

London & Colonial EU SIPP

Definitive Trust Deed

London & Colonial Assurance PLC (1)
London & Colonial (Trustee Services) Limited (2)
L & C (Administration Services 2) Limited (3)

14th September 2009

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Schedule - Rules

Definitive Trust Deed

THIS DEFINITIVE TRUST DEED is made this Fourteenth day of September Two thousand and nine

BETWEEN

- 1 **London & Colonial Assurance PLC** (hereinafter called "**LCA**") a company registered in Gibraltar under Company Number 80650 whose registered office is at PO Box 199 57/63 Line Wall Road, Gibraltar
- 2 **London & Colonial (Trustee Services) Limited** (hereinafter called the "**First Trustee**") a company registered in Gibraltar under Company Number 102550 whose registered office is at 57/63 Line Wall Road, Gibraltar.
- 3 ~~London & Colonial~~ (**Administration Services 2**) Limited (hereinafter called the "**First Administrator**") a company registered in Gibraltar under Company Number 102382 whose registered office is at 57/63 Line Wall Road, Gibraltar.



WHEREAS

- 1.1 The Rules contained in the Schedule appended to this Deed form part of this Deed and the following words and expressions defined in those Rules shall have the meanings that are therein ascribed to them wherever else they appear in this Deed:

"Approved Scheme"
"CIT"
"Member's Fund"
"Provider"
"Rules"
"Scheme"
"Survivor's Fund"
"Trustee"

and

"Appointee"

"Benefit"

shall have the meaning ascribed to it in Operative Clause 5.2.2 hereof

means an actual or prospective entitlement to any benefit under the Scheme (including any part of a pension and any payment by way of pension) and "Beneficiary" has a corresponding meaning.

"Fund"	shall mean all contributions, gifts and transfer payments received by the Trustee and any other moneys, investments, policies, property or other sums or assets for the time being held for the purposes of the Scheme.
"Intermediary"	shall have the meaning ascribed to it in Operative Clause 17.1 hereof
"Member's Account"	shall mean in relation to a Member the Member's Fund and the Survivor's Fund and

- 1.2 Reference to any legislation (or particular Chapter or Part thereof) shall mean and include any subsequent statutory modification or re-enactment thereof and regulations made thereunder.
- 1.3 If the context so admits the singular shall include the plural and vice versa and references to any gender shall include any other gender.
- 1.4 Headings are included for convenience only and shall not affect the interpretation of this agreement.
- 2 LCA is licensed by the Gibraltar Financial Services Commission under the Insurance Companies Ordinance 1987 and has permission from the said Commission to establish pension schemes and to make whatever arrangements it thinks fit for the administration and operation of such schemes.
- 3 LCA has determined to establish under irrevocable trusts and with effect from the date hereof a personal pension scheme to be known as the L & C EU SIPP for the purpose of providing income and lump sum benefits in respect of such persons as become Members.
- 4 The Scheme is intended to be approved by the CIT.
- 5 The First Trustee has been nominated by LCA to be and has agreed to act as the sole Trustee of the Scheme.
- 6 The First Administrator has been nominated by the Provider to be and has agreed to act as the first Scheme Administrator

NOW THIS DEED WITNESSES AND IT IS HEREBY AGREED AND DECLARED
as follows:

1 Scheme establishment

- 1.1 LCA is the Provider as defined in the Rules and hereby establishes the Scheme under irrevocable trusts the full terms and conditions of which are contained in this Deed provided always that the terms of the Rules override any conflicting provisions in any other parts of this Deed

Appointment of Scheme Administrator

The Provider hereby appoints the First Administrator to be the Scheme Administrator which appointment the First Administrator hereby accepts. This appointment shall be subject to any terms or conditions that may from time to time be agreed in writing between the Provider and the First Administrator and may be terminated at any time by either party giving notice in writing to the other.

3 Appointment of Trustee

- 3.1 The Provider hereby appoints the First Trustee to be the first sole Trustee of the Scheme which appointment the First Trustee hereby accepts.

4 General Powers of the Provider

- 4.1 The Provider may adopt such procedures for the administration of its duties as it deems appropriate.
- 4.2 The Provider may:
- 4.2.1 delegate any of its powers (other than any of its powers to remove and appoint Trustees and Scheme Administrators and to amend the Rules and to direct the Trustee to alter this Deed and to wind up the Scheme) whether in relation to investment or otherwise, to a manager, nominee or subsidiary;
 - 4.2.2 make such arrangements for remunerating such manager, nominee or subsidiary as it thinks fit;
 - 4.2.3 authorise the sub-delegation of any power by a delegated manager or nominee, provided that the person to whom the power is to be sub-delegated is approved of by the Provider. If the Provider has delegated or sub-delegated any power, the Provider shall not be liable for any loss arising.
- 4.3 The Provider may designate or may employ and remunerate any agent or agents to transact any business whether administrative or otherwise and any receipt given to any such agent or person shall be a sufficient discharge of any liability to the Provider.
- 4.4 The Provider may obtain the advice of any solicitor, accountant, broker, medical practitioner or any other professional persons it thinks fit and may rely on such advice as it receives. It may remunerate any such professional as it thinks fit.
- 4.5 The Provider may by deed retire at any time as the Scheme's Provider, whereupon the Scheme must be terminated and wound-up unless subject to the agreement of the CIT another person assumes the responsibilities of the Provider.
- ### **5 General powers of the Trustee**
- 5.1 The Trustee shall have and be entitled to exercise all powers rights and privileges in connection with the Scheme requisite or proper to enable it to carry out all or any transaction deed or thing arising under or in connection with the Scheme and the consent or concurrence of either the Provider or the Members or any of them shall not be necessary in connection with the giving of any receipt or discharge or the making of any payment or the doing of any act or thing made or done in the exercise of its powers as Trustee in connection with this Deed except as is expressly provided in this Deed.
- 5.2 Without prejudice to the generality of its powers the Trustee shall have power:
- 5.2.1 to appoint and obtain the advice of an actuary and of any solicitor, accountant or other adviser upon such terms as to duties and remuneration as the Trustee shall think fit and the Trustee shall not be chargeable or accountable in respect of any calculation, determination, payment or other matter or thing made, done or omitted by the Trustee in

the administration of the Scheme upon the advice of the Actuary or of any such other person as aforesaid so consulted and

