator accept a transfer payment from such other pension scheme situated in a country , territory or jurisdiction of the European Union . The Trustee / Administrator shall have the right at its absolute discretion to refuse such request.
- (b) Subject to 6(a) above, the Trustee/Administrator shall determine the form in which any transfer payment shall be made and the benefits that shall be granted in respect of such transfer payment .

SECTION 7 - MEMBER'S CONTRIBUTIONS

- (a) A member may from time to time elect to make such contributions to the Plan as shall be agreed with the Trustee/Administrator.
- (b) Assets transferred into the Plan are classified as contributions and are subject to approval by the Trustees.
- (c) Any employer of a member may elect from time to time, to make contributions for such member as shall be agreed with the Trustee/Administrator .

SECTION 8 – TRANSFERS FROM THE PLAN

- (a) A member, who joins another pension scheme may request that the Trustee/Administrator make a transfer payment to such other pension scheme. The Trustee/Administrator shall have the right at its absolute discretion to refuse such request .
- (b) Subject to 8(a) above, the Trustee/Administrator shall determine the form in which any transfer payment shall be made and may make as a condition of such transfer stipulations regarding the benefits that shall be granted in respect of such transfer payment .

SECTION 9 - COMMENCEMENT AND AMOUNTS OF MEMBER'S BENEFITS

- (a) Any member of the Plan shall have the right to commence drawing benefits from the Plan in whole or in part, at any time after attaining the Minimum Benefit Commencement Age.
- (b) If a member who has not attained the Minimum Benefit Commencement Age is, in the opinion of the Trustee/Administrator, permanently incapacitated then such member shall also be entitled to commence drawing benefits from the Plan .
- (c) Each member who is eligible to draw benefits shall be able to choose to draw such benefits in lump sum or in pension form, subject to Sections 10 and 11.
- (d) The amount of any lump sum benefit payable to an Eligible Member shall, however, not exceed the limits set out in Section 10.
- (e) The amounts of any pension benefit payable to an Eligible Member shall not exceed the limits set out in Section 11.
- (f) In cases where the Member, although he has reached his Normal Retirement Date elects not to receive a pension from the Plan, payment of any pension may be deferred until the Member attains 75 years of age.

SECTION 10 – PERSONAL LUMP SUM PAYMENTS

- (a) An Eligible Member may at any time be entitled to draw a personal lump sum benefit not exceeding the amount set out in 10(b) below.
- (b) The maximum personal lump sum benefit payable at any time to an Eligible Member under 10(a) above shall not exceed 30% of the value of such Member's Unvested Interest, as determined by the Trustee at the time of such payment.

SECTION 11 – PAYMENT OF PENSIONS

- (a) Pensions payable to Eligible Members are intended to be payable throughout life.
- (b) The maximum regular pension payable to an Eligible Member in respect of each year commencing on the anniversary of Pension Commencement Date shall be such sustainable amount as determined by the Trustee / Administrator using actuarial advice or guidance, if required, taking into account the value and nature of the assets and subject to the trustees discretion.
- (c) In exercising 11(b) above the Trustees shall have the power to calculate any amounts payable by reference to an average of three market rates or the United Kingdom GAD drawdown pension tables .
- (d) In each year the Eligible Member shall be entitled to draw up to the maximum regular pension as calculated pursuant to 11(b) above .
- (e) The amount of the maximum regular pension shall be recalculated in respect of each Eligible Member at least once in every three year period following Pension Commencement Date and yearly following the member attaining age 75.

- (f) The Trustee/Administrator may at their discretion make from time to time, at the request of the Eligible Member , such additional pension payments to the member provided that no payments may be made in excess of the maximum regular pension payable as calculated pursuant to 11(b) above .

SECTION 12 - BENEFITS ON DEATH

12.1 Death benefits

In the event of the death of a member, the Trustee / Administrator of a scheme subject to its rules will be able to apply such deceased member's, remaining Member's Interest, in one or both of the following two alternative types of death benefit in such combination and proportion as the Trustee / Administrator in its absolute discretion shall determine. The two alternative death benefits are:-

- a) Lump sum death benefits and
- b) Pension benefits to eligible dependants.

