



DATED 12 December 2024

UNIVERSITY OF MANCHESTER SUPERANNUATION SCHEME

CONSOLIDATED TRUST DEED AND RULES

**(consolidating amendments made to the Trust Deed and Rules dated 5 December 1995,
amending and updating for changes in the law, simplification of administration and
consolidating the Scheme's benefit provisions)**

CMS Cameron McKenna Nabarro Olswang LLP
1, The Avenue
Spinningfields
Manchester M3 3AP
T +44 161 393 4700
cms.law

THIS CONSOLIDATED TRUST DEED AND RULES is made on 12 December 2024

By:

- (1) **UMSS LIMITED** (registered number 03124410) whose registered office is at The University of Manchester, Oxford Road, Manchester, M13 9PL (the “**Trustee**”).

OPERATIVE PROVISIONS

- (A) The University of Manchester (then known as the Victoria University of Manchester) (the “**University**”) established the University of Manchester Superannuation Scheme (the “**Scheme**”) by Order of the Council of the University dated 22 July 1925. This Consolidated Trust Deed and Rules is supplemental to the Trust Deed and Rules dated 5 December 1995 (as amended) (the “**Trust Deed**” and “**Rules**”) which currently governs the Scheme.
- (B) The University is the current principal employer and the Trustee is the current trustee of the Scheme.
- (C) Subject to Clause 1.4 (Effect) and in exercise of its power under Clause 17 of the Trust Deed and Rules and any other enabling power, the Trustee declares that from the date of this Deed (the “**Effective Date**”) (or such other date as may be specified in this Deed) the following provisions of this Deed shall amend and govern the Scheme. Any act or omission of the Trustee before the date of this Deed which would have been valid if this Deed had been in force at the time of that act or omission shall be deemed to be valid and Clauses 3.9 and 3.10 (Trustees’ liability and indemnities and Trustee Director Liability respectively) apply in relation to any such act or omission.
- (D) No amendment made by this Deed adversely affects the subsisting rights of any Member or Pensioner or any survivor of a Member or Pensioner for the purposes of Sections 67 to 67I of the Pensions Act 1995 (Modification of schemes).
- (E) No amendment made by this Deed exceeds any restrictions on the amendment power (whether contained in Clause 17 or otherwise) and to the extent that any amendment made by this Deed does not comply with such restrictions, that amendment will not apply to any extent required by law but the remainder of this Deed will continue in full force and effect.
- (F) The Trustee confirms that the amendments made by this Deed comply with the requirements made under Section 37 of the Pension Schemes Act 1993 (prohibition on alteration of rules of schemes that were contracted-out unless alteration is of a prescribed description) in so far as they are relevant to the Scheme and any amendments being made by this Deed.
- (G) This Deed may be executed in any number of counterparts which taken together shall constitute one document, and any party may execute this Deed by signing any one or more of such counterparts. “Signing” under this Clause (G) includes (without limitation) transmission of a full executed counterpart of this deed by email or other document delivery system (including PDF, DocuSign or other agreed format) and shall have equivalent effect as if the transmission was of an executed “wet-ink” counterpart of this Deed.

TABLE OF CONTENTS

1.	Introduction.....	4
2.	Trustees	6
3.	Trustees’ powers	7
4.	Administration	11
5.	Payment of benefits.....	12
6.	Benefit restrictions	19
7.	Investment of fund	20
8.	Finance Act 2004 requirements	21
9.	Amendments	23
10.	Augmentation.....	23
11.	University contributions and scheme funding	23
12.	Participation in the Scheme	23
13.	Termination of liability	24
14.	Termination of Scheme.....	25
15.	Closed scheme	26
16.	Disclosure	27
17.	Transfers and buy-outs.....	27
18.	Inheritance tax.....	28
19.	Determination of employment	29
20.	Contracted Out Employment	29
21.	GMPs and section 9(2B) rights.....	29

CONSOLIDATED TRUST DEED AND RULES OF THE UNIVERSITY OF MANCHESTER SUPERANNUATION SCHEME

1. INTRODUCTION

1.1 Interpretation

The definitions and rules of construction in Schedule 1 (Interpretation and Definitions) to this Deed apply throughout this Deed and the Schedules.

1.2 Commencement

The Scheme commenced on 22 July 1925.

1.3 Constitution of the Fund

The Trustees hold all the assets of the Scheme and any income, cash or other assets received for the purposes of the Scheme on trust to be used in accordance with this Deed. Such assets constitute the Fund.

1.4 Effect

1.4.1 This Deed is intended to:

- (a) consolidate amendments made to the Scheme since the Trust Deed and Rules executed on 5 December 1995;
- (b) introduce amendments to reflect changes in the law relating to occupational pension schemes with effect on and from the Effective Date; and
- (c) introduce further amendments to simplify administrative provisions with effect on and from the Effective Date.

1.4.2 No amendment made by this Deed is intended to make the basis of any aspect of the (i) calculation of, (ii) eligibility for, or (iii) conditions for payment of, any benefits, whether in respect of past or future service or otherwise, in respect of any beneficiary under the Scheme more generous than the basis contained in the provisions governing the Scheme immediately prior to the Effective Date. Any provisions of this Deed which are inconsistent with this intention are void to the extent of such inconsistency.

1.4.3 Subject to Clause 1.4.4 below benefits relating to those Members or Pensioners who retired, left Pensionable Service or died before the Effective Date shall be calculated as set out in the provisions governing the Scheme before the Effective Date. However, Clauses 1 to 21 of this Deed shall apply to such Members and Pensioners in place of any corresponding provisions of the Scheme previously in force, unless decided otherwise by the Trustees.

1.4.4 Where any benefit options are available under this Deed to Members who have left Service or to Pensioners, the Trustees may with the consent of the University make such benefit options available to Members who left Service or became Pensioners before the Effective Date.

1.4.5 References to “member” or other classes of beneficiary (including, but not limited to, deferred or dormant members, spouses, dependants and pensioners) in Clauses 1 to 21 of this Deed and in Schedule 1 means a member or other class of beneficiary as appropriate of the relevant Schedule and / or Part of a Schedule as determined by the Trustees.

1.5 Rules

1.5.1 Subject to Clause 1.4 (Effect):

- (a) Schedule 2 to this Deed contains the Rules of the FS Section which apply to or in respect of any Member or Pensioner in the FS Section on or after the Effective Date and any other beneficiary entitled to benefits from the FS Section. Unless expressly stated otherwise, the Rules of the FS Section shall only apply in respect of benefits relating to FS Pensionable Service and to rights transferred into the FS Section in accordance with the provisions of Schedule 2.
- (b) Schedule 3 to this Deed contains the Rules of the CARE Section which apply to or in respect of any Member or Pensioner of the CARE Section on or after the Effective Date and any other beneficiary entitled to benefits from the CARE Section. Unless expressly stated otherwise, the Rules of the CARE Section shall only apply in respect of benefits relating to CARE Pensionable Service and to rights transferred into the CARE Section in accordance with the provisions of Schedule 3.
- (c) Schedule 4 to this Deed contains provisions relating to any Member or Pensioner in the Manchester Innovation Limited Group Section (“**MILGPS**”) on or after the Effective Date and any other beneficiary who was entitled to benefits from the MILGPS Section. Unless expressly stated otherwise, the Rules of the MILGPS Section shall only apply in respect of benefits relating to MILGPS Pensionable Service and to rights transferred into the MILGPS Section in accordance with the provisions of Schedule 4.
- (d) Schedule 5, Parts 1 to 3 to this Deed contains provisions relating to any Member or Pensioner in the relevant Part of the Students’ Union Superannuation Scheme Section (“**SUSS Section**”) on or after the Effective Date and any other beneficiary who was entitled to benefits from the SUSS Section. Unless expressly stated otherwise, the Rules of the SUSS Section shall only apply in respect of benefits relating to SUSS Category 1 Pensionable Service, SUSS Category 2 Pensionable Service or SUSS Category 3 Pensionable Service (as appropriate) and to rights transferred into the SUSS Section in accordance with the provisions of the relevant part of Schedule 5.

1.5.2 Notwithstanding Clause 1.4 (Effect), references to the defined terms of ‘wife’ or ‘husband’ throughout the Deed shall also be construed to include persons within the definition of Same Sex Partner.

1.5.3 Headings are included solely for convenience of navigation and are not intended to be used as an aid to the interpretation of this Deed (or its Schedules) or the amendments made by this Deed. Foot notes, and any provisions marked “Note:” and in italics, are intended to aid understanding of the provisions of this Deed (and its Schedules) and do not have any operative effect.

1.6 Applicable Law and Jurisdiction

This Deed and the administration of the Scheme is subject to the laws of England and the courts of England shall have exclusive jurisdiction to settle any dispute or claim arising out of or in

connection with this Deed or its subject matter or formation (including non-contractual disputes or claims).

2. TRUSTEES

2.1 Appointment and removal of Trustees

Appointment and removal power

- 2.1.1 The University may by deed appoint new or additional Trustees (without any limit on numbers) or a corporate body as a sole, new or an additional Trustee (whether or not it is a trust corporation). The University may also by deed remove all or any of the Trustees, including any corporate body and the relevant Trustee shall execute such documents and do such things as may be necessary to give proper effect to such removal. There must always be at least one Trustee.
- 2.1.2 A Trustee may resign from office as a Trustee, by giving written notice to the University. Notice must be at least one month unless the University permits a shorter notice period. The resigning Trustee must take such other action as the remaining Trustees reasonably require.
- 2.1.3 If individuals there shall be nine Trustees five of whom shall be nominated by the University and three of whom shall be selected from the Members of the Scheme (excluding pensioners) and one of whom shall be selected from the Members of the Scheme who are pensioners. Selections shall be conducted in accordance with eligibility requirements and procedures laid down from time to time by the University and the Trustees.
- 2.1.4 Individuals appointed Trustees after selection in accordance with Clause 2.1.3 shall cease to be a Trustee:
 - (a) after a period of 3 years from the date of their appointment (or such other period as agreed between the Trustee and the University); and/or
 - (b) upon ceasing to satisfy the eligibility requirements laid down from time to time by the University and the Trustee.
- 2.1.5 Neither the Vice Chancellor and President of the University nor the Treasurer of the University (or such University officers which from time to time fulfil similar functions of those offices as determined by the University and the Trustee) shall be eligible for nomination as a Trustee.
- 2.1.6 In the event of the number of Trustees nominated by the University and/or the number of Trustees selected by the Members being reduced by one in respect of each class the remaining Trustees shall during the period of 6 months (or such other period as the Trustee may decide) next following the reduction have full powers to act in connection with the Scheme notwithstanding there shall during such period be less than nine Trustees.
- 2.1.7 The powers under this Clause 2.1 must be exercised in a way which complies with the legislation relating to member-nominated trustees and directors including but not limited to the removal of a member nominated trustee or director requiring the agreement of all the other trustees or directors.

3. TRUSTEES' POWERS

3.1 Power to bind the Scheme

The Trustees may enter into such contracts or other agreements and give such undertakings, indemnities or guarantees on such terms as they, in their absolute discretion, decide are proper for the efficient administration of the Scheme. Unless otherwise stated such contracts or agreements shall bind the successors in office to the Trustees who originally entered into them.

3.2 Power to commence, settle and defend proceedings

In addition to the powers conferred on the Trustees by general law, the Trustees may commence and pursue legal proceedings relating to the operation of the Scheme, their actions as Trustees or the rights of beneficiaries under the Scheme. The Trustees may also defend any such proceedings. The Trustees have complete discretion to settle, compromise or submit to mediation or arbitration any claim or other matter relating to the Scheme.

3.3 Confidentiality

Subject to the requirements of any legislation or to any order of the court or direction of the Pensions Ombudsman, the Trustees shall be entitled to refuse to disclose to any Member, Pensioner or other actual or potential beneficiary or to any Employer the whole or any part of any documents, minutes, records or other data in their possession and shall not be obliged to give reasons for any decision they make.

3.4 Questions of fact and interpretation

Except where expressly stated otherwise, the Trustees have the final decision on all questions or disputes regarding the meaning or interpretation of the Trust Deed and Rules and shall determine all issues or questions of fact relating to the administration of the Scheme (subject to obtaining actuarial advice in all cases where actuarial calculation or investigation is necessary).

3.5 Conflicts of interest or duty

3.5.1 Any act or decision of the Trustees shall be valid even if a Trustee had an interest in or conflicting duty in relation to that act or decision, including for the avoidance of doubt where a Trustee failed to disclose information to any fellow Trustees due to a conflicting duty of confidentiality owed to an Employer or another company in the corporate group of an Employer.

3.5.2 If a Trustee believes that they have an actual or potential conflict of interest or duty in relation to any matter concerning the Scheme, the Trustee must declare the existence of such conflict to the other Trustees. In such a case, that Trustee will not, unless the other Trustees agree otherwise, participate in any decision relating to the relevant matter or receive any information relating to it. Where any Trustee is excluded from consideration of an issue in their capacity as a Trustee under this Clause 3.5.2, they will not be obliged to disclose to the other Trustees any confidential information which they have acquired in a capacity other than as a Trustee of the Scheme which relates to that issue.

3.5.3 Any declaration under Clause 3.5.2 above will continue to apply for so long as the individual who made it remains a Trustee, and a Trustee does not have to declare the same conflict of interest or duty more than once.

3.5.4 Notwithstanding the duty to declare a conflict of interest or duty under Clause 3.5.2 above or any legal duty which might otherwise require the Trustee to disclose

information to the other Trustees, if a Trustee is in possession of information which is confidential to any other party, that Trustee may retain that information as confidential and not disclose it to the other Trustees.

- 3.5.5 In this Clause 3.5 references to Trustees apply equally to directors of a corporate body acting as a Trustee and, for the avoidance of doubt, such a director must comply with the requirements of Clause 3.5.2 and a decision of a corporate body acting as a Trustee will be valid notwithstanding any actual or potential conflict of interest or duty which any of its directors may have or any breach of such duty.

3.6 **Remuneration of Trustees**

Any Trustee for the time being who is engaged in any profession or business shall be entitled directly or indirectly to be paid all usual professional or other charges and to retain all usual commissions for work or business done or transacted by or through them or their firm in connection with the trusts of the Scheme whether in the ordinary course of their professional business or not and whether or not of a nature requiring the employment of such professional or business person. For the avoidance of doubt, this Clause applies to directors of a Trustee company.

3.7 **Trustees' meetings and decisions**

- 3.7.1 A corporate body acting as sole Trustee shall act in accordance with its Memorandum and Articles of Association. Except to the extent required by law, such a corporate body's Memorandum and Articles of Association shall contain no conflicting provisions to those set out in this Clause 3.7 in respect of the conduct of meetings of directors.
- 3.7.2 The Trustees shall elect a chair who shall preside at all meetings of the Trustees. If the chair is absent from any meeting the Trustees present shall elect another of their number as chair for the duration of that meeting. The chair shall be a Trustee who is not a member of the Council of the University. The chair at any such meeting shall have a second or casting vote in the event of a tie in the voting.
- 3.7.3 The decision of the majority of the Trustees shall bind the minority on any matter whatever and a simple majority of the directors of the Trustee company for the time being (of which one must be a University appointed director of the Trustee company whose board constitution meets the requirements for the purposes of sections 241 to 243 of the Pensions Act 2004) shall form the quorum.
- 3.7.4 A written resolution agreed to by a majority of the Trustees, including a written resolution signed in more than one counterpart, is as effective as one passed at a meeting of the Trustees. For the purposes of this Clause 3.7.4, "written resolution" shall include email or such communication by other electronic means as the Trustee determines is reasonable.
- 3.7.5 Subject as otherwise provided in the Rules and subject to Section 32 of the Pensions Act 1995 and any regulations made thereunder the Trustees may make such regulations for the calling of venue and conduct of meetings as they think fit.

3.8 **Power to delegate**

- 3.8.1 The Trustees shall have and may exercise the following powers in addition to all other powers vested in them by the Trust Deed and Rules and by statute, namely:
- 3.8.2 Subject to Section 34 of the Pensions Act 1995 power to delegate to any person or body of persons appointed by them (whether or not that person or one of those persons is one

of the Trustees) such of the powers duties authorities and discretions hereby or by the Rules conferred on the Trustees as they may deem expedient for the convenient administration of the Scheme.