- 5.2.2 to appoint such agents managers employees or nominees as they think fit (referred to hereafter in this Clause as "Appointees") to act for and on their behalf for all or any of the purposes of the Scheme other than the amendment or the termination thereof upon such terms and subject to such conditions as may be mutually agreed and to pay such Appointee suitable remuneration provided that each such appointment shall be subject to a written agreement between the Trustee and the Appointee which shall define the purpose of the appointment and the extent of the authority conferred thereby and shall contain the terms and conditions of the appointment including the date from which the appointment is to take effect, the person to whom the Appointee is to report and the person from whom the Appointee is to take instructions and provided further that if the Trustee wishes to remove an Appointee it shall serve upon him a notice in writing stating the date with effect from which his appointment terminates and
- 5.2.3 to open and operate or to authorise such person or persons or body as it shall think fit to open and operate such banking accounts as it thinks appropriate provided that the Trustee may join with the trustees of any other pension scheme in having a joint deposit or current account subject to arrangements such that drawings and the sharing of the interest (if any) earned thereby in respect of each scheme shall have regard to the amount of the respective deposits made and such that there shall be no effective transfer of value from one scheme to another and
- 5.2.4 to borrow money for any of the purposes of the Scheme whether for investment or payment of benefits or otherwise without giving security or upon the security of any one or more or all of the assets of the Scheme as the Trustee in its absolute discretion shall think fit and
- 5.2.5 to delegate and authorise the sub-delegation of all or any of the powers, duties and discretions conferred on it by this Deed or by statute or otherwise for any period to any person or persons whether or not incorporated and whether or not a Trustee provided always that the person to whom the power is to be sub-delegated is approved of by the Provider and neither the Provider nor the Trustee shall be responsible for any loss thereby arising.
- 5.3 Persons dealing in good faith with the Trustee shall have no duty and no right or title to enquire into the application of moneys paid by them to the Trustee but shall be completely exonerated by the Trustee's receipt.
- 5.4 The Trustee shall have full power conclusively to determine whether or not any person is entitled to any of the benefits from time to time payable under the Scheme and the amount of any such benefit and also conclusively to determine all questions and matters of doubt arising under or in connection with the Scheme and whether relating to the construction thereof or otherwise. Any such determination shall be binding on all interested parties.
- 5.5 The Trustee shall be under a responsibility to open and maintain all necessary bank accounts. The Trustee may deal with insurances whether or not they relate to investments or to risk management or otherwise.

Exclusion of liability

The Provider, the Trustee and the Scheme Administrator (and if the Provider or the Trustee or the Scheme Administrator comprises or includes a corporate body the officers and employees of any such body) shall not respectively as the Provider, Trustee and Scheme Administrator in relation to the Scheme or in respect of the exercise of its or their respective rights or powers hereunder incur any personal responsibilities or be liable for any breach of trust, whether committed or omitted by any person, except that any such Provider, Trustee, Scheme Administrator, officer or other person shall be liable (but only he shall be liable) in respect of any breach of trust knowingly and deliberately committed by him.

- 6.2 The Provider shall indemnify the Trustee against all or any claims costs losses damages and expenses which it may pay or incur or which may be made against it in connection with the carrying out of the trusts of these presents or anything herein contained which indemnity shall include the liability of the Trustee for all or any claims costs losses damages and expenses which it may incur by any action of any agent manager employee or nominee lawfully appointed by it for the carrying out of the trust purposes:

6.2.1 provided always that nothing herein contained shall impose upon the Provider any obligation to indemnify any Trustee against the results of any breach of trust knowingly and intentionally committed by it and

6.2.2 provided further that the provisions of this Clause shall apply mutatis mutandis so as similarly to restrict the personal responsibility and liability of and to indemnify the Scheme Administrator.

Neither the Provider nor the Trustee nor the Scheme Administrator shall be obliged to bring or defend any legal proceedings in relation to the Scheme and shall not be chargeable with any breach of trust in any way in connection with any such omission.

- 6.4 Neither the Provider nor the Trustee nor the Scheme Administrator shall be liable for any act or omission of an Intermediary.

7 Trustee remuneration

- 7.1 Any Trustee or officer of a Trustee being a person engaged in any profession or business shall be entitled to be paid and retain all usual professional or proper charges and commissions for business done by it or him or his firm in connection with the trust hereby established including acts which a Trustee or officer of a Trustee not being in any profession or business could have done personally. A corporate Trustee shall be paid such fees if any for its services as it shall agree with the Provider.

- 7.3 A professional trustee may retain any commission fee remuneration or other benefit obtained in connection with the Scheme.

8 Number of Trustees

- 8.1 The number of Trustees shall not except as provided in Clause 9.2 hereof or where at least one of the Trustees is a trust corporation or a company empowered to act as a trustee be less than two.

9 Proceedings of Trustees

9.1 While there are three or more Trustees a quorum of two Trustees shall be sufficient for a meeting of the Trustees.

9.2 A meeting of the Trustees shall be deemed properly constituted if notice of the meeting is sent in writing to each of the Trustees at least ten business days before the meeting at his last known address and a quorum is present at the meeting. Such notice shall include the time, date and place of the meeting and an agenda.

Any meeting not properly constituted as aforesaid shall be as if it did not take place unless it is necessary as a matter of urgency to make a decision.

The Trustees present at the meeting shall appoint one of their number to be chairman for the meeting and shall appoint a secretary. The chairman shall not hold a casting vote.

The secretary appointed for the meeting shall be required to take minutes of the proceedings and resolutions of the meeting a copy of which shall be circulated posted or otherwise distributed to each of the Trustees (whether present at the meeting or not) within 90 days of the meeting. The minutes shall be subject to the agreement of the Trustees either at the next following meeting or by written agreement.

The proceedings of a meeting of the Trustees and any resolutions passed thereat shall be conducted or passed in a manner consistent with and conforming to this Deed and the Rules. Except as provided in Clause 9.3, any resolution passed in breach of this sub-Clause shall be of no effect.

9.3 The Trustees shall be entitled to pass a resolution without meeting provided that all of the Trustees consenting thereto sign a copy of the resolution. Such a resolution may be made by a number of identical copies each signed by one or more of the Trustees consenting to the resolution. Resolutions made and signed as aforesaid shall have the same effect in all respects as if they had been passed at a properly constituted meeting of the Trustees.

9.4 A majority of the Trustees surviving and resident in Gibraltar shall be capable of acting and binding the Trustees for all or any of the purposes of the Scheme at a meeting of the Trustees constituted in accordance with this Clause or by passing a resolution in the manner described in Clause 9.3.

9.5 If any of the Trustees from time to time is a corporate body it shall in the discharge of its duties and the exercise of its powers act by those of its officers and employees nominated for the purpose.

10 Appointment and removal of Trustees

10.1 The Provider may by written instrument remove from office any Trustee and may by deed appoint additional Trustees or a new Trustee in the place of any Trustee who shall be removed from office or whose office shall be vacated by his giving notice in writing in advance to the Provider of his resignation from office or by death or by retirement or by remaining out of Gibraltar for more than twelve months continuously or by becoming incapable of acting or by becoming bankrupt or by making an assignment for the benefit of or any composition with his creditors in any of which events the office of Trustee shall ipso facto be vacated.