12.2 Lump sum benefits on death

At the discretion of the Trustee/Administrator the lump sum death benefits may be paid to any of the following in such amounts and proportions as the trustee/administrator shall determine:-

- a) The deceased member's surviving spouse or dependant
- b) Any child, grandchild or other descendant of the deceased member
- c) Any surviving parent or sibling of the deceased member
- d) Any spouse or close dependant of any person listed in b) and c) above
- e) Any other person who in the opinion of the Trustee/Administrator was a financial dependant of the deceased member and who had been a financial dependant of the deceased for at least one year prior to the deceased member's death
- f) Any person nominated as a beneficiary on death to the Trustee/Administrator by the deceased member during his lifetime
- g) Any trust wherever situated for the benefit of any person listed in a) to f) above
- h) Any charity nominated as a beneficiary on death by the deceased member during his lifetime and approved for such purpose by the Trustee/Administrator.
- i) The deceased's legal personal representatives.

PROVIDED THAT:-

- (i) the Trustees may hold such lump sum on trust for a period of up to two years after the death of a Member until they are able to distribute the sum; and
- (ii) if at the expiration of two years the Trustees have not distributed the lump sum, wholly or in part, whatever remains of the lump sum will be transferred to a separate account outside the Plan to be held on trust by the Trustees for the personal representatives of the deceased Member or, if there are none, the statutory next of kin of this Member;

- (iii) the Trustees may, but without being in any way bound to do so, have regard to any document signed by the Member or Pensioner concerned expressing his wishes relating to the disposal of any sum to be held upon the Discretionary Trusts.

The Trustees will have power to declare in respect of any sum or part thereof such separate trusts, terms and limitations including maintenance, education, advancement and accumulation of income during a minority, and including such discretionary trust and powers, as the Trustees will from time to time by deed revocable or irrevocable appoint, but without infringing the Perpetuity Period, and the Trustees will have power to appoint as trustees of such fund any two individuals or one corporate trustee as the Trustees will in their absolute discretion decide and to remove any of such Trustees and appoint any other trustee in place of any one so removed.

12.3 Spouses and Dependants' pension on death

- (a) The Trustee/Administrator may also choose to apply all or part of the deceased Member's Interest to provide a dependant's pension for any one or more of:
 - (i) The deceased member's surviving spouse or close dependant.
 - (ii) Any dependent child, grandchild or other descendant of the deceased.
 - (iii) Any other person who in the opinion of the Trustee/Administrator was a financial dependant of the deceased member at the date of his/her death and who had been a financial dependant of the deceased for at least one year prior to the deceased member's death.
- (b) In the event that the Trustee/Administrator determines to provide more than one spousal or dependant's pension under 12.3(a) above then separate pensions shall be provided for each such dependant.
- (c) The Trustee/Administrator may determine at its absolute discretion that any individual dependant's pension may cease while in payment. (For example in the event of a former spouse or close dependant remarrying or cohabitating).
- (d) In the event that any dependant's pension ceases for any reason the Trustee/Administrator shall have the right to apply any residual unearmarked funds within the deceased member's interest to pay either further lump sum death benefits to an eligible beneficiary under 12.1 and 12.2 above or to provide further dependant's pensions under 12.3(a) above.
- (e) Monies may continue to be held under the Plan during such period following the death of a member as the Trustee/Administrator finds to be necessary in order either to determine who is to benefit and/or to pay death benefits.

SECTION 13 - APPROVED LIMITS

13.1 Definitions

For the purpose of the limits set out in this Section the following terms will have the meanings ascribed to them:-

"CONTRIBUTION LIMIT" means total contributions as agreed with the Trustee in Rule 7

"**LUMP SUM RETIREMENT BENEFIT**" means the total value payable on retirement relating to 13.2 .

"**LUMP SUM DEATH BENEFIT**" means the value payable relating to 13.3

"**RELEVANT DATE**" means the date of retirement, leaving Plan or death as the case may require.

13.2 Member's lump sum retirement benefit – limits

The Member's lump sum retirement benefit will at all times not exceed on retirement at , before or after Normal Retirement Date , 30% of the Member's Account

13.3 Lump sum death benefits – limits

The lump sum benefit payable on the death of a Member before the commencement of his pension will amount to the accumulated fund within the plan.