- 3.8.3 Power from time to time in writing to authorise such persons as they think fit to draw cheques on any banking account of the Scheme or to endorse any cheque or to give receipts and discharges and so that any such receipt or discharge shall be as valid and effective as if it were given by the Trustees and so that the provision of a written authority of the Trustees shall be a sufficient protection to any person taking any such receipts or discharges or otherwise relying upon such authority. The Trustees may also appoint any one or more of the Participators or any insurance company with which any annuity or assurance contracts have been effected as their agent or agents for the purpose of paying pensions and the receipt of such Participator or insurance company shall be a sufficient discharge to the Trustees of their liability to pay such pensions.
- 3.8.4 Having regard to the views of the University, power to make arrangements generally for the administration of the Scheme as they think fit and in particular to employ such agents and staff including a secretary to transact any business of the Scheme including signing certificates and making and receiving payments and granting receipts and discharges but subject always to the directions and instructions of the Trustees and to such regulations as the Trustees may make from time to time for the purpose of their duties; the remuneration of such person or persons may be part of the expenses of the Scheme incurred by the Trustees for its proper administration.

3.9 **Trustees' liability and indemnities**

3.9.1 Subject to the following paragraphs of this Clause 3.9:

- (a) a Trustee shall not be liable for any act, omission or breach of trust nor for any act or omission of any agent, delegate or nominee of the Trustee; and
- (b) each Trustee shall be indemnified out of the Fund against all liabilities (including costs) incurred by them in the management and administration of the Scheme.

3.9.2 A Trustee shall not be entitled to an indemnity out of the Fund for:

- (a) liability to pay any fine or penalty under Section 168(4) of the Pension Schemes Act 1993, Section 10 of the Pensions Act 1995, Sections 40-41 of the Pensions Act 2008 or paragraph 3 of Schedule 18 to the Pensions Act 2014;
- (b) any fine imposed as a penalty where convicted of an offence relating to the Scheme; or
- (c) any liability which cannot by virtue of Section 33 of the Pensions Act 1995 be excluded or restricted.

but, subject to Clauses 3.9.4 and 3.9.5 below, shall be indemnified by the University against such liabilities.

3.9.3 Subject to Clauses 3.9.4 and 3.9.5, if at any time there are insufficient assets in the Fund to meet the indemnity referred to in Clause 3.9.1. above, each Trustee shall be indemnified by the University against the same liabilities in addition to and at the option of the Trustees in priority to receiving an indemnity from the Fund, each Trustee shall

be indemnified by the University against all liabilities (including costs) incurred by them in the management and administration of the Scheme.

3.9.4 This Clause 3.9 does not apply to any liability arising out of a Trustee's dishonest or intentional breach of trust committed in the knowledge that it was a breach of trust, or in the case of a professional trustee out of their own negligence.

3.9.5 Any Trustee who is also a director of an Employer or of an associated company (as defined in Section 256 of the Companies Act 2006) of the Employer shall not be entitled to an indemnity from the Employers under this Clause 3.9 to the extent that legislation prohibits such an indemnity.

3.9.6 For the purposes of Clauses 3.9.1 to 3.9.5 above, the Trustees shall include any former Trustee including those who left office prior to the Effective Date.

3.10 **Trustee Director Liability**

3.10.1 In the case of a director of a corporate body acting as a Trustee, Clause 3.9 (Trustee liability) applies as if that director were a Trustee, subject to the provisions of this Clause. This Clause 3.10 does not affect the protection provided to the corporate body itself under Clause 3.9.

3.10.2 In the case of a director, this Clause 3.10 and Clause 3.9 are subject to any limitations contained in the Companies Act 2006. The protection provided under either Clause is not intended to and shall not exceed the limitations under that Act.

3.10.3 To the extent prohibited by legislation, a director shall not be entitled to an indemnity from the University for:

- (a) any liability to pay a fine imposed in criminal proceedings or a liability incurred in defending criminal proceedings in which they are convicted; or
- (b) any liability to pay a sum to a regulatory authority as a penalty for breach of any regulatory requirement.

3.10.4 No exoneration or indemnity under this Clause 3.10 or Clause 3.9 shall apply to any liability arising out of a director's knowing and intentional breach of trust, or in the case of a director who is a professional trustee out of their own negligence.

3.10.5 References to a director in this Clause 3.10 include any current or former director or officer of a corporate body which is acting or used to act as a Trustee, including those directors or officers who left office prior to the Effective Date.

3.11 **Liability insurance**

3.11.1 The Trustees, or an Employer on behalf of the Trustees, may obtain insurance against:

- (a) liability for any act or omission in relation to the Scheme (including from the past or present operation of the Scheme);
- (b) claims by any beneficiaries of whom the Trustees are or were unaware, or whom the Trustees have been unable to contact; and
- (c) any other risks of claims to benefits in the future.

3.11.2 Premiums relating to any such insurance may be charged to the Fund except to the extent that such insurance covers any liability to pay any fine or penalty under section 168(4) of the Pension Schemes Act 1993, section 10 of the Pensions Act 1995, sections 40-41

of the Pensions Act 2008 or paragraph 3 of Schedule 18 to the Pensions Act 2014 or any fine payable for an offence of which the Trustee, director or officer is convicted.

3.11.3 Such insurance may cover any current or former Trustee and any current or former director or officer of a corporate body acting as a Trustee.

3.11.4 To the extent that a Trustee (or a director or officer) is able to recover under any insurance arrangement obtained under this Clause 3.11, that Trustee (or director or officer) will not be exonerated or entitled to an exoneration or indemnity out of the Fund or by the University under Clauses 3.9 or 3.10 above.

4. ADMINISTRATION

4.1 Staff and agents

4.1.1 The Trustees may employ any staff and agents they consider to be required on such terms as they consider appropriate.

4.1.2 Unless the Trustees decide otherwise, the Trustees shall be the Scheme Administrator for the purposes of Section 270 of the Finance Act 2004.

4.2 Scheme advisers

4.2.1 The Trustees shall appoint an Actuary and an auditor to the Scheme on such terms as they consider appropriate. The Trustees may remove any Actuary or auditor whenever they think fit.

4.2.2 The Trustees may appoint and remove any other adviser to the Scheme on such terms as they consider appropriate.

4.2.3 The Trustees may act on the advice or opinion of any adviser appointed under this Clause 4.2 and shall not be responsible for any loss caused by doing so.

4.3 Actuarial valuation

4.3.1 There shall be an actuarial valuation of the Scheme every three years or at such shorter intervals as the Trustees may decide provided that they comply with any requirements in Part 3 of the Pensions Act 2004 (Scheme Funding). In the event of the Trustees receiving advice from the Actuary that any alteration in the provisions of the Scheme is desirable then the Trustees in consultation with the University shall take such steps as they shall consider appropriate to ensure that such alterations or additions shall be made as the Trustees and the University jointly consider expedient.

4.4 Expenses of administration

4.4.1 The Trustees are entitled to be reimbursed out of the Fund for all liabilities, costs and expenses incurred by them in the management and administration of the Scheme (other than to the extent (if any) otherwise agreed by the University).

4.4.2 Where any liabilities, costs and expenses are to be reimbursed out of the Fund the Trustees shall decide their appropriate allocation between the different parts of the Fund.

4.4.3 Where permitted by law, the Trustees may recover any liabilities, costs and expenses from a Member, Pensioner or other beneficiary including by reducing Scheme benefits.

4.5 Accounts

- 4.5.1 The Trustees shall ensure that accounts are kept for the Scheme. An account and balance sheet of the Fund made up to the accounting date in each year shall be prepared and shall be audited by the auditor appointed by the Trustees. The accounting date shall be 1 August to 31 July or such other date as the Trustees decide.

4.6 Notices

- 4.6.1 Where there is a corporate body acting as sole Trustee, any notice to the Trustees must be sent to its registered office or to such other address as the Trustee may from time to time nominate by notice in writing to receive such notices. Where there is more than one Trustee, any notice to the Trustees must be sent to the last known address of the secretary to the Trustees or the chair of Trustees or to the last known address of each of the Trustees. Any notice to the Trustees shall be deemed to be served at the time it is received.
- 4.6.2 Subject to Clauses 4.6.3 and 4.6.4, notice to any person entitled to benefits under the Scheme must be sent to their last known address. Notices delivered by hand shall be deemed to have been served at the time of delivery. Notices sent by first class post shall be deemed to be served on the first day after posting. Notices sent by second class post shall be deemed to have been served on the second day after posting.
- 4.6.3 Notwithstanding the previous provisions of this Clause 4.6, the Trustees may use and may at their discretion accept the use for the purposes of the Scheme any means of communication the Trustees consider appropriate, including electronic means. The Trustees shall decide the time at which any such communication shall be deemed to be served.
- 4.6.4 The Trustees may at their discretion accept any notice as being validly given even if it was not in writing or did not satisfy any notice period or other formality required under the Trust Deed and Rules or under legislation.
- 4.6.5 Where any notice is required to be given under the Trust Deed and Rules and a time period is specified, time will begin to run from the date the notice is deemed to have been served under this Clause 4.6. Any notice will be deemed to be effective from the last day of the notice period or such later date as is specified in the notice.

5. PAYMENT OF BENEFITS

5.1 Personal details

- 5.1.1 Before making any payment out of the Fund, the Trustees may require the production of any evidence or information, including any certificate or evidence of the birth, age, marriage, civil partnership, continued existence or death of the Member, Pensioner or other person claiming the benefit or of their Dependants. Payment of any benefit may be withheld until the required information is provided. No interest will be payable in respect of any period for which payment is withheld.
- 5.1.2 If any beneficiary, or other person on their behalf, provides incorrect or invalid information to the Trustees or fails to provide any information requested by them, the Trustees may make any arrangements they consider reasonable with a view to providing the correct level of benefits to or in respect of that beneficiary, and may adjust any pension or other benefit payable out of the Fund to or in respect of that beneficiary.

5.2 **Payment of benefits**

- 5.2.1 Pensions shall be payable at such intervals (including annually) as the Trustees may decide and may be paid in advance or arrears.
- 5.2.2 Pensions shall be apportioned to the date of death or the date upon which they cease to be payable unless the Trustees decide otherwise.
- 5.2.3 Subject to Section 66A of the Pensions Act 1995, pensions or other payments are payable in any way the Trustees think fit. If the Trustees agree to make payment by post, or to a bank account which is outside the United Kingdom or is not in the name of the Pensioner or beneficiary, that payment will be at the risk (and where the Trustees consider appropriate, at the expense) of the Pensioner or beneficiary.
- 5.2.4 If the Trustees think that any person entitled to receive a payment from the Fund cannot manage their affairs due to physical or mental infirmity or otherwise, the following provisions apply:
 - (a) the Trustees may, on behalf of the person, exercise any power or make any decision under the Trust Deed and Rules;
 - (b) the Trustees may pay that sum to any person for the maintenance or benefit of the person concerned, or to one or more of the Member's or Pensioner's Dependants, or retain the whole or part of the sum due in the Fund;
 - (c) any amount retained in the Fund under Clause 5.2.4(b) may at any later date be paid by the Trustees to the person otherwise entitled to it, to any person for the maintenance or benefit of the person concerned or, on the death of the Member or Pensioner to one or more of the Member's or Pensioner's Dependants;
 - (d) any amount still retained in the Fund on the death of the person concerned will be held by the Trustees on discretionary trust in accordance with Clause 5.6 (Payment of lump sum death benefits); and
 - (e) the Trustees shall not be obliged to see to the application of any benefit paid to any person who undertakes to apply it for the benefit of the person concerned and their receipt shall be a complete discharge to the Trustees.
- 5.2.5 If any person entitled to receive a payment from the Fund is in prison or other legal custody for a period, the Trustees may suspend that person's benefits for that period and pay an equivalent sum to one or more of that person's Spouse and Dependants.
- 5.2.6 For the purposes of Clauses 5.2.4 and 5.2.5 the term "Dependant" shall be applied as if the Member or Pensioner had died on the day before the Trustees exercise their powers under those Clauses.

5.3 **Incorrect payments**

- 5.3.1 Where any Member, Pensioner or other beneficiary is paid a sum from the Fund to which they are not entitled or which exceeds their entitlement from the Fund, the Trustees may demand repayment of that sum and may, if they consider it appropriate, charge interest on the amount due at such rate as the Trustees consider appropriate and recover from the Member, Pensioner or other beneficiary any costs incurred in relation to that sum. The Trustees may also deduct any such sum from future payments due to

or in respect of that person including any payments made after their death, but subject to the requirements of Section 91 of the Pensions Act 1995.

5.4 Lump sum in place of trivial pensions

- 5.4.1 Where a trivial pension becomes payable or is in payment, the Trustees may convert that pension into a lump sum on such basis as the Trustees may decide having taken the advice of an Actuary and payment of that lump sum shall be a complete discharge to the Trustees in respect of that trivial pension.
- 5.4.2 For the purposes of this Clause 5.4, a trivial pension is:
 - (a) any pension in respect of a Member or Pensioner which is capable of being commuted into a trivial commutation lump sum for the purposes of the Finance Act 2004;
 - (b) any pension payable to a Spouse, Dependant or Eligible Child of a Member or Pensioner which is capable of being commuted into a trivial commutation lump sum death benefit for the purposes of the Finance Act 2004; or
 - (c) any other pension which legislation permits to be commuted on grounds that the amount or value of the benefits is below a specified limit and which will be an authorised payment for the purposes of the Finance Act 2004.
- 5.4.3 For the avoidance of doubt a pension may be commuted under this Clause 5.4 notwithstanding the fact that the pension was in payment on 6 April 2006 or the Member or Pensioner had left Pensionable Service prior to that date. However, a pension which was in payment on the 6 April 2006 and any part of a pension which relates to Pensionable Service prior to 6 April 2006 may only be commuted with the consent of the person entitled to the pension.
- 5.4.4 Subject to any requirements of legislation, trivial pensions which would be payable to the Spouse or Dependents of the Member shall, unless the Trustees decide otherwise, be included in the benefits commuted for a lump sum payable to the Member or Pensioner.

5.5 Lump sum on serious ill-health

- 5.5.1 The Trustees may convert a pension or other benefits into a single lump sum payment to the Member if the Trustees, having taken advice from a registered medical practitioner, are satisfied that the Member is expected to live for less than one year and the payment would qualify as a serious ill-health lump sum for the purposes of the Finance Act 2004. The sum payable shall be the capital value of the Member's benefits, as determined by the Trustees having taken the advice of an Actuary, without taking into account the shortened life expectancy of the Member in question.
- 5.5.2 Unless the Trustees decide otherwise, commutation under this Clause 5.5 shall not include any benefits payable on the death of the Member but such benefits, which shall be determined by the Trustees, shall be held in a separate arrangement under the Scheme with effect from the date the Member's benefits are commuted.
- 5.5.3 This Clause 5.5 is subject to any legislative requirements relating to benefits which arise from employment which was contracted-out of the State Second Pension (or its predecessor).