10.2 In case any vacancy or vacancies shall occur in the number of Trustees and the

same shall not be filled in the manner authorised in Clause 10.1 hereof within three months after its occurrence it shall be lawful for the surviving or continuing Trustees to appoint some person or persons to fill the vacancy or vacancies and pending such appointment the Trustees shall have power to act so as to carry on the business of the trust notwithstanding the existence of any vacancy or vacancies in their number so long as there shall be not less than two Trustees acting but such limitation shall not apply in the case of a company or trust corporation being the sole Trustee.

- 10.3 The Trustee may appoint a company to act as co-trustee specifically to hold such assets as it decides and on terms that the trustee appointed shall have no other powers than the holding of and disposal of that property in accordance with the terms of this Deed. In particular, but without prejudice to the generality of the foregoing, such a co-trustee may be appointed to hold jointly real property or in order to facilitate the giving of a receipt for capital moneys.

11 Records

- 11.1 The Trustee shall keep or cause to be kept records of all dealings with the Scheme by it or by its authority.
- 11.2 The Scheme Administrator shall keep or cause to be kept records of all Members and of all deaths, withdrawals retirements and other matters necessary to be recorded for the proper administration and management of the Scheme.

12 Investments

- 12.1 The assets of the Scheme shall be held under the trusts set out in this Deed by the Trustee. Members' contributions and the income derived therefrom shall not be pooled. The assets of the Scheme are not to be managed as a whole by either the Provider or the Trustee or the Scheme Administrator. Members shall have no direct or indirect interest in any specific asset of the Scheme except to the extent that a benefit under the Scheme may be determined in relation to the value of such an asset and all such benefits shall be determined in accordance with and be governed by the Rules. No Member shall have any rights of any kind under or in connection with the Scheme that are not prescribed by the Rules.
- 12.2 The Trustee has full powers of investment and application of the Fund including all such powers which it could exercise if it were absolutely and beneficially entitled to the Fund provided that the Fund shall not hold directly as an investment personal chattels capable in any way of private use and that the Fund may not be used to provide loans to Members or to any person connected with a Member and no loan from any source made to an individual who is a Member of the Scheme may in any way affect the return on the investments representing that Member's interest in the Scheme.. In particular and without prejudice to the generality of the foregoing but subject to the provisos aforesaid the Trustee may invest or apply all or any part of the Fund in any part of the world:
- 12.2.1 in deferred or immediate annuity policies, life assurance policies, retirement, endowment or sinking fund contracts or policies each of which are effected with an insurance company;
 - 12.2.2 in any interest in land or property (including commercial and residential property);
 - 12.2.3 in units, unit trusts or mutual funds or other common investment funds or securitised issues or any other form of collective investment;

- 12.2.4 in the purchase of or subscription for or in underwriting, sub-underwriting or guaranteeing the subscription of any stocks, shares, debenture stocks or other investments provided that, where it is possible to do so, all transactions in securities shall take place through a recognised stock exchange;
- 12.2.5 in entering into and engaging in any obligations or contracts or dealings including dealings in currencies, traded options, financial futures, commodities or commodity futures;
- 12.2.6 in choses in action and other personal chattels (and, in Scotland, movable property whether corporeal or incorporeal) and any other asset, whether wasting or depreciating or otherwise;
- 12.2.7 in the insurance of any assets of the Fund against any risks and for any amounts;
- 12.2.8 by opening and operating accounts with any local authority, bank, insurance company, building society or finance company upon such terms as the Trustee thinks fit;
- 12.2.9 by participating in any scheme of deposit administration or any managed fund administered by an insurance company; and
- 12.2.10 by participating in any investment (whether income producing or not) or in the acquisition, and/or development of any interest in land or property jointly with any other party or parties whether as partners or as trustees to hold it upon trust for sale or otherwise, even if the interest of the Trustee in any such venture is a minority interest

and may

- 12.2.11 lend moneys to any person for such purposes and upon such security and subject to such terms as it considers fit;
- 12.2.12 borrow or raise moneys from any person for such purposes and subject to such terms and conditions as it considers fit to any extent necessary and charge the whole or any part of the investments in a Member's Account provided that investments in a Member's Account may be charged only in connection with borrowings related to that Member's Account;
- 12.2.13 enter into any arrangements with an insurance company to reinsure the whole or any portion of the risks undertaken, and in particular including reinsuring against any excess of claims that might fall upon the Scheme owing to a catastrophe or epidemic;
- 12.2.14 make any other arrangements with an insurance company for the provision of all or any Benefits

in each case alone or jointly with the trustees of any other pension scheme or arrangement or any other person and whether or not the Trustee or any Beneficiary or any delegate, agent, adviser or other person appointed under Clause 5 or any person connected or associated with any of them, is a party to any transaction concerned or otherwise has a personal interest or interest in another fiduciary capacity.

- 12.3 The Trustee shall, in relation to a Member's Account, exercise the powers in Clause 12.2 only in accordance with directions given by the relevant Member or

Survivor, provided that the Trustee may refuse (without giving reasons) to comply with any request for the acquisition of any investment and may, without any instruction to do so, dispose of any investment already held if in the opinion of the Trustee the acquisition of or continuing to hold that investment would:

- 12.3.1 breach the provisions of the Rules, prejudice the status of the Scheme as an Approved Scheme or result in the provision of a benefit not specifically permitted by the Rules;
 - 12.3.2 prevent or unduly delay recovery of any amount under Clause 18.1 or payment of Benefits or any other payment required for the proper administration of the Scheme generally;
 - 12.3.3 breach any restrictions on particular investments or classes or descriptions of investment that the Trustee may in its absolute discretion impose from time to time for this purpose; or
 - 12.3.4 in the opinion of the Trustee be otherwise improper or inappropriate.
- 12.4 The Member or Survivor may appoint any person, including, subject to Clause 12.5, a manager, acceptable to the Trustee for the purpose of directions to be given by him in accordance with Clause 12.3 and shall provide to the Trustee any information or assurance that it may request in connection with such appointment provided always that a Member, either himself or through the agency of a nominee (including an Intermediary) may not nominate or appoint the Provider or the Trustee or the Scheme Administrator either for this purpose or in any way to advise on the investment of the Member's Account.
- 12.5 An appointment of a manager by a Member as permitted by Clause 12.4 above shall be conditional upon:
- 12.5.1 the manager both (a) being appropriately licensed or otherwise authorised for this purpose as may from time to time be required by such legislation or regulatory requirements as may apply in any relevant jurisdiction and (b) complying in full with such legislation or other regulatory requirements; and
 - 12.5.2 the manager agreeing to observe such conditions and procedures as the Trustee or the Scheme Administrator shall require.
- 12.6 Any provision made under the power to insure in respect of any Benefit (whether immediate or contingent) may be made by effecting an individual annuity contract or policy in the name of the Beneficiary or in the name of the Trustee or (if the contract or policy was initially effected in the name of the Trustee) by assigning it to the Beneficiary.
- 12.7 In default of clear and valid directions (given in accordance with such procedures as the Trustee or the Scheme Administrator shall from time to time require) from the relevant Member or Survivor or from the manager appointed under the provisions of Clause 12.4, the Trustee shall invest the Member's Account in an account with a bank.
- 12.8 In no circumstance shall either the Provider or the Trustee or the Scheme Administrator be obliged to monitor or account for the investment performance of any Member's Account.
- 12.9 In dealing with investment under this Clause the Trustee shall have the same unfettered powers to delegate and to sub-delegate as applies under Clause 5. In particular, the Trustee may accept the nomination of the Member as to a

person who is to be appointed to be the investment manager of the whole or part of the Member's investments.