13.4 Dependant's pensions – limits

Any pension for a spouse or Dependant will not exceed the amount paid to the Member.

SECTION 14 - STATUS OF THE PLAN AND TAXATION

14.1 Status of the Plan

The Plan shall be administered in such a way as to comply with any applicable tax requirements as amended from time to time.

14.2 Taxation deductions

The Trustee / Administrator will account for any taxation for which they may be liable in the administration of the Plan and will be entitled to deduct from any payment being made to a Member or other person entitled under the Rules the amount of tax for which they are so accountable on behalf of such Member or such other person entitled .

SECTION 15 – WITHDRAWAL OF MEMBERSHIP

15.1 If in the opinion of the Trustee the facts concerning any member cease to warrant continued membership of the Plan , the member may be withdrawn. Withdrawal is effected by notice in writing to the member, specifying the grounds for, and the operative date of the withdrawal. The operative date will normally be that of a particular event which has made the member's membership no longer appropriate but in some cases may be the beginning of a tax year or even the Joining Date of the member joining the Plan , according to the circumstances.

15.2 If the member believes there are valid grounds for an appeal the member shall first notify the Trustee within 30 days of receiving the notice from the Trustee , with a view to resolving within 20 days of the member's notification to the Trustee , failing which the Member can pursue any other rights or remedies available to the member at law .

SECTION 16 - TERMINATION AND WINDING-UP

16.1 Power of determination

The Plan may be terminated by the Trustees. Upon such termination, the Trustees will give notice thereof to the Members. The Plan will thereupon be wound up, unless the Trustees, with the consent of the Administrator decide to continue it as a closed plan. A "closed plan" for the purpose of this rule means one in which no new members will be admitted and no further contributions paid.

16.2 Total winding-up of the Plan

If the contributions will be terminated in accordance with Rule 16.1 and the Plan will not be continued as a closed fund, or if the Trustees will at any time be of the opinion that the objects for which the Plan was established no longer exist or that the administration thereof cannot conveniently be carried on, the Plan will thereupon be wound up and the trusts upon which the fund was formerly held will cease. The Plan will in any event be wound up if the Perpetuity Period will expire.

16.3 Application of fund on a winding-up

Upon the winding up of the Plan, then, unless there is a transfer of assets in specie to another Transfer Plan pursuant to this Rule, the assets of the Fund will be realised and the Fund converted into money and, subject to the payment of all costs charges and expenses which may then be owing, the entire proceeds of such conversion will be applied by the Trustees in satisfying the following obligations in the order in which they are set out below:-

- (a) in securing the continuance as if under the Plan of any pensions and annuities which have then actually commenced, pensions prospectively payable to Members after Normal Retirement Date and benefits payable on the death of any such Pensioner or Member;
- (b) in the provision of benefits for Members and other prospective annuitants and beneficiaries entitled in anticipation to benefits regard being had to the respective prospects of becoming entitled to such benefits had the Plan continued in existence;

16.4 Transfer payments on a winding-up

In relation to any amount becoming payable under Rules 16.3 the following provisions will have effect in relation to transfer payments:-

- (a) a transfer payment will only be made with the consent of each individual Member except that transfers may be made without the Member's consent if the rights allowed in the Transfer Plan are in the opinion of the administrator of the Transfer Plan at least equal in value to the rights transferred;
- (b) the amount of the transfer payment will be of such amount or amounts as the Trustees will decide, regard being had to the assets available on the winding-up.

16.5 Securing of benefits on a winding-up

In cases where a transfer payment is not made in respect of a Member, his benefits will be secured by the purchase of an annuity or other insurance policy or contract from an Insurance Company which will be endorsed to show:-

- (a) that the annuity contract or policy is non-commutable and non-assignable except as shown in paragraph (b) below;
- (b) the amount in monetary terms available by way of commutation or on death;
- (c) the earliest date from which the pension is payable; and
- (d) that any lump sum payable under the contract or policy will be appropriately discounted in the event of the pension becoming payable before his Normal Retirement Date.

16.6 Payment of benefits on a winding-up

All annuities purchased pursuant to Rule 16.5 will commence to be payable not earlier than the earliest date on which a pension or annuity could have been payable under the provisions of the Rules had the Plan continued in existence, and all annuities will be non-assignable and non-commutable.