5.6 **Payment of lump sum death benefits**

- 5.6.1 Where on the death of a Member, Pensioner or other beneficiary an amount is stated to be held on discretionary trust in accordance with this Clause 5.6 or otherwise subject to discretionary distribution by the Trustees, the Trustees shall, subject to the following provisions of this Clause 5.6, pay or apply all or any part of that sum to or for the benefit of one or more persons in relation to the deceased Member or Pensioner in any of the following categories:
- (a) relatives;
 - (b) Dependants;
 - (c) Personal Representatives;
 - (d) nominated beneficiaries; and
 - (e) any person or body (including a charity) entitled to receive any sum from their estate.
- 5.6.2 Where more than one person is to receive a payment under this Clause 5.6 the Trustees shall decide what amount is to be paid to each person.
- 5.6.3 The Trustees may establish separate trusts for the benefit of any beneficiary they select to receive any amount under Clause 5.6.1.
- 5.6.4 If the Trustees have not exercised these powers in relation to all or part of any sum held in accordance with this Clause 5.6 within two years of being notified of the death of the Member or Pensioner, they shall automatically be deemed with effect from the day before the second anniversary of notification of the death to hold such amount as a separate fund, outside the Scheme, on trust for the Personal Representatives of the deceased Member or Pensioner or, if there are none, their statutory next of kin. If the Trustees are unable to identify or trace the Member or Pensioner's statutory next of kin (whether or not the Member or Pensioner had any Personal Representatives) they may decide, prior to the creation of any separate trusts in accordance with this Clause 5.6, that such trusts shall not be created and the Trustees shall instead hold such amount as part of the Fund.
- 5.6.5 The Trustees may have regard to any document signed by the Member or Pensioner expressing their wishes for the disposal of any sum payable under this Clause 5.6. Any person, charity or unincorporated association named in the document will be a "nominated beneficiary".
- 5.6.6 Where any sum held under discretionary trust would otherwise be payable to the Crown, the Duchy of Lancaster or the Duke of Cornwall as bona vacantia (or any equivalent under Scottish law), or would vest in a creditor of the Member or Pensioner, the Trustees shall hold that sum as part of the Fund.
- 5.6.7 The Trustees may pay all or part of the costs and expenses relating to the funeral of the Member or Pensioner or reimburse any person who has incurred all or part of those costs and expenses. Any such payment shall be deducted from any sum payable under this Clause 5.6. The Trustees may make a payment under this Clause 5.6 in advance of exercising their general discretion as to the payment of a lump sum under this Clause 5.6.

- 5.6.8 The Trustees shall not be obliged to take into consideration under this Clause 5.6 any potential beneficiary other than one whose existence and claim to be considered has been brought to the Trustees' attention.

5.7 **Payments to Personal Representatives**

Where any sum is payable to the estate of a Member, Pensioner or other beneficiary the Trustees may pay that sum to any person who the Trustees consider capable of being the Personal Representative of the Member, Pensioner or beneficiary without seeing a grant of representation or other relevant documentation or to any other person the Trustees consider has an interest in the Member's estate and a receipt given by that person is a complete discharge to the Trustees.

5.8 **Medical reports**

- 5.8.1 The Trustees, or any Insurance Company with whom the Trustees have insured any of the benefits under the Scheme, may require a Member or Employee who is not a Member but on whose death benefits are payable, to undergo a medical examination.
- 5.8.2 If a medical examination under this Clause 5.8 shows that the individual does not have the normal expectation of life, or if they refuse or fail to undergo a medical examination, the Trustees may, subject to the requirements of the Equality Act 2010, decide to refuse payment in respect of:
- (a) a new Member or Employee of the whole or part of the benefits payable on death;
 - (b) an existing Member or Employee of the whole or part of any increased benefits resulting from a future increase in Salary; or
 - (c) a Member or Employee who is absent from work because of illness or injury at the time they join the Scheme or begins Service (as the case may be) of the whole or part of the benefits payable on death before Normal Pension Age until they have completed two months' continuous active Service after returning to work or satisfied such other terms as may be imposed by the Insurance Company.

5.9 **Insurance of death benefits**

- 5.9.1 Any lump sum benefits payable on death in Service shall be payable only to the extent that the Trustees have effected insurance cover indemnifying them in respect of such risk unless the Trustees decide otherwise.

5.10 **Taxation deductions**

- 5.10.1 If the Trustees are liable for any tax charge (including the Scheme Sanction Charge as defined in the Finance Act 2004) in respect of any Member, Pensioner or other beneficiary, or otherwise agree to meet a tax charge due in respect of any benefit payable to such a person, the Trustees are entitled to deduct the expected amount of that charge from the benefits or other payments otherwise due to or in respect of that person from the Scheme or, in respect of benefits accrued after the date this provision is adopted, reduce the value of future benefits due to or in respect of them in such manner as the Trustees determine. However, in the event that the actual tax charge is less than the amount deducted, the Trustees shall refund the difference to the Member, Pensioner or other beneficiary in such manner as they determine appropriate.

5.11 **Tax allowances**

- 5.11.1 Subject to restrictions in the Finance Act 2004 and any requirements which apply under Part 3 of the Pension Schemes Act 1993, the Trustees may require a Member or Pensioner to take such benefits as represent a chargeable amount for the purposes of section 215 of the Finance Act 2004 in place on 5 April 2024 as a lump sum payment and the benefits otherwise payable to or in respect of the Member or Pensioner shall be reduced on account of the lump sum by such amount as the Trustees decide, having taken the advice of an Actuary.
- 5.11.2 Notwithstanding the provisions of this Clause 5.11, the Trustees are under no duty to a Member, Pensioner or other beneficiary to consider the tax implications of the operation of the Scheme in relation to such Member, Pensioner or beneficiary or to ensure that the Scheme is operated in a manner which avoids or limits the application of any tax charges, penalties or other costs on the Member, Pensioner or other beneficiary.
- 5.11.3 No benefits payable to or in respect of any Member shall be increased in value as a result of changes to any legislative provision made by Section 14 of the Finance Act 2024 or Schedule 9 to that Act, which relate to the abolition of the lifetime allowance.
- 5.11.4 Any provision of the Trust Deed and Rules which relates to payment of a lifetime allowance excess lump sum shall in relation to entitlements arising on or after 6 April 2024 have effect as a rule relating to a Member's entitlement to a pension commencement excess lump sum as defined in paragraph 3C of Schedule 29 to the Finance Act 2004. The Trustee may at its discretion and subject to any terms it determines reasonable pay a pension commencement excess lump sum to any Member of the Scheme where the requirements of the Finance Act 2004 in respect of such a payment are met.
- 5.11.5 Any references within the Trust Deed and Rules to the 'lifetime allowance charge', 'chargeable amount' and 'benefit crystallisation event' shall be interpreted by reference to the provisions of the Finance Act 2004 in place on 5 April 2024, and references to a 'lifetime allowance charge', 'chargeable amount' and 'benefit crystallisation event' in the Trust Deed and Rules shall refer to a 'benefit crystallisation event' occurring, or 'chargeable amount' or 'lifetime allowance charge' calculated in relation to actions that took place prior to 6 April 2024.

5.12 **Unclaimed benefits**

- 5.12.1 Subject to the requirements of any applicable legislation, benefits are only payable when claimed by the Member or beneficiary and the Trustees are not obliged to locate the recipient of a benefit to inform them of their entitlement to a benefit from the Scheme.
- 5.12.2 A Member or other beneficiary will cease to be entitled to any sum which has become due if it has not been claimed within six years of it becoming due (or, in relation to a guaranteed minimum pension, such longer period as may be required by law). If that sum formed an instalment of a pension, the unclaimed instalment will be lost, but the right to the pension shall not be extinguished. The Trustees may, at their discretion and with the consent of the University, pay all or any part of the benefit to the Member or other beneficiary even though it has not been claimed within six years (or any longer period referred to above), but unless the Trustees decide that it is appropriate to pay

interest at such rate as they may decide, the Member or beneficiary shall not be entitled to interest on the amount paid.

- 5.12.3 This Clause 5.12 shall not apply to a Member who leaves the service of an Employer in circumstances in which, but for this Clause 5.12, a payment for redundancy under the Employment Rights Act 1996 would be offset by their pension from the Scheme.

5.13 **Buying annuities**

- 5.13.1 The Trustees may buy an insurance policy or annuity contract from an Insurance Company to satisfy any benefits payable under the Rules. The policy or annuity shall be in the name of the beneficiary unless the Trustees decide to purchase it in the Trustees' name. Where a policy or contract is in the name of the beneficiary they shall cease to have any claim upon or interest in the Fund once the policy or annuity is purchased.
- 5.13.2 When purchasing any such policy or annuity contract the Trustees shall not be obliged to take into account the individual circumstances of the beneficiary or to carry out a review of all available Insurance Companies.
- 5.13.3 The Trustees may buy a policy or contract without the consent of the beneficiary, provided that any relevant conditions in the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 are satisfied. If the Trustees do this in substitution for deferred benefits, they must be reasonably satisfied that the purchase price is not less than the value of the Member's accrued rights to benefit under the Rules.

5.14 **Pensions on divorce**

- 5.14.1 Where the benefits of a Member or Pensioner are subject to a Pension Sharing Order the benefits payable to the Member or Pensioner shall be reduced by the debit applicable in accordance with Section 29(1)(a) of the Welfare Reform and Pensions Act 1999.
- 5.14.2 Any Pension Credit or Pension Credit Benefit may be discharged in any manner consistent with the Welfare Reform and Pensions Act 1999, as decided by the Trustees. Any benefits consequently provided under the Scheme may be treated by the Trustees as provided separately from any benefits provided under the Scheme for the same individual as an Employee or as a Spouse or Dependant of an Employee. The Former Spouse shall be regarded as a Member or a Pensioner for the purposes of the Trust Deed to the extent considered appropriate by the Trustees (provided that for the purposes of Clause 14.2, as appropriate, they shall be regarded as a Member if their pension is not in payment upon the winding up of the Scheme and as a Pensioner if it is then in payment).
- 5.14.3 If the Former Spouse of a Member or Pensioner dies before the Trustees have implemented the relevant Pension Sharing Order then the Former Spouse shall be treated as if they were entitled to Pension Credit Benefits under the Scheme at the time of death and the Trustees shall use the cash equivalent of the Former Spouse's benefits under the Pension Sharing Order (calculated in accordance with The Pension Sharing (Pension Credit Benefit) Regulations 2000) to provide such lump sum benefits on discretionary trusts in accordance with Clause 5.6 (Payment of lump sum death benefits) and pensions for the Dependents of the Former Spouse as they shall decide. For the purposes of this Rule, references to "Member" in Clause 5.6 and in the definition of "Dependents" shall be replaced by references to the "Former Spouse". Any pension

payable to the survivors of the Former Spouse shall be paid for life or, in the case of a child of the Former Spouse for so long as the child remains a Dependant.

- 5.14.4 If the benefits of the Member are subject to a debit in accordance with a Pension Sharing Order, the Trustees must provide full details of that debit to the trustees or managers of the scheme receiving any transfer payment made under the Scheme.
- 5.14.5 If a Court has made an enforceable order attaching to a Member's benefit as a result of matrimonial proceedings, the Trustees shall comply with that order, which shall override the provisions of the Trust Deed and Rules.

6. BENEFIT RESTRICTIONS

6.1 Forfeiture, charges, lien and set-off

- 6.1.1 If a Member, Pensioner, Spouse or Dependant owes money to the Trustees or Employer as a result of their criminal, negligent or fraudulent act or omission, or if they are a Trustee, arising out of their breach of trust (unless the Trustee's liability for breach of trust is excluded under Clause 3.9 (Trustee liability)) the Employer and the Trustees shall be entitled to a charge over, lien on or set-off against any benefit to which a Member, Pensioner, Spouse or Dependant is or may become entitled.
- 6.1.2 If a Member or Pensioner owes money to their Employer as a result of their criminal, negligent or fraudulent act or omission, the Trustees may forfeit some or all of the benefits payable to or in respect of them (save for any benefit which has been received by the Trustees under Clause 17.4 (Transfers-in)). The Trustees may pay a sum equal to the value of the benefits forfeited to the Employer.
- 6.1.3 Where a forfeiture, charge, lien or set-off is imposed under this Clause 6:
 - (a) its amount must not exceed the amount of the monetary obligation, or, if less, the value of the benefit;
 - (b) the Trustees shall decide what impact it has on the Member's, Pensioner's, Spouse's or Dependant's benefits;
 - (c) the Member, Pensioner, Spouse or Dependant must be given a certificate showing the amount of the forfeiture, charge, lien or set-off and its effect on their benefits;
 - (d) where there is a dispute about the amount, the forfeiture, charge, lien or set-off must not be exercised until the obligation has become enforceable under a court order or an award of an arbitrator;
 - (e) in any particular case where the Trustees are required to do so, the Trustees shall not withhold any benefit payable to a Member or a Pensioner so that the amount of the pension (if the Member was entitled to a pension) payable to a male Member at age 65 or to a female Member at age 60 is less than the Minimum Pension; and
 - (f) a charge, lien or set-off cannot be exercised in respect of benefits received following a transfer from a Registered Pension Scheme unless that scheme is attributable to employment with the same Employer or an associated employer and the benefits could have been charged or a lien or set-off exercised in respect of them under that scheme.

6.2 Restrictions on assignment

- 6.2.1 No benefit under the Scheme can be assigned or applied for the benefit of anyone other than the person entitled, or prospectively or contingently entitled to it under the Trust Deed and Rules, and every assignment of, or charge on, any such benefit and any agreement to assign or charge it shall be void.
- 6.2.2 The provisions of this Clause 6.2 do not apply to any assignment or charge permitted in the Trust Deed and Rules or in accordance with the provisions of any legislation relating to bankruptcy or the treatment of pension rights on divorce or dissolution of a civil partnership.
- 6.2.3 If a benefit ceases to be payable by virtue of this Clause 6.2, the Trustees may, in a case of hardship, apply all or some of it for the support and maintenance of the beneficiary, their spouse or children or Dependants or all or any of them, provided that no payment be made to a purported assignee. If the person entitled to any benefit under the Scheme under the age of 18 or in the Trustees' opinion has a disability or is otherwise suffering from any physical or mental incapacity so that they cannot act in their own best interests, the Trustees may apply such benefit or amounts under this Clause 6.2 to such person(s), body corporate or institution as they think fit and shall be discharged from any further liability in respect of that beneficiary (or beneficiaries).

6.3 Excess contributions on bankruptcy

- 6.3.1 Where a court order has been made in relation to a Member, Pensioner or other Scheme beneficiary under Chapter V of Part IX of the Insolvency Act 1986 (Effect of Bankruptcy on Certain Rights, Transactions, etc), the Trustees may take all necessary steps to comply with such an order, including making any adjustments they consider necessary to benefits payable to or in respect of the Member, Pensioner or other Scheme beneficiary.

7. INVESTMENT OF FUND

7.1 Power of investment

- 7.1.1 The Trustees shall have the same full and unrestricted powers of investing and changing investments as if they were the beneficial owners of the Fund. All money held in or for the purposes of the Fund shall be placed in a bank account or invested in such other manner as the Trustees may determine, whether or not involving liability or producing income and with or without security.
- 7.1.2 Investments may be made by the Trustees either in their own name or in the name as nominee for them of any corporate body approved by the University and in the latter event the corporate body may comply with any direction issued to it by the Trustees concerning the investments the capital and income thereof and any rights attaching thereto without being obliged to ascertain whether or not such directions are in accordance with the Trust Deed and Rules.
- 7.1.3 The Trustees shall not invest in employer-related investments (as defined in Section 40 of the Pensions Act 1995) except to the extent permitted by legislation. However, to the extent permitted by Section 40 of the Pensions Act 1995, this Clause 7.1.3 shall not apply to any employer-related investment held through a collective investment scheme

(as defined for the purposes of the Occupational Pension Schemes (Investment) Regulations 2005) or other pooled investment vehicle.

7.1.4 This Clause 7.1 is subject to the requirements of the Occupational Pension Schemes (Investment) Regulations 2005.

7.1.5 The Trustees shall have power to appoint or remove one or more investment managers (whether being companies or individuals) to the Scheme on such terms as to remuneration and otherwise as shall from time to time be agreed between the Trustee and any such investment manager. Notwithstanding anything to the contrary in the Trust Deed and Rules but subject to the provisions of Sections 34 and 36 of the Pensions Act 1995 such investment manager may have such powers and duties in relation to the investment and change of investment of the assets for the time being of the Fund in accordance with the provisions of this Clause 7.1.5 as the Trustees think fit.

7.1.6 The Trustees may borrow any moneys for the purposes of the Scheme and also may charge all or any part of the Fund for the time being with the due repayment and payment of any interest on moneys so borrowed.

7.1.7 For the avoidance of doubt and without in any way limiting the general power of investment, investments under this Clause 7.1 may include derivative contracts, including swaps, foreign exchange contracts, futures, options or contracts for differences, securities lending and any other similar arrangements. As part of any such arrangement (or in relation to it) the Trustees may give undertakings, indemnities or guarantees and provide security or collateral.