13 Buying out Benefits

13.1 The Trustee may at any time arrange with an insurance company to secure outside the Scheme the Benefits payable or prospectively payable out of a Member's Account, by:

13.1.1 application of the Member's Account or its proceeds towards the purchase of an appropriate policy from, or entry into an appropriate contract with, the insurance company;

13.1.2 assignment of the benefit of any policy or contract forming part of that Member's Account and previously effected in the name of the Trustee or its nominees with that insurance company

in either case on such terms as the Trustee in its absolute discretion thinks fit and following such application, the Trustee shall be discharged from all claims in respect of such Benefits.

14 Lawful transactions permissible

14.1 Provided it would not threaten the continued status of the Scheme as an Approved Scheme the Provider may enter into any lawful transaction which in its opinion is for the benefit of the beneficiaries of the Scheme. The Trustee and the Scheme Administrator may give effect to lawful transactions on the same basis.

15 Irrevocable directions

15.1 Any direction given by a Member under the Rules may, at the Trustee's discretion, be treated as having been made irrevocably.

16 Lump sum benefits

16.1 The Trustee shall hold any benefit becoming payable in lump sum form under the Scheme on the death of a Member upon a separate trust with power to pay the benefit within 24 months of the Member's death to any one or more of the persons to whom payment can be made in accordance with the appropriate provision of the Rules (currently Rule 11.13) in such shares and in such manner as it shall think fit.

16.2 If or to the extent that the Trustee has not exercised its power under Clause 16.1 to pay the said benefit to the said persons within the period stated therein then at the end of that period the payment shall be held in a separate account outside the Scheme upon trust to pay it within four years to or for the benefit of one or more of those persons in such proportions as the Trustee shall decide provided that if by the end of that period after all reasonable attempts to trace persons within the permitted categories of beneficiaries for this purpose stated in the Rules and if there is no person entitled to the Member's estate, the Trustee may apply the payment for its own benefit.

16.3 In exercise of its duty to pay the benefit the Trustee may settle the benefit or any part of it on such trusts for any of the persons mentioned above as it thinks fit and may appoint any trustee to act as the trustee of the separate trust. A receipt from the trustee so appointed shall be sufficient to discharge the Trustee.

17 Marketing

- 17.1 The Scheme may, at the Provider's discretion, be marketed in any other name or manner by any company, partnership or individual (an 'Intermediary') provided that the identity of the Provider is clear in any relevant literature.
- 17.2 The Provider shall determine the terms and conditions relating to the appointment, responsibilities and activities of any Intermediary which shall include:
- 17.2.1 that the activities of the Intermediary shall not prejudice the status of the Scheme as an Approved Scheme and
 - 17.2.2 that the Intermediary shall for the purpose of acting as an Intermediary have all necessary authorisations under all relevant legislation and from all relevant regulators in all relevant jurisdictions and must at all times while acting as an Intermediary comply fully with the terms and conditions of all such authorisations and deal with the Member accordingly and
 - 17.2.3 that the Intermediary shall be the agent of the Member and not of the Provider nor of the Trustee nor of the Scheme Administrator and
 - 17.2.4 that any agreement between the Member and the Intermediary must not prejudice the Member's rights under the Scheme.

18 Expenses and charges

- 18.1 The Provider may levy charges against and recover expenses from a Member's Account. The terms on which charges and expenses arise shall be communicated to the Member or Survivor in writing. If the Scheme is wound-up or otherwise discontinued and its assets reduced to cash, the expenses and charges arising from the winding-up may be levied on the assets as a whole.
- 18.2 The Trustee may, without the agreement of any Beneficiary recover out of the relevant Member Accounts any fees or charges including all amounts agreed under the provisions of Clause 18.6, imposed by the Provider together with any losses, liabilities, costs, charges or expenses (including any fees, charges or expenses of persons appointed pursuant to Clause 5) or other amounts the Trustee or the Scheme Administrator or the Provider may suffer or incur in connection with or in relation to:
- 18.2.1 investment;
 - 18.2.2 any proceedings brought in order to comply or procure compliance by any Beneficiary or other person with any obligation imposed by law or by this deed or any agreement made under it;
 - 18.2.3 any unsuccessful actions, proceedings or claims brought by or on behalf of a Beneficiary;
 - 18.2.4 any other actions, proceedings or claims;
 - 18.2.5 any liability to tax or other imposition of any kind in respect of any payment of Benefit or any investment transaction;
 - 18.2.6 the proper administration of the Scheme generally
- except to the extent that such amounts:

18.2.7 are recoverable under any policy of insurance and would not be recoverable but for this exception, or

18.2.8 are suffered or incurred by the Trustee or Scheme Administrator or Provider as a result of its own deliberate breach of trust committed in deliberate disregard of the proper instructions of the relevant Member or Survivor, or actual fraud

and the Trustee shall pay over to the Scheme Administrator or the Provider or the person appointed pursuant to Clause 5 amounts so recovered or retain them for its own benefit, as appropriate in terms of the person by whom the corresponding amount was suffered or incurred.

18.3 Notwithstanding Clause 18.1 neither the Provider nor the Trustee nor the Scheme Administrator shall be obliged to bring, pursue, defend or appeal any proceedings or decisions in relation to the Scheme and shall not be chargeable with any breach of trust in any way in connection with any such omission.

18.4 The Provider, the Trustee and the Scheme Administrator may either separately or jointly retain any commission, fee, remuneration or other benefit obtained in connection with the Scheme and no decision, or exercise of a power by, the Provider or of the Trustee or of the Scheme Administrator shall be invalidated on the ground that the decision or exercise of the power was tainted because that person had a direct or personal interest in the result of the decision or the exercise of the power and neither the Provider nor the Trustee nor the Scheme Administrator shall be obliged to account for any benefit as a result of any such decision or exercise.

18.5 Any trustee engaged in any profession or business shall be entitled to be paid and retain all usual professional or proper charges and commissions for business done by him or his firm in connection with the Scheme including acts which a trustee who is not in any profession or business could have done personally.

18.6 The Trustee and the Scheme Administrator shall charge and be paid such reasonable and proper remuneration for services rendered as they shall agree with the Provider.

18.7 The Trustee may take out trustees' indemnity insurance or (in the case of a corporate trustee) directors' and officers' insurance to cover any liability or potential liability which it may have in respect of the Fund and the cost of premiums shall be borne by the Fund.