7.2 **Investment of money purchase assets**

7.2.1 In exercising their powers of investment under Clause 7.1 (Power of investment) the Trustees may from time to time notify Members of the range of investment funds or vehicles in which their AVCs may be invested and the facilities and charges for switching investments between such investment funds or vehicles. The Trustees may add to and withdraw funds or vehicles from the range available to Members from time to time and may transfer existing monies to any new or alternative fund without the consent of the Member.

7.3 **Power to borrow and to insure**

7.3.1 To the extent permitted by law, the Trustees may borrow money required for the purposes of the Scheme, including in relation to the investment of Scheme assets, to the same extent as if they were the beneficial owners of the Fund. However, such borrowing may not exceed the limits for unauthorised borrowing under Section 182 (Unauthorised borrowing: money purchase arrangements) or 184 (Unauthorised borrowing: other arrangements) of the Finance Act 2004 or any other limitation imposed by legislation.

7.3.2 The Trustees may insure the Fund, any individual asset or investment of the Fund (including any risks which may arise in the course of holding any investment).

8. **FINANCE ACT 2004 REQUIREMENTS**

8.1 The Rules and any benefits provided under the Scheme shall be construed to comply with the amendments adopted by the A-Day Deed. For the avoidance of doubt, the A-Day Deed amended

the Scheme with effect from 6 April 2006, having regard to changes under the Finance Act 2004, which included:

- 8.1.1 modifying the Scheme so as to incorporate all of the modifications in Regulations 3 – 8 of the Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 (the “**Modification Regulations**”) directly into the Scheme provisions but omitting any references (however framed) in those regulations limiting their effect by reference to the Transitional Period (as defined in Regulation 1(2) of the Modification Regulations); and
 - 8.1.2 providing that the Scheme shall stand amended so that the operation of the limits that previously applied to the amount and form of benefits under the Scheme, and to the contributions to the Scheme, continue to apply unless decided otherwise by the Trustees and the University, provided that the Trustees may not exercise their powers under Paragraph 4(a) of the A-Day Deed, as summarised by this Clause 8 in a way that would prejudice the Scheme status as a Registered Pension Scheme, contravene legislation relating to the Scheme, contravene any restriction on Scheme amendments contained in the Scheme’s amendment power or which would constitute a voidable modification for the purposes of section 67(2) of the Pensions Act 1995.
- 8.2 Pursuant to the amendments introduced by the A-Day Deed and having regard to the form of benefits set out in the Trust Deed and Rules, the Trustees may pay benefits under the Scheme in such different form or manner as they decide, provided that such payments comply with the requirements under the Finance Act 2004 to be an authorised payment. Such payments include but are not limited to:
- 8.2.1 a scheme pension;
 - 8.2.2 a pension commencement lump sum;
 - 8.2.3 a pension commencement excess lump sum;
 - 8.2.4 a serious ill-health lump sum;
 - 8.2.5 a trivial commutation lump sum;
 - 8.2.6 a defined benefits lump sum death benefit; or
 - 8.2.7 a trivial commutation lump sum death benefit.
- 8.3 Where a lump sum is paid under this Clause, the Trustees will make such adjustments to any benefits which would otherwise be payable to or in respect of such Member or beneficiary as they, on the advice of an Actuary, consider appropriate. For the avoidance of doubt, this Rule may be exercised by the Trustee in respect of adjusting a Member’s benefits payable on retirement under Rule 14 of Schedule 2 and Rule 17 of Schedule 3 to pay the maximum pension commencement lump sum permitted under the Finance Act 2004.
- 8.4 The Trustee may make such other payments in accordance with the Trust Deed and Rules, provided that such payments are authorised payments for the purposes of the Finance Act 2004. Such payments include but are not limited to:
- 8.4.1 a scheme administration member payment;
 - 8.4.2 an authorised surplus payment; or
 - 8.4.3 compensation payments.

- 8.5 Where a payment under the Trust Deed and Rules would otherwise be an unauthorised payment for the purposes of the Finance Act 2004, the Trustees may pay such alternative benefits (whether to the person entitled to the unauthorised payment or otherwise) as they may decide, provided that such alternative benefits are not Unauthorised Member Payments (as defined in the Finance Act 2004). On payment of the alternative benefits, the Trustees and the Scheme shall be discharged from all liability in relation to the original benefit.

9. AMENDMENTS

- 9.1 The Trustees shall have power from time to time or at any time by deed to alter or add to all or any of the provisions of the Trust Deed and the Rules provided that no such alteration shall:
- 9.1.1 change the main purpose of the Scheme from that of the provision of pensions for Members on retirement from the service of the University or any Participator;
 - 9.1.2 cause part of the Fund to be transferred to the University or any Participator;
 - 9.1.3 conflict with the application of Section 67 of the Pensions Act 1995.

10. AUGMENTATION

- 10.1 With the consent of the University, the Trustees may augment any pension or other benefit prospectively payable (for the avoidance of doubt including but not limited to by providing increased or additional benefits) to or in respect of a Member, a Pensioner or a beneficiary under the Scheme on such terms and conditions as the Actuary confirms in writing to be appropriate and the University or if appropriate the Participator shall if necessary thereupon pay such increased contributions as the Actuary prescribes PROVIDED THAT no pension or other benefit shall be increased under the provisions of this Rule by such amount as would prejudice Registered Pension Scheme status.

11. UNIVERSITY CONTRIBUTIONS AND SCHEME FUNDING

- 11.1 Subject to compliance with the provisions of Part 3 (Scheme Funding) of the Pensions Act 2004, the University and each Participator shall contribute to the Fund each year such further amounts, as may from time to time be required by the Trustee, acting on the advice of the Actuary, to maintain the benefits of the Scheme in such shares as between the University and each of the Participators as the Trustee may in its absolute discretion determine subject to the right of the University and each Participator hereby reserved to give six months' notice in writing of its intention to cease to pay contributions and so to cease at the expiration of the period of notice.

12. PARTICIPATION IN THE SCHEME

- 12.1 Any Participator may by entering into a supplemental deed with the University and the Trustees agreeing to observe and perform such of the provisions of the Trust Deed and the Rules as shall apply to it become a party to the Scheme upon such terms and conditions as shall from time to time be agreed with the Trustees provided that and for so long as such participation shall not prejudice Registered Pension Scheme status.
- 12.2 Unless and until the University shall from time to time in its absolute discretion determine otherwise the participation of a Participator in the Scheme shall constitute that Participators:
- 12.2.1 delegate to the University any powers given to it under sections 241 to 243 of the Pensions Act 2004 (Requirement for member-nominated trustees) and any regulations made under those sections;

- 12.2.2 irrevocably nominates the University as its representative for the purposes of section 35 of the Pensions Act 1995 (Investment principles) and regulations made under that section in relation to the Scheme's statement of investment principles; and
- 12.2.3 irrevocably nominates the Principal Employer as its representative in relation to the Scheme for the purposes of section 229 of the Pensions Act 2004 (Matters requiring agreement of the employer) and any regulations relating to that section¹.
- 12.3 The participation of a Participant in the Scheme shall terminate if:
 - 12.3.1 the Participant terminates its liability to contribute to the Fund and the Trustees decide to terminate its participation in the Scheme in accordance with Clause 13.2;
 - 12.3.2 the Participant fails to observe and perform the covenants agreements and provisions relating to it under the Trust Deed and Rules; or
 - 12.3.3 the Participant is dissolved or ceases to carry on business (unless its successors in business take the place of the Participant for all the purposes of the Scheme).
- 12.4 In the event of the Participant so ceasing to participate in the Scheme such part of the Fund as the Trustees acting on the advice of the Actuary shall determine to be applicable to those Members employed by the Participant (after payment thereout of any costs and expenses not met by the Participant) shall be dealt with in accordance with Clause 14.2.
- 12.5 A Participant may on first participating in the Scheme, or subsequently, agree with the University and the Trustee that such participation shall be on terms that the Participant takes the place of the University for all purposes of the Scheme².
- 12.6 A Participant may on first participating in the Scheme agree with the University and the Trustees that such participation shall be on conditions which are different from those set out in the Rules. Any such conditions shall subject to Clause 9 of the Trust Deed be introduced as amendments to the Rules in accordance with that Clause and the Rules shall apply to the Members affected as so amended.

13. TERMINATION OF LIABILITY

- 13.1 A Participant may at any time with the consent of the University suspend or terminate its liability to pay contributions to the Fund in respect of its employees on giving three months' notice in writing to the Trustees of its intention to do so and without the concurrence of the relevant Members or any of them.
- 13.2 In the event of a Participant suspending or terminating its liability to pay contributions to the Fund, the Trustees may decide either that:
 - 13.2.1 the Participant shall continue to participate in the Scheme on the basis that each Member in its employ has ceased to be eligible; or
 - 13.2.2 the Participant shall cease to participate in the Scheme;
 and the provisions of Clause 12.4 shall apply.

¹ CMS Drafting Note: Clause 18.2 inserted via 19/02/1999 Supplemental Trust Deed.

² CMS Drafting Note: Clause 18.5 inserted by deed of participation dated 1 October 2004

13.3 If the Trustees decide that the Employer is to continue to participate they may decide at any time thereafter that the Participator shall cease to participate in the Scheme and the provisions of Clause 12.4 shall apply.

13.4 Where a Participator ceases to contribute to the Fund or to participate in the Scheme its liability to pay contributions assessed and due before the date of cessation shall not be affected.

14. TERMINATION OF SCHEME

14.1 The Scheme shall be terminated and its Fund wound up in accordance with Clause 14.2:

14.1.1 at the expiration of the period of six months' notice in writing given by the University of its intention to cease to pay contributions, and so to cease at the expiration of the period of notice;

14.1.2 if the Trustees so decide; or

14.1.3 at the expiry of one month's notice to wind up the Scheme given by the University to the Trustees,

whichever is the earliest. Upon such termination the Trustees shall notify in writing each Member and each person in receipt of a pension from the Fund and before applying the Fund for the benefit of the Members and other beneficiaries in accordance with Clause 14.2 the Trustees shall be entitled to reserve out of the Fund such amount as they consider may be necessary to meet any expenses of the administration and winding up of the Fund and to meet any tax for which they may be accountable.

14.2 If and whenever the Scheme is wound up the assets of the Fund shall be realised (unless the same are invested in contracts or policies of assurance with an Insurance Company when the Trustees may apply those policies or contracts or any part thereof as hereafter set forth without realisation thereof) and subject to the payment of all costs, charges and expenses properly payable thereout the net proceeds of such realisation and any moneys then in hand shall subject to Section 73 of the Pensions Act 1995 (Preferred liabilities on winding up) be applied on the advice of the Actuary (so far as the funds available permit) to the following purposes and with the respective priorities indicated:

14.2.1 in the provision of benefits attributable to additional contributions paid pursuant to the Schedules;

14.2.2 in the provision of pensions and other benefits in respect of which entitlement to payment has already arisen;

14.2.3 where a Member has already attained Normal Pension Age in the provision of pensions and other benefits to which the Member will be entitled on ceasing to be in employment;

14.2.4 in the provision of any such benefits as are excluded by Section 13(6) of the Pensions Schemes Act 1993 from Members' Guaranteed Minimum Pensions;

14.2.5 where a Member has already attained Normal Pension Age or is already entitled to payment of pension or other benefits under the Scheme in the provision of pensions and other benefits to which the Member's widow or widower or any Dependants of the Member will be entitled on the death of the Member;

14.2.6 in the provision of Guaranteed Minimum Pensions and Accrued GMP Rights;

14.2.7 in the provision of Contributions Equivalent Premiums;

- 14.2.8 in the provision of benefits attributable to any period of service before this Rule has taken effect;
 - 14.2.9 in the provision in respect of each other Member entitlement to the benefits (other than any refund of contributions) which would have been payable had such Member left service immediately prior to the winding up;
 - 14.2.10 at the discretion of the Trustees acting on the advice of the Actuary to augment the benefits hereinbefore provided in accordance with Clause 10 (Augmentation).
- 14.3 In lieu of the provision of benefits as described the Trustees may with the consent of the Member or other beneficiary (unless the rights of all the Members or of a specified group of Members of which the Member is one are being transferred to a receiving scheme) apply that part of the Fund applicable to that Member or other beneficiary by transferring the same if the University consents in the manner and upon the terms prescribed in Clause 17 (Transfers and Buy-Outs) PROVIDED THAT the value of any benefits so transferred shall to the reasonable satisfaction of the Trustees reflect the revaluation to Normal Pension Age that such benefits would have attracted if they had been provided as deferred benefits at Normal Pension Age.
- 14.4 In the event of the Trustees paying a Contributions Equivalent Premium the rights in the Fund of the Member, Pensioner, wife or widow in respect of whom it is made shall be extinguished or abated accordingly as the case may be.
- 14.5 If in any case the annuity and the annuity equivalent of benefits not in pension form to be provided under any of the foregoing of this Clause 14 may be commuted for a lump sum payment to or in respect of the Member or other beneficiary on such terms as the Trustees decide, having taken the advice of an Actuary provided that the lump sum would be an authorised payment for the purposes of the Finance Act 2004.
- 14.6 When all the Employers have ceased to participate and the Trustees have disposed of the Fund in accordance with the Trust Deed and the Rules, the Scheme shall be terminated and the Trustees shall be discharged from the trusts of the Scheme without the necessity of written discharges or resignations.
- 14.7 The Members, Pensioners or any other recipient of a pension from the Scheme shall not be required to consent to their benefits being secured in accordance with this Clause 14 provided that the Trustees comply with any relevant conditions set out in legislation (including Regulation 12 of the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991).
- 14.8 The power of amendment in Clause 9 shall continue to be exercisable, subject to the restrictions on it, after the Scheme commences winding-up in accordance with Clause 14.2.

15. CLOSED SCHEME

- 15.1 The University may by notice in writing to the Trustees at any time close the Scheme or any of the sections or parts of it to the admission of new members and as from the date of such notice no further members shall be admitted to its or the applicable section's membership.
- 15.2 Notwithstanding anything to the contrary in Clause 14.2 on the happening of the event specified in Clause 14.1.1 (but not 14.1.2 or 14.1.3) the Trustees may continue to operate the Scheme as a closed scheme for the benefit of the existing Members, Pensioners and other persons then entitled or prospectively entitled to benefits under the Scheme. In which event, no further contributions shall be made and the benefits of the then Members and such other persons shall be calculated as to the Members by reference to the section and/or part applicable Pensionable Salaries and

Pensionable Service of such Members as at the date of such event, and as to any other persons by reference to the section and/or part applicable Pensionable Salaries and Pensionable Service of the person by reason of whose membership or entitlement or prospective entitlement the benefit arises.

16. DISCLOSURE

- 16.1 Every person having any rights under the Scheme shall be entitled to inspect a copy of the Trust Deed and Rules and all amendments thereto and the latest statement of accounts and balance sheet and shall also have the further rights to information concerning the Scheme contained in Section 113 of the Pension Schemes Act 1993 and Section 41 of the Pensions Act 1995 or regulations made thereunder.

17. TRANSFERS AND BUY-OUTS

17.1 Transfers out

- 17.1.1 A Member may exercise any right they have under Part 4ZA of the Pension Schemes Act 1993 to require the Trustees to transfer the cash equivalent of all or any category (as defined in the Pension Schemes Act 1993) of their benefits to one or more arrangements which the Member selects. The amount of the cash equivalent or cash equivalents shall be calculated using methods and assumptions decided by the Trustees, having taken the advice of an Actuary and may be reduced where permitted by legislation.
- 17.1.2 A Member may, with the consent of the Trustees, and subject to such conditions as are required by legislation or as the Trustees may determine, require the Trustees to transfer all or part of their benefits other than in accordance with Part 4ZA of the Pension Schemes Act 1993 to such one or more arrangements which the Member selects. The amount of the transfer payment or transfer payments shall be calculated using methods and assumptions decided by the Trustees having taken the advice of an Actuary and which comply with any legal requirements.
- 17.1.3 A transfer may be made to any scheme or arrangement which is capable of accepting a recognised transfer under section 169 of the Finance Act 2004 (Recognised transfers) and is willing to accept that transfer.

17.2 Buy-outs

- 17.2.1 Instead of requesting a transfer payment under Clause 17.1 (Transfers out), a Member to whom that Rule applies may request, and the Trustees may consent, to use the cash equivalent of their benefits to purchase a policy or annuity contract from an Insurance Company of the Member's choice. The benefits provided by the policy or annuity contract may differ from the Member's accrued rights, so long as they are authorised under section 164 of the Finance Act 2004 (Authorised member payments).

17.3 General provisions relating to transfers out and buy-outs

- 17.3.1 The provisions of this Clause 17.3 apply to the exercise of rights under Clause 17.1 (Transfers out) or Clause 17.2 (Buy-outs). Any reference in this Rule to a transfer shall be deemed to include a buy-out.

- 17.3.2 Transfer rights under Clause 17.1.1 may be exercised at any time permitted under Part 4ZA of the Pension Schemes Act 1993. A transfer permitted under Clause 17.1.2 may be made at such time as the Trustees may determine.
- 17.3.3 A transfer application may be withdrawn at any time before the Trustees make or become bound to make a transfer payment or purchase or become bound to purchase an annuity.
- 17.3.4 Following a transfer in accordance with Clause 17.1 (Transfers out) or Clause 17.2 (Buy-outs) the Trustees and the Scheme shall be discharged from all liability to which the transfer relates.
- 17.3.5 Subject to complying with the requirements of any legislation, the Trustees may make a transfer payment without the consent of the Member or Members to whom it relates.
- 17.3.6 If the Member requests a transfer under this Clause 17 but does not supply any information that the Trustees may reasonably require, the Trustees will not be liable for any resulting delay in any payment in respect of the Member or any failure to make a transfer payment.

17.4 Transfers in

- 17.4.1 If any person has rights under another Registered Pension Scheme or a qualifying recognised overseas pension scheme (as defined in the Finance Act 2004) or has had their rights under any such scheme bought out with an Insurance Company, the Trustees may with the consent of the University receive a transfer payment from such scheme or arrangement, or an assignment of or the surrender value of the policy concerned. If the transfer relates to a Pension Credit, the Trustees may only accept that transfer with the consent of the University.
- 17.4.2 On receipt of a transfer or assignment under this Rule the amount received shall be applied in such manner as the Trustees and the University determine to credit the Member with such additional defined benefits as the Trustees, having taken the advice of an Actuary, consider appropriate (including for the avoidance of doubt, benefits payable on the Member's death).
- 17.4.3 At the request or with the consent of the University, the Trustees may accept a transfer of all or part of the assets of another Registered Pension Scheme on the basis that the Trustees will discharge all or part of the liabilities of the transferring Scheme. The Trustees will use the assets to provide benefits for the person concerned on the basis agreed with the University. The benefits will comply with any applicable legislation relating to contracting-out, the preservation of benefits, revaluation and transfer values.

18. INHERITANCE TAX

- 18.1 Where any liability to inheritance tax or any other duty or tax arises or may arise in respect of any benefit the Trustees may apply the benefit or part of it in payment of such duty (including any interest due thereon) and deduct the amount so paid from the benefit or may postpone the payment of the benefit until the liability has been provided for to their satisfaction or has been shown not to exist.

19. DETERMINATION OF EMPLOYMENT

- 19.1 Nothing in these Rules shall in any way restrict the right of the University or a Participator or of its or their duly authorised servant to determine the office or employment of any Member and no damages shall be recoverable nor any amount claimed to be set off in respect of any benefit under the Scheme which a Member or Pensioner or former Member alleges against the Trustees the University or the Participator they have lost by reason of the determination of their employment whether such determination was lawful or not.

20. CONTRACTED OUT EMPLOYMENT

- 20.1 Clauses 20 to 21 inclusive shall apply to Contracted Out Employment by reference to this Scheme and shall then override any other provisions of the Scheme which are inconsistent with them save in the circumstances permitted by the Pensions Schemes Act 1993 or any regulations made under it for the time being in force.
- 20.2 The words and expressions in Clauses 20 to 21 inclusive shall have the same meanings as in the Pensions Schemes Act 1993.

21. GMPS AND SECTION 9(2B) RIGHTS

- 21.1 The provisions of the Scheme must comply with the Contracting-out Laws and in the event of any discrepancy between the provisions and the Contracting-out Laws, the benefits provided by the Scheme must be at least equal to those required by the Contracting-out Laws.
- 21.2 Where the Contracting-out Laws make available any options or alternative forms of benefit to or in respect of Members or Pensioners, the Scheme will be deemed to contain the necessary provisions and such options or alternatives shall be applied at the discretion of the Trustees . In particular, the Trustees may choose to revalue a guaranteed minimum pension using any of the options permitted under section 16 of the Pension Schemes Act 1993.
- 21.3 In respect of contracted-out employment after 5 April 1997 and up to 6 April 2016:
- 21.3.1 The Trust Deed and Rules were designed to allow the Scheme to be contracted-out by virtue of section 9(2B) of the Pension Schemes Act 1993 (Requirements for certification of schemes). Where necessary to satisfy the statutory standard (as defined in section 12A of the Pension Schemes Act 1993), the contracted-out benefits provided by the Scheme for or in respect of any Member or Pensioner for Service after 5 April 1997 and before 6 April 2016 shall be determined by the Trustees as being equivalent to the benefits payable under the reference scheme in accordance with section 12B of the Pension Schemes Act 1993. In the event of any discrepancy between these Rules and the requirements under section 9(2B), to the extent required by Part III of the Pension Schemes Act 1993, the benefits provided by the Scheme must be at least equal to those required under section 9(2B).
- 21.3.2 Contracting-out by virtue of section 9(2B) of the Pension Schemes Act 1993 ceased with effect from 6 April 2016. For the purposes of calculating the benefits of any Member in Pensionable Service on that date, benefits under the statutory standard shall, to the extent permitted by legislation, be calculated based on qualifying earnings in the last three tax years preceding 6 April 2016 (with qualifying earnings being as defined for the purposes of the statutory standard under section 12B of the Pension Schemes Act 1993).

- 21.3.3 The value of any benefits payable to or in respect of a Member in accordance with this Clause may be revalued from 6 April 2016 to the date the Member leaves Pensionable Service (as defined in section 70 of the Pension Schemes Act 1993) in such manner as the Trustees, with the consent of the University determine is appropriate from time to time.

Table of Contents

Rules of the University of Manchester Superannuation Scheme

Schedule 1	34
Interpretation and definitions	34
1. Definitions	34
Schedule 2	57
Final Salary Rules	57
1. Definitions	57
2. Eligibility	57
3. Condition of Employment	58
4. Membership	58
5. Cessation of Membership	58
6. Part-Time Membership	60
7. Contributions in respect of FS Active members	61
8. Pensions on retirement and withdrawal	63
9. Late retirement	63
10. Ill-health retirement	64
11. Early retirement	65
12. Contribution refund or deferred pension	67
13. Flexible retirement	70
14. Lump Sums on retirement or withdrawal	70
15. Conversion	71
16. Old Members' option	72
17. Death of FS Active Member	72
18. Death of a FS Dormant Member	72
19. Payment of death benefit	72
20. Widows' and widowers' pensions	72
21. Children's pensions	75
22. Guaranteed widow's and widower's pension	75
23. Guarantee	76
24. Pension increases for FS Section Members	76
25. Augmentation of FS Section pension increases	76
Schedule 3 – CARE Section Rules	77
1. Definitions	77
2. Eligibility and admission	77
3. CARE Active Member's contributions	78
4. Employer contributions in respect of salary exchange	80
5. Termination of CARE Active Membership	80
6. Absence	80
7. Resumption of Membership	82
8. Not used	82
9. Benefits on leaving Membership	82
10. Calculation of Short Service Benefit	83

11.	Members who are not Qualified Members	84
12.	Retirement at Normal Pension Age	85
13.	Incapacity pension	85
14.	Early retirement	86
15.	Flexible retirement.....	88
16.	Late retirement.....	88
17.	Lump sum on retirement	89
18.	Duration of pensions.....	90
19.	Method of payment and increases	90
20.	Death of a CARE Active Member.....	91
21.	Death of a CARE Pensioner or CARE Dormant Member	92
22.	Reduction of a Spouse's Pension.....	92
23.	Benefits for Children	92
24.	General provisions relating to pensions.....	93
Schedule 4 – Manchester Innovation Benefit Schedule		94
1.	Definitions	94
2.	Admission.....	94
3.	Benefits payable to MILGPS Former Pensioners.....	94
4.	Benefits payable to MILGPS Deferred Members	94
5.	Death benefits payable to a MILGPS Deferred Member	94
6.	Death benefits payable to a MILGPS Pensioner	95
7.	Pension increases.....	95
Schedule 5 - SUSS Sections		96
Part 1 relating to the Students' Union Superannuation Scheme for SUSS Category 1 Members.....		96
1.	Definitions	96
2.	Eligibility	96
3.	Pension at normal pension age for deferred members	96
4.	Pension before normal pension AGE for deferred members	96
5.	Pension before normal pension AGE for deferred members who are suffering from the ill-health condition.....	97
6.	Pension after normal pension age for deferred members	97
7.	Death of a deferred member	97
8.	Death of a pensioner.....	97
9.	General provisions relating to the payment of a pension	98
10.	Pension increases.....	99
11.	Lump sum commutation.....	101
12.	Serious-ill health commutation.....	101
13.	Trivial commutation	101
14.	General provisions relating to commutation	101
15.	Discretionary trust of lump sums.....	102
Part 2 relating to the Students' Union Superannuation Scheme for SUSS Category 2 Members.....		103
1.	Definitions	103
2.	Eligibility	103
3.	Pension at normal pension age for deferred members	103
4.	Pension before normal pension age for deferred member	104

5.	Pension before normal pension age for deferred members who are suffering from the ill-health condition.....	104
6.	Pension benefits for a Mixed NPA Member	104
7.	Pension after normal pension age for deferred members	106
8.	Death of a deferred member before normal pension age.....	106
9.	Death of a deferred member after normal pension age.....	106
10.	Death of a pensioner.....	107
11.	General provisions relating to the payment of pensions.....	108
12.	Pension increases.....	108
13.	Lump sum commutation.....	111
14.	Serious ill-health commutation.....	112
15.	Trivial commutation	112
16.	General provisions relating to commutation	112
17.	Discretionary trust of lump sums.....	112
Part 3 relating to the Students' Union Superannuation Scheme for SUSS Category 3 Members.....		113
1.	Definitions	113
2.	Eligibility	113
3.	Pension at normal pension age for deferred members	113
4.	Pension before normal pension age for deferred member	113
5.	Pension before normal pension age for deferred members who are suffering from the ill-health condition.....	113
6.	Pension benefits for a Mixed NPA Member	114
7.	Pension after normal pension age for deferred members	115
8.	Death of a deferred member	116
9.	Death of a pensioner.....	116
10.	General provisions relating to the payment of pensions.....	117
11.	Pension increases.....	117
12.	Lump sum commutation.....	120
13.	Serious ill-health commutation.....	120
14.	Trivial commutation	120
15.	General provisions relating to commutation	120
16.	Discretionary trust of lump sums.....	121

SCHEDULE 1

Rules of the University of Manchester Superannuation Scheme

Interpretation Note: This Schedule sets out the definitions used in the Trust Deed and Rules and the legal rules of interpretation. It applies to the Trust Deed and all sections of the Rules as well as the adopting Deed.

INTERPRETATION AND DEFINITIONS

1. DEFINITIONS³

Throughout this Trust Deed and Rules, unless otherwise defined in the relevant Section or Part or if the context otherwise requires:

- 1.1 words in the singular shall be construed as including the plural and vice versa,
- 1.2 words in the masculine gender except the word "male" shall be construed as including the feminine,
- 1.3 a reference to a statute or to a part, chapter or section of a statute shall be construed as a reference to that statute or that part chapter or section or to any modification or re-enactment thereof for the time being in force, and
- 1.4 the following words and phrases shall have the meanings respectively assigned to them:

"**Accrued GMP Rights**" means for any Member the rights conferring prospective entitlement under the Scheme for their widow or their widower to benefits under Section 9(2A) of the Pensions Schemes Act 1993 in so far as they are attributable to service before 6th April 1997⁴;

"**Accrued Section 9(2B) Rights**" means for any Member the rights conferring prospective entitlement under the Scheme for their widow or their widower to benefits under Section 9(2B) of the Pensions Schemes Act 1993 in so far as they are attributable to service on or after 6th April 1997⁵ up to and including 5 April 2016;

"**Active Member**" means an Employee who has joined the Scheme and is in Pensionable Service under the Scheme;

"**Actuary**" means the actuary of the Scheme for the time being;

"**A-Day**" means 6 April 2006;

"**A-Day Deed**" means the deed of amendment dated 6 April 2006;

"**Additional Adoption Leave**" means leave as defined in section 75B of the Employment Rights Act 1996;

³ **CMS Drafting Note:** Multiple definitions concerning salary exchange, types of leave inserted by 26/02/2009 Deed of Amendment.

⁴ **CMS Drafting Note:** Definition changed under 19/02/1999 Supplemental Trust Deed.

⁵ **CMS Drafting Note:** Definition inserted via 19/02/1999 Supplemental Trust Deed

"Additional Leave Scheme" means the scheme run by the University under which a Member may elect to take a lower basic salary in return for additional leave per annum as permitted by the University;

"Additional Maternity Leave" means leave as defined in section 73 of the Employment Rights Act 1996;

"Additional Voluntary Contributions" or **"AVCs"** means such voluntary contributions (if any) as are paid by a Member pursuant to Rule 3 of Schedule 3;

"Administrator" in the context of determining who is the Scheme administrator has the same meaning as in section 270 of the Finance Act 2004;

"Authorised Payments Regulations" means the Registered Pension Schemes (Authorised Payment) Regulations 2009;

"AVC Fund" means any fund comprising any additional voluntary contributions paid by the Member together with any investment return thereon and any other funds which pursuant to the Rules are to be treated as forming part of the Member's AVC Fund;

"Barber Window" has the meaning given in Rule 11.7.2(b) of Schedule 2;

"Beneficiary" means any person absolutely or contingently entitled to a benefit from the Scheme;

"CARE Active Member" means an Employee who has been admitted to participate in the CARE Section and who is in CARE Pensionable Service and **"CARE Active Membership"** shall have the corresponding meaning;

"CARE Dormant Member" means a person entitled to deferred benefits under Rule 10 of Schedule 3;

"CARE Effective Date" means, for the purposes of the CARE Section Rules only, from 1 January 2019;

"CARE Member" means a CARE Active Member or, where appropriate, a CARE Dormant Member and **"CARE Membership"** means the status of being a CARE Member;

"CARE Pension Part" means, for a CARE Member, in respect of a CARE Section Year (or part of a CARE Section Year) which shall be calculated by reference to complete days:

(a) from 1 April 2012 to 31 December 2018, one-eightieth; and

(b) from 1 January 2019, one-hundredth⁶,

of their CARE Pensionable Salary adjusted between the date immediately following the end of the CARE Section Year in question and the date they ceased to be a CARE Active Member by the percentage change in the consumer prices index (subject to a maximum of 5 per cent) to be applied to the period in question. For the avoidance of doubt, in determining the percentage change in the index to be applied to the period in question, the Trustee reference dates used for determining the percentage change in the index are not required to be identical to the period in question and may, for example, start and finish earlier than the period in question;

"CARE Pensionable Salary" means:

(a) for any CARE Active Member in any year other than a Non-Contributory Member to whom (c) below applies, the annual basic rate of pay plus any regular additional

⁶ **CMS Drafting Note:** Deletion of 'one-eightieth' amended by deed of amendment dated 20 December 2018 with effect from 1 January 2019.

earnings which the Employer shall, in its absolute discretion, deem to be part of basic pay (but subject to (d) below);

- (b) CARE Pensionable Salary (in relation to all CARE Active Members) shall not include:
- (i) any form of bonus;
 - (ii) payment for special duties or time spent thereon;
 - (iii) payment for overtime or time spent thereon;
 - (iv) emoluments in kind; or
 - (v) special allowances;

except to the extent that any of (i) to (v) above are permitted to be deemed to be part of the CARE Active Member's basic rate of pay by the Employer;

- (c) for a Non-Contributory Member, the annual basic rate of pay paid to them by the Employer immediately after salary exchange has been effected plus any regular additional earnings which the Employer shall, in its absolute discretion, deem to be part of basic pay (but subject to (d) below), plus the Salary Exchange Amount;
- (d) for a CARE Active Member who has joined a Salary Exchange Arrangement in order to sacrifice salary other than that relating to pension contributions, the annual basic rate of pay immediately after salary exchange has been effected shall be the notional salary notified to the CARE Active Member by the Employer as being part of that CARE Active Member's CARE Pensionable Salary;
- (e) for a CARE Active Member who has joined the Additional Leave Scheme, CARE Pensionable Salary for the purposes of the Scheme shall be the figure which it would have been had they not been a CARE Active Member of the Additional Leave Scheme, subject to Rules 3.4 and 3.5 of Schedule 3;
- (f) in any instance where a CARE Active Member has been in Service for less than a year before ceasing to be a CARE Active Member, the annual rate shall be calculated over the CARE Active Member's actual period of Service;
- (g) if a CARE Active Member's salary is reduced within ten years of Normal Pension Age by reason of ill health or incapacity which is, in the opinion of the Trustee, not due to the misconduct or the fault of the CARE Active Member they may elect by written notice to the University given not later than one month after the date from which the reduction applies that (until their salary rises to or above the level of their salary before such reduction) their salary for all purposes of the Scheme be equal to their salary before such reduction;

"CARE Pensionable Service" means in relation to a CARE Active Member, the last unbroken period they are accruing benefits in the CARE Section in completed years and days on and from 1 April 2012 and shall if so decided by the Trustee include all actual or notional service which would not otherwise have been CARE Pensionable Service but which the Trustee at the request of the University decide to treat as CARE Pensionable Service, whether on receiving a transfer to the Scheme or otherwise provided that any CARE Member who:

- (a) joins the Additional Leave Scheme and does not make an election under Rule 3.4 of Schedule 3; or
- (b) is absent for the purposes of Rule 6.1 of Schedule 3;

- (c) does not pay contributions under Rule 6.3 of Schedule 3;
- (d) does not make contributions under Rule 6.9 of Schedule 3;

shall have their CARE Pensionable Service adjusted by the Trustee.