18.8 Each Member and Survivor shall indemnify and keep indemnified the Provider, the Scheme Administrator and the Trustee against any amounts described in Clause 18.1 to the extent the same are not recoverable by the Trustee under that Clause.

18.9 Neither the Provider nor the Scheme Administrator nor the Trustee shall be liable in respect of any payment or payments to any person or persons erroneously made by it.

18.10 In this Clause 18:

18.10.1 references to the Trustee shall be taken to include any former Trustee and any present or former officer of a present or former corporate Trustee and

- 18.10.2 references to proceedings shall be taken to include any investigation by any regulatory body and any other form of action, proceeding or claim.

19 Undertakings

- 19.1 The Provider or the Trustee may give any undertaking required by the CIT or other regulatory body. The Deed shall then stand amended to the extent necessary to give full effect to the undertaking.

20 Power of amendment

- 20.1 At the direction of the Provider the Trustees shall by instrument in writing under their hands alter modify or add to all or any of the provisions of this Deed whether having retrospective effect or not provided that

20.1.1 the rights and interests of all persons entitled or contingently entitled to benefits under the Scheme or the legal personal representatives of such persons are not prejudiced in so far as they concern benefits secured under the Scheme prior to the date of such alteration modification or addition and that

20.1.2 all amendments to the Rules shall be subject to the appropriate provision of the Rules (currently Rule 5) and that

20.1.3 all other parts of this Deed may be altered, amended or added to as the Provider shall decide and in no case shall the Members' consent or the consent of any of them be required.

- 20.2 Except as provided by Clause 19.1, a deed shall be necessary only to effect changes to the clauses of the Deed and not in respect of any changes made to the Rules.

21 Dissolution of the Scheme

- 21.1 The remaining provisions of this Clause 21 shall apply:

21.1.1 in the events prescribed in the Rules or

21.1.2 on 1 January 2089, unless the Scheme can then lawfully be continued.

- 21.2 The Scheme shall be determined and the Fund shall be wound up provided that the trusts of the Scheme shall remain in force and all powers under the Deed shall remain exercisable until the Fund has been completely wound up.

- 21.3 The Trustee shall apply each Member's Account in the following order:

21.3.1 in discharging so much of the actual or anticipated costs, charges and expenses of and incidental to the application of the Fund (including the remuneration of professional advisers) as the Trustee in its absolute discretion may determine;

21.3.2 in provision of any lump sum death benefit payable in respect of a death occurring before the application of this Clause 21

21.3.3 securing benefits in respect of the relevant Member or Survivor in such one or more of the ways described in Clause 21.4 as the Trustee

SCHEDULE

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Rules

1 Introduction

- 1.1 This Scheme is a personal pension scheme for which approval will be sought from the Commissioner of Income Tax in accordance with the provisions of the Income Tax Act and whose sole purpose is the provision of annuities or lump sum benefits under Arrangements made between the Provider and the Members in accordance with the Scheme.

2 Interpretation and definitions

- 2.1 Throughout these Rules reference to an Act shall be deemed to include any statutory amendment or re-enactment thereof and, where the context so admits, words importing the singular number shall be deemed to include the plural and vice versa and the masculine gender shall be deemed to include the feminine.

- 2.2 The following expressions shall have the following meanings:

'Act'	shall mean the Income Tax Act.
'Annuitant'	shall mean a person other than a Member who, under a Member's Arrangement, has an entitlement to an annuity from the Scheme.
'Approved Scheme'	shall mean a pension scheme approved under the provisions of the Act
'Arrangement'	shall mean an arrangement made by a Member with the Scheme Administrator for the provision of the benefits in accordance with these Rules.
'CIT'	shall mean the Commissioner of Income Tax.
'Dependant'	shall mean an individual who is or who immediately before a Member's death or retirement was financially dependant on the Member, or a child or adopted child of the Member who has not attained the age of 18 or has not ceased to receive full-time education or vocational training.
'Employer'	shall mean a current employer of the Member.
'Insurer'	shall mean a person authorised under the provisions of the Insurance Companies Act 1987 to carry on long term business in Gibraltar.
'Member'	shall mean an individual who has made an Arrangement with the Scheme Administrator and 'Gibraltar Member' shall be such a Member who is resident in Gibraltar.
'Members Fund'	shall mean the aggregate, under an Arrangement, of the accumulated values of: <ul style="list-style-type: none">• the contributions paid to the scheme by or in respect of the Member,• any transfer payment accepted by the Scheme in respect of the Member, and

- any income or capital gain arising from the investment of such amounts less any losses and expenses associated with those investments.

It excludes:

- the value of any contract or part of a contract to which contributions have been applied under the provisions of Rule 7.4; and
- any administrative expenses of the Scheme and any payments of fees.

'Net Relevant Earnings'	shall mean in relation to a Gibraltar Member the amount of his Relevant Earnings for the year of assessment in question, less the amount of any deductions falling to be made from the relevant earnings in computing for the purpose of income tax his total income for that year.
'Pension Date'	shall mean the date determined under Rule 8.
'Provider'	shall mean the person who established the scheme.
'Relevant Earnings'	shall mean 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.
'Rules'	shall mean the rules of the Scheme as amended from time to time.
'Scheme'	shall mean the scheme known as the London & Colonial Personal Pension Plan and to which these Rules apply.
'Scheme Administrator'	shall mean the person appointed for the time being under Rule 4.1.
'Survivor'	shall mean a Dependant or widow of a Member who has died.
'Survivors Fund'	shall mean the value from time to time of those funds deriving from a Member's Fund which have been set aside for the purchase of a pension for a particular Survivor.
'Tax year'	shall mean a period beginning on 1 July and ending on 30 June.
'Trustee'	shall mean the trustee appointed in relation to the Scheme.

3 The Provider

- 3.1 The Provider is a person or company permitted to establish a personal pension scheme in Gibraltar. If the Provider ceases to be such a person or company the Scheme Administrator must immediately notify the CIT

4 Scheme Administrator

- 4.1 The Provider shall appoint a person resident in Gibraltar to be the Scheme Administrator. The Scheme Administrator shall be responsible for the management of the Scheme and for the discharge of the duties imposed upon the Scheme Administrator by these Rules.
- 4.2 The Provider may at any time by notice remove the Scheme Administrator and appoint another person resident in Gibraltar as Scheme Administrator. If another person is not appointed, the Provider, if resident in Gibraltar, shall be the Scheme Administrator.

5 Amendments to Rules and arrangements

- 5.1 No amendments shall be made to these Rules without the prior approval of the CIT.
- 5.2 No alterations shall be made to a Member's Arrangement if those alterations would prejudice the approval of the Scheme under the Act.
- 5.3 Subject to Rules 5.1 and 5.2 the Provider may amend at any time any of the Rules or, with the agreement of the Member, the terms of the Member's Arrangement.
- 5.4 The agreement of the Member to an amendment to his Arrangement shall not be required in respect of any change in terms which is made in accordance with a condition in the Arrangement made with the Member.