In either case, the CARE Member's CARE Pensionable Service is reduced by the number of working days of Additional Leave which the CARE Member takes, or by the periods of absence under Rule 6.1 of Schedule 3, as appropriate;

"CARE Pensioner" means a person who is receiving a pension from the Scheme by virtue of their previous membership of, or by reason of a transfer of benefits into, the CARE Section. For the avoidance of doubt, a "CARE Pensioner" shall include a person who was receiving a pension from the Scheme in respect of their CARE Section benefits, but whose pension was temporarily suspended under Rule 13.5 of Schedule 3 of the Rules;

"CARE Section" means the section of the Scheme governed by the Rules in Schedule 3;

"CARE Section Rules" means the Rules governing the CARE Section of the Scheme, as set out in Schedule 3 of these Rules;

"CARE Section Year" means a calendar year commencing on each 1 April;

"Cash Equivalent" has the meaning in section 94 of the Pension Schemes Act 1993;

"Civil Partner" means a person who is in a civil partnership with the Member or Pensioner under the Civil Partnership Act 2004 and Civil Partnership shall have the meaning stated in that Act;

"Consumer Prices Index" means the general index of consumer prices (all items) published by the Office for National Statistics or, where that index is not published, any substituted index published by that Office (or its successor);

"Contracting-out Laws" means the provisions and requirements to be met in relation to schemes that were formerly contracted-out contained in Part III of the Pension Schemes Act 1993 and regulations made thereunder in so far as they relate to the provision of guaranteed minimum pensions (as defined in section 8 of that Act);

"Contracted Out Employment" means, in relation to any Member, any period of their membership of the Scheme up to and including 5 April 2016 or of their membership of any other scheme from which Accrued GMP Rights and/or Accrued Section 9(2B) Rights have been transferred to the Scheme, where such Accrued GMP Rights and/or Accrued Section 9(2B) Rights represent periods of pensionable service up to and including 5 April 2016;

"Contributions Equivalent Premium" means a contributions equivalent premium prescribed by section 55 of the Pensions Act 1995 (in the Trustees' opinion, to the extent it applied or applies to the Scheme);

"Deferred Member" means an Employee or a former Employee who is a FS Dormant Member, a CARE Dormant Member, a MILGPS Deferred Member, SUSS Category 1 Deferred Member, SUSS Category 2 Deferred Member or is a SUSS Category 3 Deferred Member. For the avoidance of doubt, this does not include a person who was previously a Member and who has taken a refund of contributions, transferred out of the Scheme or, in the opinion of the Trustee, otherwise ceased to have benefits payable under the Scheme;

"Dependant" means, where appropriate, a Spouse, Civil Partner or dependant of the Member or Pensioner as provided for in the relevant and applicable Schedule and/or Part of the Scheme as

determined by the Trustees, or a person who is, in the opinion of the Trustees, otherwise financially dependent or interdependent on the Member or Pensioner;

“Eligible Child” means a child of a Member or Pensioner who meets the requirements below and/or any requirements for a child of a Member or Pensioner as defined for the purpose of the applicable Schedule and/or Part of the Scheme to which the benefits relate as determined by the Trustees:

- (a) is under age 18; or
- (b) is under age 23 and receiving full-time education or training for any trade or profession or vocation approved by the Trustees; or
- (c) was dependent on the Member or Pensioner at the time of their death on account of physical or mental incapacity.

For the purposes of this definition, “child” means any biological child of the Member or Pensioner, any legally adopted child or, if financially dependent on the Member or Pensioner at the time of this death, a stepchild, a child to whom, in the opinion of the Trustees, the Member or Pensioner stood in loco parentis but not, unless the Trustees otherwise decide, a foster child.

In respect of (b) above, where any child has a gap in their period of full time education or training which does not exceed one academic year, payment of any pension to that child shall, unless the Trustees decide otherwise, cease during that gap and shall recommence when the child returns to full-time education or training;

“Employee” means a person in employment with an Employer and includes a salaried director;

“Employer” means the University and any Participator or, in relation to any Employee or former Employee or Beneficiary claiming through them, the University or such Participator by which, at the relevant time, they are or were last employed;

“Former Spouse” means an individual to whom a Pension Credit has been allocated in relation to the Scheme;

“Founding Date” means 22nd July 1925;

“FS Active Member” means a FS Member who was in FS Pensionable Service and who was accruing pension benefits under the Main Rules⁷ (now known as Schedule 2 of the Rules) by reference to their FS Final Pensionable Salary and **“FS Active Membership”** shall mean the status of being a FS Active Member;

“FS Dormant Member” means a person specified to be such a member by Rule 12.6 of Schedule 2;

“FS Final Pensionable Salary” means for any FS Member and subject to Rule 8.4 of Schedule 2, whichever is the greater of:

- (a) the highest annual average of their FS Pensionable Salary during any three consecutive years out of the last ten years that they have been in the service of the University (or such shorter period as they have been in such service), and
- (b) their FS Pensionable Salary during the last year that they have been in the service of the University immediately preceding the date of their retirement or the date of their

⁷ **CMS Drafting Note:** reference here to “Rules” was defined in the deed of amendment dated 27 March 2012 adopting the CARE Section as the “...definitive trust deed (the Definitive Deed) and rules (the Rules) dated 5 December 1995 as amended from time to time...”.

withdrawal from the Scheme or their attainment of Normal Pension Age or their death whichever is the earliest or in the case of retirement or death in service from Normal Pension Age either the date of their actual retirement or the date of their death or their attainment of Normal Pension Age⁸;

"FS Member" means an FS Active Member, or where appropriate, a FS Dormant Member, for the time being, each whether an Old Member or a New Member;

"FS Pension Part" means the benefit accrued by a Member under Rule 12 of Schedule 2, provided that such benefit will be calculated by reference to their FS Final Pensionable Salary on, and FS Pensionable Service completed to, the date that they ceased to be a FS Active Member;

"FS Pensionable Salary"⁹ means:

- (a) for a FS Member other than a Non-Contributory Member to whom (c) applies, the annual basic rate of pay plus any regular additional earnings which the University shall, in its absolute discretion, deem to be part of basic pay (but subject to (d) below);
- (b) FS Pensionable Salary (in relation to all FS Members) shall not include
 - (i) any form of bonus,
 - (ii) payment for special duties or time spent thereon;
 - (iii) payment for overtime or time spent thereon,
 - (iv) emoluments in kind, and
 - (v) special allowances;

except to the extent that any of (i) to (v) above are allowed to be treated as FS Pensionable Salary by the University;

- (c) (for a Non-Contributory Member, the annual basic rate of pay immediately after salary exchange has been effected plus any regular additional earnings which the University shall, in its absolute discretion, deem to be part of basic pay (but subject to (d) below), plus the Salary Exchange Amount;
- (d) for a FS Member who has joined a Salary Exchange Arrangement in order to sacrifice salary other than that relating to pension contributions, the annual basic rate of pay immediately after that salary exchange has been effected shall be the notional salary notified by the University as being part of that FS Member's Pensionable Salary;
- (e) for a FS Member who has joined the Additional Leave Scheme, Pensionable Salary for the purposes of the Scheme shall be the figure which it would have been had they not been a FS Member of the Additional Leave Scheme, subject to Rules 7.3 and 7.7 of Schedule 2;
- (f) in any instance where a FS Member has been in Service for less than a year before ceasing to be a FS Member, the annual rate shall be calculated over the FS Member's actual period of Service;
- (g) if a FS Member's salary is reduced within 10 years of Normal Pension Age by reason of ill health or capacity which is, in the opinion of the Trustees, not due to the misconduct or fault of the FS Member they may elect by written notice to the University

⁸ **CMS Drafting Note:** Deed of amendment dated 20 December 2018 amended definition of FPS so that no further benefits shall accrue under Rule 9 of the Rules and FPS will be calculated as at 31 December 2018.

⁹ **CMS Drafting Note:** Definition changed via 26/02/2009 Deed of Amendment.

given not later than one month after the date from which the reduction applies that (until their salary rises to or above the level of their salary before such reduction) their salary for all purposes of the Scheme be equal to their salary before such reduction;

"FS Pensionable Service"¹⁰¹¹ means in relation to a FS Member, the last unbroken period of membership in completed years and days and shall if so decided by the Trustees include all actual or notional service which would not otherwise have been FS Pensionable Service but which the Trustees at the request of the University decide to treat as FS Pensionable Service, whether on receiving a transfer to the Scheme or otherwise.

Provided that from the Salary Exchange Effective Date any FS Member who:

- (a) joins the Additional Leave Scheme and does not make an election under Rule 7.3 of Schedule 2; or
- (b) is absent for the purposes of Rule 5.2 of Schedule 2 and
 - (i) does not exercise the options set out under Rule 5.3 of Schedule 2;
 - (ii) does not pay contributions under Rule 5.4 of Schedule 2;
 - (iii) does not make contributions under Rule 5.10 of Schedule 2;
- (c) shall have their Pensionable Service adjusted by the Trustees.

In either case, the FS Member's FS Pensionable Service is reduced by the number of working days of Additional Leave which the FS Member takes, or by the periods of absence under Rule 5.2 of Schedule 2, as appropriate;

"FS Pensioner" means a person who is receiving a pension from the Scheme by virtue of their previous membership of, or by reason of a transfer of benefits into, the FS Section;

"FS Section" means the section of the Scheme governed by the Rules in Schedule 2;

"Full-Time Service" means a period of Qualifying Employ not deemed to be Part-Time Service;

"Fund" means the fund of the Scheme;

"Guaranteed Minimum Pension" means in respect of a Member, Deferred Member or Pensioner in an applicable Section of the Scheme, who has been in Contracted Out Employment before 6th April 1997 a pension equal to their guaranteed minimum as determined for the purpose of Section 13 of the Pensions Schemes Act 1993 under Section 14 of that Act in so far as it is attributable to service before 6th April 1997 and in respect of the widow of a Member or Pensioner means a pension equal in value to one-half of the guaranteed minimum pension to which the Member or Pensioner was entitled and in respect of the widower of a Member or Pensioner means a pension equal in value to one-half of the guaranteed minimum pension to which the Member or Pensioner was entitled in so far as it is attributable to earnings for the tax year 1988/9 and subsequent tax years;¹²

"HMRC" means HM Revenue and Customs;

¹⁰ **CMS Drafting Note:** Definition changed via 26/02/2009 Deed of Amendment.

¹¹ **CMS Drafting Note:** Deed of amendment dated 20 December 2018 amended definition of PS so that no further benefits shall accrue under Rule 9 of the Rules and PS will be calculated as at 31 December 2018. An additional Rule in Rule 9 has been added to confirm this overriding effect.

¹² **CMS Drafting Note:** Definition deleted and inserted via 19/02/1999 Supplemental Trust Deed.

“Ill-health Condition”¹³ means in relation to a CARE Member or FS Member that:

- (a) The Scheme’s Administrator has received evidence from a registered medical practitioner that the FS Member or CARE Member is (and will continue to be) incapable of carrying on the FS Member’s or CARE Member’s occupation because of physical or mental impairment; and
- (b) The FS Member or CARE Member has in fact ceased to carry on their occupation;

“Insurance Company” has the same meaning as “Insurer” in section 180A of the Pension Schemes Act 1993;

“Interest” means the rate of 3½ per cent per annum calculated on half yearly rests and payable on each 31st March and 30th September or as advised by the Actuary;

“Lump Sum Death Benefit” has the same meaning as in section 168 of the Finance Act 2004;

“Main Rules” means the definitive trust deed and rules dated 5 December 1995 (as amended from time to time) which currently governs the Scheme and applies to the FS Section;

“Main Scheme Dependant” means, in relation to a CARE Member, CARE Pensioner, a FS Member or FS Pensioner (as appropriate):

- (a) A person who was married to, or a Civil Partner of, the member at the date of the member's death;
- (b) A person who is an Eligible Child;
- (c) A person who (other than a child of the FS Member, FS Pensioner, CARE Member or CARE Pensioner) in the opinion of the Trustees were, at the time of the death of the relevant Member or Pensioner, financially dependent on the Member or Pensioner or dependent because of disability, or had a financial relationship of mutual dependence with the Member or Pensioner; or
- (d) A person who, at the date of the Member’s death, in the opinion of the Trustees was otherwise a “dependant” for the purposes of paragraph 15 of Schedule 28 of the Finance Act 2004;

“Manchester Member” meant a Member who was categorised as a Manchester Member in the SUSS Former Scheme and was formerly employed by the University of Manchester Students’ Union (UMSU);

“Maximum Benefit” means for any Beneficiary under the Scheme benefits determined as appropriate in accordance with the model rules set out in the Joint Office Memorandum No. 77 published (and from time to time updated) by the former Occupational Pensions Board and Superannuation Funds Office;

“Member” means an Active Member or, where appropriate, a Deferred Member. For the avoidance of doubt, a Member can be a Member of more than one of the Scheme’s sections under Schedules 2 to 5, but only in respect of different periods of Pensionable Service under each section;

“MILGPS Child” means any child of the MILGPS Pensioner at the date of their death and includes any natural or adopted child, any child conceived before the death of the Pensioner and

¹³ **CMS Drafting Note:** Definition inserted via 23/05/2023 Deed of Amendment.

any child to whose maintenance the Pensioner was substantially contributing provided that it excludes any child who is age 18 or over, save for:

- (a) where the child is over the age of 18 but under the age of 25 who is in full time education (subject to this not resulting in the Trustee being obliged to make an Unauthorised Payment unless the Trustee agrees otherwise); or
- (b) is over age 18 and, in the opinion of the Scheme administrator, was at the date of the member's death dependant on the member because of a physical or mental impairment,

and “**MILGPS Children**” shall be construed accordingly;

“**MILGPS Deferred Member**” means a person who was entitled to deferred benefits under the MILGPS Former Scheme and which have not been transferred out of the Scheme or who have not come into payment;

“**MILGPS Final Pensionable Salary**” means the MILGPS Deferred Member's final pensionable salary in the MILGPS Former Scheme;