6 Membership

- 6.1 The Trustee may in its absolute discretion admit any individual as a Member provided that no individual who has attained age 75 may be admitted as a Member without the written agreement of the CIT.
- 6.2 Admission to membership shall be subject to such requirements and on such terms, whether generally or in any particular case, as the Trustee may in its absolute discretion determine.
- 6.3 An individual who wishes to become a Member of the Scheme or who, already being a Member, wishes to make a further Arrangement shall make an application in a form acceptable to the Scheme Administrator.

7 Contributions and application of contributions

7.1 General

The Scheme shall not accept contributions other than those paid by a Member or by an Employer in respect of him. Nor shall the scheme accept, in relation to any one of a Member's Arrangements, contributions paid after the Pension Date under that Arrangement.

7.2 Member's contributions

A Member shall not knowingly pay contributions in excess of that permitted under the fiscal legislation of the jurisdiction governing his level of contributions and shall not pay contributions in any year in which he does not have income chargeable to tax.

7.3 Application of contributions for benefits

The Member's Fund and the Survivor's Fund shall be used to provide benefits in accordance with the Rules.

7.4 Application of contributions to provide life insurance

A Member may, subject to the agreement of the Scheme Administrator, elect in writing to the Scheme Administrator that the whole or part of the contributions paid by or in respect of the Member under the Scheme shall be applied as premiums under a life insurance contract with an insurer to provide a lump sum on the death of the Member before a specified age which must be before he attains the age of 75.

7.5 Transfers

A transfer payment accepted by the Scheme under Rule 13.1 is not a contribution for the purpose of the Act and shall not be applied in the way described in Rule 7.4.

7.6 Limit of aggregate contributions

The aggregate amount of the contributions paid by a Member and by an Employer in respect of him to all Approved Schemes shall not exceed the amount permitted under the relevant fiscal legislation.

8 Pension date**8.1 General**

A Member's Pension Date is the date on which the Member's Fund shall be applied to provide benefits for him and, subject to Rule 8.2 shall be a date no later than the day before that on which he attains age 75 or earlier than the date on which he attains age 55 as he shall notify to the Scheme Administrator in writing.

8.2 Incapacitated Member

The Pension Date of a Member who becomes permanently incapacitated may be a date earlier than that on which he attains age 50. A Member will be treated as permanently incapacitated if the Scheme Administrator has considered suitable medical evidence and is satisfied that the Member is incapable through infirmity of body or mind of carrying on his own occupation or any occupation of a similar nature for which he is trained or fitted. The Scheme Administrator shall produce the medical evidence to the CIT if asked for it.

9 Benefits**9.1 Annuities**

Subject to Rule 9.9 at a Member's Pension Date the Member's Fund shall be applied to provide an annuity for the Member and, if he has so elected in writing to the Scheme Administrator, the lump sum specified in Rule 10.

9.2 An annuity payable to the Member shall be secured by the application of the Member's Fund, less any amount taken as a lump sum under Rule 10, as a premium under an annuity contract issued by an Insurer.

9.3 An annuity payable to the Member shall be payable for life and may be guaranteed for a period of up to 10 years notwithstanding the Member's death within that period.

9.4 The Member's annuity:

9.4.1 may be a level annuity, a variable annuity, or an annuity which increases in payment by a fixed percentage, or on some other basis as arranged with the Insurer, and

9.4.2 must be paid in instalments not less frequently than annually and may be paid in advance or arrear.

- 9.4.3 may provide benefits to a Survivor on the death of the Member in accordance with Rule 12.1.
- 9.5 If the Member's annuity is payable for a guaranteed period notwithstanding the Member's death within that period the Member may elect in writing to the Scheme Administrator and before its commencement that the annuity shall cease after his death but before the expiry of the guaranteed period on the happening of any of the following :
- 9.5.1 the marriage of the Annuitant;
- 9.5.2 the Annuitant attaining age 18 or ceasing to be in full-time education or vocational training if later.
- 9.6 The Member's annuity shall not be capable of surrender or, except as stated in Rule 9.7, of assignment.
- 9.7 A Member's annuity payable for a guaranteed period notwithstanding the Member's death within that period may be assigned by will or by the Member's legal personal representatives in the distribution of his estate so as to give effect to a testamentary disposition, or to the rights of those entitled on an intestacy, or to an appropriation of it to a legacy or to share or interest in the estate.
- 9.8 The annuity shall be paid in such form only as is permitted under the law of Gibraltar.
- 9.9 Annuity deferral
At the Scheme Administrator's discretion, the Member may choose to defer securing a pension benefit through the purchase of an annuity as specified in Rule 9.1 and draw a pension direct from the Member's Fund at the Pension Date in accordance with Rules 9.10, 9.11 & 9.12. The Member shall notify the Scheme Administrator in writing when he or she wishes the deferral to end and an annuity to be purchased.
- 9.10 Income withdrawal
If the Member chooses to defer annuity purchase through Rule 9.9 he must draw from the Member's Fund (excluding any lump sum paid under Rule 10) a yearly income in accordance with Rule 9.11.
- 9.11 As close as possible to the Pension Date, a quotation must be obtained either from an actuary or by taking an annuity quotation from an Insurer. In obtaining such a quotation, the annuity may be in any form as offered by the Insurer subject to it complying with Rule 9.4.
- Subject to Rule 9.12 the income under Rule 9.10 must then be paid of an amount chosen by the Member that is not more than 120% of the annual amount shown in the appropriate quotation selected. The terms and conditions of such income payments may be reviewed at intervals as determined by the Scheme Administrator.
- 9.12 A Member may at any time after his Pension Date and, whilst in receipt of income in accordance with Rule 9.10, take the Member's Fund in any such manner as from time to time permitted by Gibraltar legislation.
- 10 Lump sum to Member**
- 10.1 A Member may opt no later than a date prescribed by the Scheme Administrator but which shall not be later than his Pension Date to receive a lump sum of up to 25% of the value of the Member's Fund at the time of payment of the lump sum.

The lump sum shall be paid at the date on which the amount described in Rule 9.2 is applied to provide the Member's annuity.

- 10.2 The right to payment of a lump sum is not capable of surrender or assignment.

11 Death of Member before pension date

11.1 General

In the event of the death of a Member before his Pension Date the Member's Fund shall be applied to provide the benefits described in Rule 11.

11.2 Annuities

If the Member elected in writing to the Scheme Administrator at such time before his Pension Date as the Scheme Administrator prescribed, and the Scheme Administrator agreed, an annuity shall be paid to the Member's surviving spouse and/or Dependant. The annuity shall be secured by the application of the whole or part of the Member's Fund as a premium under an annuity contract issued by an Insurer previously chosen by the Member or Annuitant in a form prescribed by the Scheme Administrator.