“**MILGPS Former Scheme**” means the Manchester Innovation Limited Group Pension Scheme;

“**MILGPS Former Pensioner**” means a person who was in receipt of a pension under the MILGPS Former Scheme and who was formerly an active member of the MILGPS Former Scheme;

“**MILGPS Ill-health Condition**” means in relation to a MILGPS Deferred Member that:

- (a) the Scheme's Administrator has received evidence from a registered medical practitioner that the MILGPS Deferred Member is (and will continue to be) incapable of carrying on the MILGPS Deferred Member's occupation because of physical or mental impairment; and
- (b) the MILGPS Deferred Member has in fact ceased to carry on the MILGPS Deferred Member's occupation;

“**MILGPS Pensionable Service**” means pensionable service completed by the MILGPS Deferred Member in the MILGPS Former Scheme;

“**MILGPS Pensioner**” means a person who was a MILGPS Deferred Member of this Scheme and whose pension has now come into payment;

“**MILGPS Revaluation Basis**” means:-

- (a) An increase to the deferred pension payable under Rule 4.1.1 of Schedule 4, in excess of the Guaranteed Minimum Pension, of 5% compound from the date the MILGPS Deferred Member ceased to be in MILGPS Pensionable Service in the MILGPS Former Scheme until the date their pension commences; and
- (b) An increase to the lump sum payable under Rule 4.1.2 of Schedule 4 of 5% compound from the date the MILGPS Deferred Member ceased to be in MILGPS Pensionable Service in the MILGPS Former Scheme until the date their pension commences;

“**MILGPS Section**” means the section of the Scheme governed by the Rules in Schedule 4;

“**Minimum Pension**” means for any member who has been in non-participating employment under the provisions of the National Insurance Acts the equivalent pension benefit prescribed by the National Insurance Acts during the period that they were in such non-participating employment in the service of the University or in the service of another employer whose liabilities

under the National Insurance Acts have been undertaken by the University under the provisions of the National Insurance Acts and for any other Member or their widow or their widower the above does not apply and has no meaning;

"National Insurance Acts" means the National Insurance Act 1959 and the National Insurance Act 1965;

"New Member" means any other FS Member who is not an Old Member;

"Non-Contributory Member" means an Active Member of the Scheme who participates in the Salary Exchange Arrangement of their Employer as it relates to ordinary pension contributions and who therefore does not make member contributions to the Scheme and **"Non-Contributory Membership"** has the corresponding meaning;

"Normal Minimum Pension Age" has the same meaning as in section 279 of the Finance Act 2004 (as varied by Schedule 36 to the Finance Act 2004);

"Normal Pension Age" means:

- (a) in respect of a Member of the FS Section, age 65 except for a female Member of the FS Section in respect of their FS Pensionable Service before 25 February 1992 and a male Member of the FS Section in respect of their FS Pensionable Service from 17 May 1990 to 24 February 1992, age 60;
- (b) in respect of a Member of the CARE Section:
 - (i) before 1 November 2020, age 65; or
 - (ii) on and from 1 November 2020, such later age in complete years which corresponds to State Pension Age immediately after there has been a change to State Pension Age¹⁴;
- (c) in respect of a Member of the MILGPS Section, a Member's 62nd birthday;
- (d) in respect of a Member of the SUSS Section
 - (i) SUSS Category 1 Normal Pension Age;
 - (ii) SUSS Category 2 Normal Pension Age;
 - (iii) SUSS Category 3 Normal Pension Age;

"Notional Pensionable Salary" means FS Pensionable Salary or CARE Pensionable Salary as applicable, each on the basis that the person was working normally and receiving remuneration likely to have been paid for so doing as decided by the Employer from time to time;

"Old Member" means any Member who first became a Member before 1st August 1962 (unless they have exercised an option not to be an Old Member);

"Ordinary Adoption Leave" means leave as defined in section 75A of the Employment Rights Act 1996;

"Ordinary Maternity Leave" means leave as defined in section 71 of the Employment Rights Act 1996;

"Other Scheme" means the Trustee or administrator of a Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme;

¹⁴ **CMS Drafting Note:** Deletion and replacement of definition to Normal Pension Age by deed of amendment dated 23 May 2023 with effect from 1 November 2020.

"Paid Leave" means each of the following:

- (a) Ordinary Maternity Leave;
- (b) Additional Maternity Leave during which remuneration is paid;
- (c) Ordinary Adoption Leave;
- (d) Additional Adoption Leave during which remuneration is paid; and
- (e) Paternity Leave;

"Parental Leave" means leave as defined in section 76 of the Employment Rights Act 1996;

"Participator" means any company firm or body which is closely associated with the University and which has entered into a Supplemental Deed in accordance with Clause 11 of the Trust Deed and in relation to any particular employee that one by which they are employed;

"Part-Time Service" means a period of Qualifying Employ which is deemed by the University to be part-time employment;

"Part-Time Service Fraction" means that fraction of Full-Time Service which the University or any Participator in its absolute discretion determines to be the Part-Time Service of a FS Member. (This will normally be calculated by comparing the FS Member's normal hours of work in respect of their Part-Time Service with the corresponding hours in respect of Full-Time Service in a similar appointment);

"Paternity Leave" means leave as defined in section 80A of the Employment Rights Act 1996;

"Pension" means an annual sum paid monthly in arrears and apportionable to the date of death of the recipient PROVIDED THAT a widow's pension, widower's pension, Dependant's or child's pension shall commence to be paid one month after the last payment of pension to the Pensioner who was the spouse or parent of the widow, widower, Dependant or child as the case may be or if no payment of that pension has been made it shall commence one month after the death of the Member or the retirement of the Pensioner who was the spouse of the widow or widower or parent of the child whichever is appropriate;

"Pension Commencement Lump Sum" has the same meaning as in paragraph I of Schedule 29 of the Finance Act 2004;

"Pension Condition" has the same meaning as in paragraph 24 of Schedule 36 of the Finance Act 2004;

"Pension Credit" means a credit under section 29(1)(b) of the Welfare Reform and Pensions Act 1999;

"Pension Credit Benefit" means the benefits payable under the Scheme to or in respect of a person by virtue of rights under a scheme attributable (directly or indirectly) to a Pension Credit;

"Pension Death Benefit" has the same meaning as in section 167 of the Finance Act 2004;

"Pensionable Service" shall mean FS Pensionable Service, CARE Pensionable Service, MILGPS Pensionable Service, SUSS Category 1 Pensionable Service, SUSS Category 2 Pensionable Service, SUSS Category 3 Pensionable Service or such other applicable definition of pensionable service as relevant to a Member and determined by the Trustees in any particular case;

"Pensioner" means a person who is receiving a pension from the Scheme by virtue of their previous membership of the Scheme or by reason of a transfer of benefits into the Scheme. Where

a person is receiving part of their benefits from the Scheme only, they shall be treated as a Pensioner only for that part of their benefits;

"Personal Pension Scheme" means:

- (a) in respect of the period before A-Day, a personal pension scheme approved under Chapter IV Part XIV of the Income and Corporation Taxes Act 1988; and
- (b) in respect of the period commencing with A-Day, a personal pension scheme within the meaning of section 1 of the Pension Schemes Act 1993;

"Personal Representatives" has the meaning as defined in Section 55(xi) of the Administration of Estates Act 1925, being the executor, original or by representation, or administrator for the time being of a deceased person's estate;

"Postponed Pensioner" means a Member who has reached Normal Pension Age and would otherwise be entitled to an immediate pension from the Scheme, but has elected to defer payment of their benefits until they leave Service under Rule 16 of Schedule 3. A Member will cease to be a Postponed Pensioner on leaving Service and begin receiving their benefits under the CARE Section;

"Preservation Requirements" means the provisions of Chapters I, II, IV and V Part IV of the Pension Schemes Act 1993 relating to the rights of a Member on termination of their CARE Active Membership;

"Qualified Member" means a CARE Member who has completed at least two years' Qualifying Service or in respect of whom the Trustee have accepted a transfer payment relating to their rights under a Personal Pension Scheme;

"Qualifying Employ" means:

- (a) employment by the University in an administrative, technical or manual category or in such other employ or capacity (including but not limited to employment with an Employer) as the University shall from time to time decide; or
- (b) employment by an Employer in such other capacity (including part-time employment) as an Employer shall from time to time decide;

"Qualifying Recognised Overseas Pension Scheme" has the meaning in section 169(2) of the Finance Act 2004;

"Qualifying Service" means the period or periods (which need not be continuous) in which a CARE Member has been in CARE Active Membership of the Scheme. It includes any period of service which would be linked qualifying service under section 179 of the Pension Schemes Act 1993 as a result of a transfer payment to the Scheme. In calculating Qualifying Service:

- (a) no account shall be taken of any period which does not qualify the CARE Member for those benefits under the Scheme which would be payable to or in respect of them if they remained in Service until Normal Pension Age;
- (b) no period shall be reckoned twice;
- (c) interruptions of an interval not exceeding one month in continuous Service shall be disregarded;
- (d) interruptions in continuous Service which are attributable to a period of absence in furtherance of a trade dispute (as defined in section 244 of the Trade Union and Labour Relations (Consolidation) Act 1992) shall be disregarded;

“Registered Pension Scheme” means a scheme or arrangement which is registered with HMRC under Chapter 2 of Part 4 of the Finance Act 2004 (Registration of Pension Schemes);

"Registration" means the status of being a Registered Pension Scheme pursuant to section 153 of the Finance Act 2004;

“Retail Prices Index” means the general index of retail prices (all items) published by the Office for National Statistics or, where that index is not published, any substituted index published by that Office (or its successor);

"Salary Exchange Amount" means in relation to a Member who has joined the Salary Exchange Arrangement, an amount equal to the amount of ordinary member contributions to the Fund:

- (a) in respect of a FS Member, which, but for the purposes of Rule 7.2, the FS Member would have paid for the relevant period in question as the FS Member in Qualifying Employ under Rule 7.1 of Schedule 2;
- (b) in respect of a CARE Member, which, but for the purposes of Rule 3.2 of Schedule 3, the CARE Member would have paid for the relevant period in question as a Member in Qualifying Employ under Rule 3.1 of Schedule 3.

This may be expressed as either a specific amount or a percentage of the Member’s FS Pensionable Salary or CARE Pensionable Salary. The Salary Exchange Amount will therefore vary over time with any increases or decreases to the relevant Member’s FS Pensionable Salary or CARE Pensionable Salary;

"Salary Exchange Arrangement" means an arrangement with the University or the Employer (in the case of a FS Member and a CARE Member respectively), under which a Member’s basic salary is reduced and a notional FS Pensionable Salary or CARE Pensionable Salary is notified to the Member as part of that arrangement;

"Salary Exchange Effective Date" means 26 February 2009;

“Same Sex Partner” means a person who is in a same sex marriage with a Member or Pensioner in accordance with the Marriage (Same Sex Couples) Act 2013 or a person who is in a civil partnership with the Member or Pensioner under the Civil Partnership Act 2004 and Same Sex Partnership shall be interpreted accordingly;

"Scheme" means the University of Manchester Superannuation Scheme;

"Serious Ill-health Lump Sum" means a serious ill-health lump sum within the meaning of paragraph 4 of Schedule 29 of the Finance Act 2004;

"Service" means employment with an Employer. For the purposes of the Scheme, transfer from one to another of the Employers shall not be construed as termination or interruption of Service;

"Short Service Benefit" has the meaning in section 71 of the Pension Schemes Act 1993;

"Spouse" means in relation to any individual at the date of their death their current or surviving partner under a legally binding marriage including a Same Sex Partner and the Civil Partner of an individual (in which case any reference in the Rules to marriage or equivalent shall include a civil partnership);

“State Pension Age” means the pensionable age of the person as specified from time to time in Part 1 of Schedule 4 to the Pensions Act 1995;

“SUSS Category 1 Category A Member” means a Member (and, where applicable, any SUSS Spouse, SUSS Category 1 Dependant or SUSS Category 1 Eligible Child claiming through them) who whilst a member of the SUSS Former Scheme:-

- (a) retired;
- (b) left pensionable service; or
- (c) died,

on or after 1 October 1981 and up to and including 30 September 1988;

“SUSS Category 1 Category B Member” means a SUSS Category 1 Member (and, where applicable, any SUSS Spouse, SUSS Category 1 Dependant or SUSS Category 1 Eligible Child claiming through them) who whilst a member of the SUSS Former Scheme:-

- (a) was in Pensionable Service on 1 October 1988; or
- (b) who joined the SUSS Former Scheme on or after 1 October 1988 and up to and including 31 December 1993;

“SUSS Category 1 Consenting Category B Member” means a SUSS Category 1 Category B Member (and, where applicable, their SUSS Spouse or SUSS Category 1 Dependant) who consented, whilst a member of the SUSS Former Scheme, to the removal of the annual rate of increases set out in Rule 10.5 of Part 1 of Schedule 5 applied or to be applied to their actual or prospective pension in payment and its replacement with the annual rate of increase to be applied to their actual or prospective pension in payment as set out in Rule 10.4 of Part 1 of Schedule 5;

“SUSS Contracted-out Employment” means, in relation to any Member, any period of their membership of the SUSS Former Scheme, or their membership of another scheme, from which Accrued GMP Rights have been transferred to the Scheme under section 20 of the Pension Schemes Act 1993 and/or from which Accrued Section 9(2B) Rights have been transferred to the Scheme under section 12C of the Pension Schemes Act 1993 in relation to which the following conditions are satisfied:-

- (a) the said scheme was contracted-out in relation to their employment by the University or the Participator as the case may be;
- (b) the previous scheme of which they were a member was contracted-out in relation to their former employment by their employer and their service in such employment qualified them for benefits under that scheme in accordance with section 9(2A) or Section 9(2B) of the Pension Schemes Act 1993;

“SUSS Category 1 Dependant” means in relation to any Member any child or SUSS Spouse of the Member or any person who, in the opinion of the Trustee was, at the date of any decision of the Trustee under Part 1 of Schedule 5 or at the date on which a Member exercises any option thereunder or the date of death of the Member, dependent on the Member for the provision of all or any of the ordinary necessities of life;

“SUSS Category 1 Eligible Child” means:-

- (a) in relation to a SUSS Category 1 Pensioner, the SUSS Category 1 Pensioner’s child, legally adopted child or step-child provided that they are under the age of 18 or under the age of 21 and in full-time education;

- (b) in relation to a SUSS Category 1 Deferred Member, the SUSS Category 1 Deferred Member's child, legally adopted child or step-child provided that they have not attained the age of 18;

"SUSS Category 1 Deferred Member" means a deferred member of the SUSS Former Scheme under Part 1 of Schedule 5 whose pension has not yet come into payment and, where the context so requires, means a FS Dormant Member under the Main Rules;

"SUSS Category 1 Final Pensionable Salary" means the highest annual average of the Member's SUSS Category 1 Pensionable Salary for any three consecutive SUSS Scheme Years during the last ten years ending on the last day of the SUSS Scheme Year immediately preceding the date they ceased to be in SUSS Category 1 Pensionable Service provided that SUSS Category 1 Final Pensionable Salary shall mean, where the Member had completed:-

- (a) only two SUSS Scheme Years, the average of their SUSS Category 1 Pensionable Salaries for those SUSS Scheme Years; and
- (b) only one SUSS Scheme Year, their SUSS Category 1 Pensionable Salary for that SUSS Scheme Year; and
- (c) less than one SUSS Scheme Year, their SUSS Category 1 Pensionable Salary at the date they ceased to be in SUSS Category 1 Pensionable Service;

"SUSS Former Scheme" means the Students' Union Superannuation Scheme (SUSS);

"SUSS GMP" or "SUSS Guaranteed Minimum Pension" means:-

- (a) in respect of a Member who has been in SUSS Contracted-out Employment before 6 April 1997, a pension equal to their guaranteed minimum as determined for the purposes of section 13 of the Pension Schemes Act 1993 in so far it is attributable to service before 6 April 1997; and
- (b) in respect of the widow of a Member, a pension equal to one-half of the guaranteed minimum pension to which the member was entitled; and
- (c) in respect of the widower of a Member, pension equal in amount to one-half of the guaranteed minimum pension to which the Member was entitled in so far as it is attributable to earnings for the tax year 1988/1989 and subsequent tax years;