- 11.3 Annuities may be paid to one or more Dependants and may be paid whether or not any annuity is being paid to a surviving spouse.

- 11.4 An annuity payable under Rule 11.2 shall be payable for life (except as stated in Rules 11.7 and 11.8) and may be guaranteed for a period of up to 10 years notwithstanding the death of the Annuitant within that period.

- 11.5 An annuity payable under Rule 11.2:

- may be a level annuity, a variable annuity or an annuity which increases in payment by a fixed percentage or on some other basis as arranged with the Insurer, and
- must be paid in instalments not less frequently than annually and may be paid in advance or arrear.

- 11.6 An annuity payable under Rule 11.2 may cease on the marriage of the Annuitant but if an annuity is payable to a Dependant solely by virtue of that Dependant being under the age 18 at the date of death of the Member, that annuity shall cease to be payable on the date on which the Annuitant attains age 18 or ceases to be in full-time education or vocational training if that is later.

- 11.7 If an annuity payable under Rule 11.2 is payable for a guaranteed period notwithstanding the death of the Annuitant within that period the original Annuitant may elect in writing to the Scheme Administrator and before its commencement that the annuity shall cease after his death but before the expiry of the guaranteed period on the happening of any of the following:-

- the marriage of a later Annuitant to whom it is payable;
- the latter Annuitant to whom it is payable attaining the age 18 or ceasing to be in full-time education or vocational training if that is later.

- 11.8 An annuity paid under Rule 11.2 shall not be capable of surrender or, except as stated in Rule 11.9, of assignment.

- 11.9 Any annuity paid under Rule 11.2 and payable for a guaranteed period notwithstanding the death of the Annuitant within that period may be assigned by will or by the Annuitant's legal personal representatives in the distribution of his estate so as to give effect to a testamentary disposition, or to the rights of those

entitled on an intestacy, or to an appropriation of it to a legacy or to share or interest in the estate.

- 11.10 The payment of an annuity to a surviving spouse shall commence as soon as practicable after the death of the Member but the surviving spouse may with the consent of the Insurer elect that payment of the annuity shall commence at:

- the expiry of any guaranteed period during which the Member's annuity is payable; or
- any time up to the date the surviving spouse attains age 60, if later.

- 11.11 The payment of an annuity to a Dependant shall commence as soon as practicable after the death of the Member.

11.12 Lump Sum

The balance of the Member's Fund after providing for annuities payable under Rule 11.2 shall be paid as a lump sum in accordance with Rule 11.13.

11.13 Payment of lump sum

The Scheme Administrator shall pay or apply any lump sum payable under this Rule to or for the benefit of such one or more of the Beneficiaries as specified under this Rule 11.13 as the Trustee shall think fit.

For the purposes of this Rule "Beneficiaries" shall mean in relation to a Member:

- his spouse, children and remoter issue;
- his Dependants;
- the individuals entitled under his will to any interest in his estate;
- any individuals (including trustees of any trust whether discretionary or otherwise) whose names the Member has notified to the Scheme Administrator in writing as being persons whom he wishes the Scheme Administrator to consider as possible recipients of any lump sum;
- his legal personal representatives and
- any persons whom the Trustee considers appropriate having regard to their standing in relation to the deceased Member.

For the purposes of this Rule 11.13 a relationship acquired by the process of legal adoption shall be as valid as a blood relationship.

If by the second anniversary of the Member's death the Scheme Administrator has been unable to pay the whole of the lump sum in accordance with this Rule 11.13, the unpaid amount will be transferred to a separate account outside the scheme until it can be paid.

12 Death of Member on or after pension date

- 12.1 A Member may elect before his Pension Date that when an annuity is purchased that in addition to the pension being provided for the Member, the annuity contract will also provide for a pension after the Member's death for any Survivor.

Subject to Rule 12.2 a Survivor's annuity will start as soon as practicable after the Member dies.

12.2 Death of Member during Annuity Deferral Period

A Member may choose that, in the event of his or her death after electing to defer the purchase of his or her annuity under Rule 9.9 but before all of the Member's Fund has been used to buy an annuity, the Member's Fund should be applied to or for the benefit of one or more Survivors.

Each Survivor may choose to receive his or her Survivor's Fund by:

- 12.2.1 the securing of a pension through annuity purchase either immediately, or following a period of deferral during which income withdrawals shall be made from the arrangement(s) in accordance with Rules 9.10 and 9.11, or

- 12.2.2 payment of the Survivor's Fund as a lump sum.

Pension payments under 12.2.1 above shall come into payment as soon as possible after the member's death.

If there is more than one survivor then benefits may be paid to each survivor in different forms under this Rule.

- 12.3 Any part of the Member's Fund that cannot be used to buy Survivor annuities will be used by the Scheme Administrator to meet general administration expenses of the scheme.

12.4 Income Withdrawal

Any Survivor in receipt of income under Rule 12.2.1 may nevertheless choose option (2) at any time.

- 12.5 No Survivor may be paid any income after ceasing to be entitled to a pension. Subject to Rules 12.4 and 12.9, any Survivor's Fund remaining at the date of such cessation will be used to meet general administrative expenses of the scheme.

12.6 Annuity Purchase

If the Survivor's Fund is to be used to purchase an annuity under Rule 12.2.1, whether immediately or after a period of deferral, then the Survivor may choose which insurer the annuity is purchased from.

- 12.7 If the Survivor is receiving income withdrawals from an arrangement in accordance with Rule 12.2.1 he or she may choose to purchase an annuity with only part of the Survivor's Fund.

12.8 Lump Sum

If the Member's Fund is not to be applied to or for the benefit of one or more Survivors in accordance with Rule 12.2, it shall be paid as a lump sum.

12.9 Death of Survivor during Annuity Deferral Period

If a survivor who has chosen under Rule 12.2.1 to draw a pension through income withdrawals dies before an annuity is purchased, the Survivor's Fund shall be paid as a lump sum.

13 Transfers into the scheme

- 13.1 The Scheme Administrator may accept, on a written request being made by a Member, and subject to the conditions of Rules 13 and 15.1, a transfer payment from any of the schemes described in Rule 13.3 representing the interests of the Member and the interests, if any, of the Member's spouse or Dependents in those schemes.

- 13.2 The acceptance of a transfer payment and the application of that payment for the provisions of benefits under these Rules shall be subject to the requirements of the CIT.

- 13.3 The schemes from which the Scheme Administrator may accept a transfer payment are:

- 13.3.1 an Approved Scheme;
- 13.3.2 a retirement annuity contract or trust scheme approved by the CIT;
- 13.3.3 a statutory scheme established under a public general Act;
- 13.3.4 a personal pension scheme or occupational pensions or retirement benefits scheme recognised as such by a Member state of the European Union;
- 13.3.5 a deferred annuity contract securing benefits by virtue of previous Membership of a scheme mentioned in the list above, or
- 13.3.6 such other source as may be permitted by the CIT.

13.4 If the source of a transfer payment is an Approved Scheme, the Scheme Administrator shall before accepting such payment ascertain from the administrator of the transferring scheme the proportion of the transfer payment which consists of funds which have at any time been held for the provision of benefits for the Member by a scheme or schemes of the kind described in Rule 13.3.

13.5 A transfer payment proceeds from a life assurance the contributions to which have received tax relief under the Act, and lump sum benefits from an approved pension scheme are not contributions for the purposes of the Act.

14 Transfers out of the scheme

14.1 The Scheme Administrator shall, on a written request being made by a Member in a form prescribed by the Scheme Administrator, transfer the Member's Fund in respect of that Member to the Scheme Administrator or trustee of a scheme of which the Member has become a Member, or which is able and willing to accept the transfer payment, and which is:

- 14.1.1 an Approved Scheme;
- 14.1.2 a personal pension scheme or occupational pensions or retirement benefits scheme established in a member state of the European Union and recognised for the purpose of having favourable tax treatment in that jurisdiction;
- 14.1.3 a statutory scheme established under a public general Act.

14.2 A Member may withdraw his application for a transfer payment by notice in writing to the Scheme Administrator at any time up to the point when the Scheme Administrator has committed himself to a third party carrying out the Member's request. A Member who has withdrawn an application may make another.

14.3 If a transfer payment is made to an Approved Scheme the Scheme Administrator shall provide the administrator of the receiving scheme with information regarding the proportion of the transfer payment which consists of funds which have at any time been held for the provision of benefits for the Member by a scheme of schemes of the kind described in Rule 13.3.2, 13.3.3, 13.3.4, 13.3.5 or 13.3.6 and any other information he may reasonably require.

14.4 The Scheme Administrator shall, when making a transfer payment, comply with all the requirements of the CIT.

15 Conditions for all transfers

15.1 All transfer payments to be accepted under Rule 13.1 or made under Rule 14 shall be effected by a direct payment of cash and/or a transfer of assets in specie between the Scheme Administrator and the administrator or trustee of the other scheme and must be completed before the Member's Pension Date unless otherwise agreed in writing by the CIT.

16 Investments and deposits

- 16.1 The entire beneficial ownership of the assets of the Scheme or beneficial interest in the investments or deposits held for the purposes of the Scheme shall lie with the trustee or, if there is no trustee, the Provider.
- 16.2 The rights under the Scheme of a Member or any beneficiary are solely to those rights given to them by these Rules and any Arrangements made thereunder.
- 16.3 The following restrictions on investments will apply:
- 16.3.1 no loan will be made to Members of the Scheme;
- 16.3.2 no investment may be available for present enjoyment by a Member;
- 16.3.3 all other investments are subject to being permitted by the CIT and the Scheme Administrator's current practice as set out from time to time and
- 16.3.4 the value of the member's fund at any one time invested in aggregate in the following is restricted to 50% -
- loan capital or debenture of the Employer
 - the value of residential property in Gibraltar owned by the Member's fund
 - the value of property owned by the fund and occupied by the Employer for business purposes.

17 Scheme Rules and arrangements

- 17.1 The provisions of these Rules shall override those of any other documents constituting the Scheme which conflict with or have the effect of changing the meaning of any of the provisions in the Rules or which prejudice the sole purpose as stated in Rule 1.

18 Withdrawal of approval of whole scheme

- 18.1 In the event of the withdrawal of approval of the Scheme by the CIT, the Scheme Administrator shall within 3 months inform the Members of the withdrawal. The Scheme Administrator shall thereupon discontinue the Scheme as described in Rule 20.

19 Powers to operate scheme as closed scheme

- 19.1 The Provider may at any time close the Membership of the Scheme and may:
- 19.1.1 continue to accept contributions from or in respect of existing Members who shall continue to participate in the Scheme in accordance with the Rules and any Arrangements made under the Scheme; or
- 19.1.2 decline to accept further contributions but otherwise continue to operate the Scheme in accordance with the Rules.

20 Discontinuance of scheme

- 20.1 The Provider may at any time wind up the Scheme by giving notice to the Scheme Administrator. In that event the Scheme Administrator will notify each Member of his rights and options including his right to a transfer payment under Rule 14. When a Member does not make a choice under Rule 14, the Scheme Administrator will transfer the Member's Fund to an Approved Scheme of the Scheme Administrator choice. The Member's consent will not be required for such a transfer.

21 Miscellaneous provisions

- 21.1 Information to Scheme Administrator
The Scheme Administrator may require any Member or any other person to whom an annuity or lump sum is payable under the Scheme to produce such

evidence and information as he may from time to time reasonably require for the purposes of the Scheme and if such evidence or information is not produced the Scheme Administrator may withhold payment of any annuity or lump sum in relation to which the evidence or information was required until such time as it is produced.

21.2 Information to Members

A Member shall be entitled on request to the Scheme Administrator to inspect a copy of these Rules, the Deed to which they are appended and any other document governing the Scheme. The Scheme Administrator shall provide each Member with an annual statement setting out the value of the Member's accrued rights under the Scheme

21.3 Person incapable of acting

If a Member or other person entitled to benefit under the Scheme is, in the opinion of the Trustees, suffering from mental or physical incapacity rendering him incapable of giving a proper receipt for such benefit or otherwise unable to manage his own affairs, the Trustees may at their discretion pay such benefit to any person or institution as they shall decide, such payment to be applied for the benefit of the Member or other person. The receipt of such person or institution so paid shall be a full and sufficient discharge to the Trustees for the amount so paid and the Trustees shall be under no obligation to see to the application thereof.

21.3 Minor Beneficiaries

If any benefit under the Scheme becomes payable to a person who is a minor the Trustees may at their discretion pay the said benefit to a parent or guardian of the said person such payment to be applied for the benefit of the said person. The receipt of the parent or guardian shall be a full and sufficient discharge to the Trustees for the amount so paid and the Trustees shall be under no obligation to see to the application thereof.

21.4 Bankruptcy or Attempted Assignment

If any person becomes bankrupt or does or attempts to do anything which would divest him of his interest in any benefit or part thereof to which he is entitled under the Scheme, all rights and benefits under the Scheme in respect of that person shall vest in the Trustee who may at its discretion apply such amounts as would otherwise be due to such person in such manner as they may decide for the benefit of that person or any person who was financially dependent upon him.

21.5 Unclaimed benefits

The Scheme Administrator may at his discretion decide that any person who is entitled to a payment under the Scheme shall cease to have any claim to such payment if at least six years have passed from the date the payment became due and the address of the person is not known to the Scheme Administrator who shall have taken all reasonable steps to ascertain the address.

21.6 Place of payment of benefits

Any benefit to which a Member or other person becomes entitled under the Scheme shall be payable at the head office or principal place of business of the Scheme Administrator or such other place within the European Union as the Trustee shall decide.

END OF THESE RULES