"SUSS Category 1 Ill-health Condition" means, in relation to a SUSS Category 1 Member, that:-

- (a) the Scheme's administrator has received medical evidence from a registered medical practitioner that the SUSS Category 1 Member is (and will continue to be) incapable of carrying out the SUSS Category 1 Member's occupation because of physical or mental impairment; and
- (b) the SUSS Category 1 Member has in fact ceased to carry on the SUSS Category 1 Member's occupation;

"SUSS Category 1 Non-Consenting Category B Member" means a SUSS Category 1 Category B Member (and, where applicable, their SUSS Spouse or SUSS Category 1 Dependant claiming through them) who has not consented (or who has not been asked to consent) to the removal of the annual rate of increases as set out in Rule 10.5 of Part 1 of Schedule 5 applied or to be applied to their actual or prospective pension in payment and their replacement with the annual rates of

increases to be applied to their actual or prospective pension in payment as set out in Rule 10.4 of Part 1 of Schedule 5;

“SUSS Category 1 Normal Pension Age” means:-

- (a) in relation to a SUSS Category 1 Member who left SUSS Category 1 Pensionable Service before 1 October 1988
 - (i) for male SUSS Category 1 Members age 65 for SUSS Category 1 Pensionable Service between 1 October 1981 and 30 September 1988; and
 - (ii) for female SUSS Category 1 Members age 60 for SUSS Category 1 Pensionable Service between 1 October 1981 and 30 September 1988:-
- (b) in relation to a SUSS Category 1 Member who left SUSS Category 1 Pensionable Service between 1 October 1988 and 30 September 1992:-
 - (i) for a male SUSS Category 1 Member, the age of 62 for SUSS Category 1 Pensionable Service between 1 October 1988 and 16 May 1990 and the age of 60 for SUSS Category 1 Pensionable Service from 17 May 1990 and 30 September 1992;
 - (ii) for a female SUSS Category 1 Member, age 60 for SUSS Category 1 Pensionable Service between 1 October 1981 and 30 September 1992;
- (c) in relation to a SUSS Category 1 Member who left Pensionable Service on or after 1 October 1992 and before 31 December 1993, age 60;

“SUSS Category 1 Member” means a Member of the SUSS Former Scheme who left Pensionable Service at any time between 1 October 1981 up to and including 31 December 1993, and who may be a SUSS Category 1 Deferred Member or a SUSS Category 1 Pensioner;

“SUSS Category 1 Pensionable Salary” means basic annual remuneration excluding director’s fees, commission, bonus, overtime, and other fluctuating emoluments determined on each 1 October;

Provided that:-

- (a) SUSS Category 1 Pensionable Salary was determined on the day the SUSS Category 1 Member joined the SUSS Former Scheme and, thereafter, on the first day of each SUSS Scheme Year and remained unaltered until the next SUSS Scheme Year until the date they left SUSS Category 1 Pensionable Service; and
- (b) no alteration in SUSS Category 1 Pensionable Salary was permitted to be made within one year of SUSS Category 1 Normal Pension Age; and
- (c) no further calculations to SUSS Category 1 Pensionable Salary shall be made when the SUSS Category 1 Member left SUSS Category 1 Pensionable Service;

“SUSS Category 1 Pensionable Service” means the period of pensionable service completed by the Member in the SUSS Former Scheme and means years and complete months;

“SUSS Category 1 Pensioner” means a person who was in SUSS Category 1 Pensionable Service and whose pension has commenced;

“SUSS Category 2 Category B Member” means a SUSS Category 2 Member (and, where applicable, any SUSS Spouse, SUSS Category 2 Dependant or SUSS Category 2 Eligible Child claiming through them) who:-

- (a) was in pensionable service on 1 October 1988; or
- (b) who joined the SUSS Former Scheme on or after 1 October 1988 and up to and including 31 December 1993;

“SUSS Category 2 Category C Member” means a SUSS Category 2 Member (and, where applicable, any SUSS Spouse, SUSS Category 2 Dependant or SUSS Category 2 Eligible Child claiming through them) who joined the SUSS Former Scheme on or after 1 January 1994 but before 30 September 2011;

“SUSS Category 2 Consenting Category B Member” means a SUSS Category 2 Category B Member (and, where applicable, their SUSS Spouse or Dependant) who consented whilst a member of the SUSS Former Scheme to the removal of the annual rate of increase set out in Rule 12.4 of Part 2 of Schedule 5 applied or to be applied to their actual or prospective pension in payment and its replacement with the annual rate of increase to be applied to their actual or prospective pension in payment as set out in Rule 12.3 of Part 2 of Schedule 5;

“SUSS Category 2 Dependant” means:-

- (a) their SUSS Spouse;
- (b) their SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children; and/or
- (c) their SUSS Category 2 Nominated Dependant;

“SUSS Category 2 Eligible Child” means the SUSS Category 2 Member’s child, legally adopted child or step-child of the SUSS Category 2 Member provided that they are under the age of 18 or under the age of 21 and in full-time education or vocational training;

“SUSS Category 2 Final Pensionable Salary” means:-

- (a) in relation to a SUSS Category 2 Member who left SUSS Category 2 Pensionable Service on or before 30 September 1995, the annual average of their SUSS Category 2 Pensionable Salaries for the three consecutive SUSS Scheme Years ending on the last day of the SUSS Scheme Year immediately preceding the date they ceased to be in SUSS Category 2 Pensionable Service provided that SUSS Category 2 Final Pensionable Salary shall mean, where the SUSS Category 2 Member had completed:-
 - (i) only two SUSS Scheme Years, the average of their SUSS Category 2 Pensionable Salaries for those SUSS Scheme Years;
 - (ii) only one SUSS Scheme Year, their SUSS Category 2 Pensionable Salary for that SUSS Scheme Year; and
 - (iii) less than one SUSS Scheme Year, their SUSS Category 2 Pensionable Salary at the date they ceased to be in SUSS Category 2 Pensionable Service; and
- (b) in relation to a SUSS Category 2 Member who left SUSS Category 2 Pensionable Service on or after 1 October 1995, the annual average of their SUSS Category 2 Pensionable Salaries over the 36 months immediately preceding the date they ceased to be in SUSS Category 2 Pensionable Service provided that if the SUSS Category 2 Member had completed less than 36 months of SUSS Category 2 Pensionable Service in the SUSS Former Scheme their SUSS Category 2 Pensionable Salary shall mean the average of their SUSS Category 2 Pensionable Salaries received in that period;

“SUSS Category 2 Ill-health Condition” means, in relation to a SUSS Category 2 Member, that:-

- (a) the Scheme’s administrator has received medical evidence from a registered medical practitioner that the SUSS Category 2 Member is (and will continue to be) incapable of carrying out the SUSS Category 2 Member’s occupation because of physical or mental impairment; and
- (b) the SUSS Category 2 Member has in fact ceased to carry on the SUSS Category 2 Member’s occupation;

“SUSS Category 2 Deferred Member” means a deferred member of the SUSS Former Scheme under Part 2 of Schedule 5 whose pension has not yet come into payment and, where the context so requires, means a FS Dormant Member under the Main Rules;

“SUSS Category 2 Mixed NPA Member” means a SUSS Category 2 Member who had continuous Pensionable Service before and after 1 October 2000 unless the SUSS Category 2 Member and their employer agreed that the SUSS Category 2 Member’s Normal Pension Age is the date on which the SUSS Category 2 Member reaches the age of 60;

“SUSS Category 2 Nominated Dependant” means a person, who the SUSS Category 2 Member has given details of to the Trustee (in such form as the Trustee may require), who:-

- (a) is either the opposite or same sex of the SUSS Category 2 Member; and
- (b) who has been living with the SUSS Category 2 Member for at least six months;

“SUSS Category 2 Non-consenting Category B Member” means a SUSS Category 2 Category B Member (and, where applicable, their SUSS Spouse or SUSS Category 2 Dependant claiming through them) who has not consented (or who has not been asked to consent) to the removal of the annual rates of increases set out in Rule 12.4 of Part 2 of Schedule 5 applied or to be applied to their actual or prospective pension in payment and their replacement with the annual rate of increases to be applied to their actual or prospective pension in payment as set out in Rule 12.3 of Part 2 of Schedule 5;

“SUSS Category 2 Normal Pension Age” means:-

- (a) in relation to Pensionable Service completed before 1 October 2000 for both male and female SUSS Category 2 Members the age of 60;
- (b) in relation to Pensionable Service completed on and after 1 October 2000 for both males and female SUSS Category 2 Members the age of 65; and
- (c) in relation to a SUSS Category 2 Mixed NPA Member means the age of 60;

“SUSS Category 2 Pensionable Salary” means basic annual remuneration excluding director’s fees, commission, bonus, overtime and other fluctuating emoluments determined each 1 October;

Provided that:

- (a) SUSS Category 2 Pensionable Salary was determined on the day the SUSS Category 2 Member joined the SUSS Former Scheme and, thereafter, on the first day of each SUSS Scheme Year and remained unaltered until the next SUSS Scheme Year until the date they left Pensionable Service;
- (i) no alteration in SUSS Category 2 Pensionable Salary was permitted to be made within one year of Normal Pension Age; and

- (ii) no further calculations to SUSS Category 2 Pensionable Salary shall be made when the SUSS Category 2 Member left Pensionable Service;

“SUSS Category 2 Pensionable Service” means the pensionable service completed by the SUSS Category 2 Member in the SUSS Former Scheme and means complete years and months;

“SUSS Category 2 Pensioner” means a person who was in SUSS Category 2 Pensionable Service in the SUSS Former Scheme and whose pension has commenced;

“SUSS Category 2 Pre-2000 Benefits” means, in relation to a SUSS Category 2 Mixed NPA Member, the benefits earned by the SUSS Category 2 Mixed NPA Member in respect of SUSS Category 2 Pensionable Service completed prior to 30 September 2000;

“SUSS Category 2 Post-2000 Benefits” means, in relation to a SUSS Category 2 Mixed NPA Member, the benefits earned by the SUSS Category 2 Mixed NPA Member in respect of SUSS Category 2 Pensionable Service completed on and after 1 October 2000;

“SUSS Category 2 Revalued Pensionable Salary” means, in respect of any SUSS Scheme Year of SUSS Category 2 Pensionable Service, the SUSS Category 2 Member’s SUSS Category 2 Pensionable Salary for that SUSS Scheme Year increased in line with the SUSS Retail Prices Index up to a maximum of 5% for each complete year from the start of that SUSS Scheme Year to the date of the SUSS Category 2 Member’s death or the date of the commencement of the SUSS Category 2 Member’s pension (whichever is the earliest);

“SUSS Category 2 Member” means a Member of the SUSS Former Scheme who left Pensionable Service at any time on or after 31 December 1993 and before 31 March 2008, and may be a SUSS Category 2 Deferred Member or a SUSS Category 2 Pensioner;

“SUSS Category 3 Category B Member” means a SUSS Category 3 Member (and, where applicable, any SUSS Spouse, SUSS Category 3 Dependant or SUSS Category 3 Eligible Child claiming through them) who:-

- (d) was in pensionable service on 1 October 1988; or
- (e) who joined the SUSS Former Scheme on or after 1 October 1988 and up to and including 31 December 1993;

“SUSS Category 3 Category C Member” means a SUSS Category 3 Member (and, where applicable, any SUSS Spouse, SUSS Category 3 Dependant or SUSS Category 3 Eligible Child claiming through them) who joined the SUSS Former Scheme on or after 1 January 1994 but before 30 September 2011;

“SUSS Category 3 Consenting Category B Member” means a SUSS Category 3 Category B Member (and, where applicable, their SUSS Spouse or SUSS Category 3 Dependant claiming through them) who consented to the removal of the annual rate of increase set out in Rule 11.4 of Part 3 of Schedule 5 applied or to be applied to their actual or prospective pension in payment and its replacement with the annual rate of increase to be applied to their actual or prospective pension in payment as set out in Rule 11.3 of Part 3 of Schedule 5;

“SUSS Category 3 Deferred Member” means a deferred member of the SUSS Former Scheme under Part 3 of Schedule 5 whose pension has not yet come into payment and, where the context so requires, means a FS Dormant Member under the Main Rules;

“SUSS Category 3 Dependant” means:-

- (a) the SUSS Spouse of the SUSS Category 3 Member at the time of their death and, in the case of a SUSS Category 3 Pensioner, their SUSS Spouse at the time their pension comes into payment;
- (b) any individuals (other than a child of the SUSS Category 3 Member) who, in the opinion of the Trustee were, at the time of the death of the SUSS Category 3 Member, financially dependent on the SUSS Category 3 Member, because of disability or had a financial relationship of mutual dependence with the SUSS Category 3 Member; and
- (c) any children of the SUSS Category 3 Member (including any adopted children) who have not reached the age of 23 or who were dependent on the SUSS Category 3 Member because of disability at the time of their death;

“SUSS Category 3 Earnings Cap” means:-

- (a) prior to 6 April 2006, the permitted maximum as defined in section 590C of the Income and Corporation Taxes Act 1988;
- (b) for the year beginning 6 April 2006, £108,600; and
- (c) for each year beginning on each subsequent 6 April, the amount applicable at the immediately preceding 6 April (but not, where applicable, reduced) in line with the increase in the SUSS Retail Prices Index for the 12 months up to the immediately preceding September and rounded up to the nearest multiple of £600;

“SUSS Category 3 Eligible Child” means any child of the SUSS Category 3 Member who:-

- (a) is under the age of 18; or
- (b) is under the age of 23 and receiving full-time education or training for any trade or profession or vocation approved by the Trustee; or
- (c) was dependent on the SUSS Category 3 Member at the time of their death on account of physical or mental incapacity.

For the purposes of this definition, “child” means any biological child of the SUSS Category 3 Member, any legally adopted child or step-child but not, unless the Trustee otherwise decides, an illegitimate child or a foster child.

Where any SUSS Category 3 Eligible Child has a gap in their period of full-time education or training and that gap does not exceed one academic year payment of any pension to that SUSS Category 3 Eligible Child shall, unless the Trustee decides otherwise, continue during that gap unless and until the SUSS Category 3 Eligible Child decides not to return to full-time education or training at the end of that gap or attains age 23 (whichever is the earliest);

“SUSS Category 3 Final Pensionable Salary” means the annual average of the SUSS Category 3 Member’s SUSS Category 3 Pensionable Salary in any 36 months of SUSS Category 3 Pensionable Service preceding the date on which the SUSS Category 3 Member leaves SUSS Category 3 Pensionable Service.

Provided that:-

- (a) in relation to a SUSS Category 3 Post 89 Member, SUSS Category 3 Final Pensionable Salary shall be subject to and not exceed the SUSS Category 3 Earnings Cap;

- (b) where a SUSS Category 3 Member was in SUSS Category 3 Pensionable Service for less than 36 months their SUSS Category 3 Final Pensionable Salary shall be the annualised average of their SUSS Category 3 Pensionable Salary during their period of SUSS Category 3 Pensionable Service; and
- (c) where a SUSS Category 3 Member for whom SUSS Category 3 Pensionable Service commenced before 1 April 1998 left SUSS Category 3 Pensionable Service before SUSS Category 3 Normal Pension Age, SUSS Category 3 Final Pensionable Salary for and in respect of benefits accrued in respect of SUSS Category 3 Pensionable Service before 1 October 2000 is the greater of SUSS Category 3 Final Pensionable Salary described above and the SUSS Category 3 Final Pensionable Salary that would have applied at SUSS Category 3 Normal Pension Age if the SUSS Category 3 Member had remained in SUSS Category 3 Pensionable Service to SUSS Category 3 Normal Pension Age with no change to in SUSS Category 3 Pensionable Salary;

“SUSS Category 3 Ill-health Condition” means, in relation to a SUSS Category 3 Member, that:-

- (a) the Scheme’s administrator has received medical evidence from a registered medical practitioner that the SUSS Category 3 Member is (and will continue to be) incapable of carrying out the SUSS Category 3 Member’s occupation because of physical or mental impairment; and
- (b) the SUSS Category 3 Member has in fact ceased to carry on the SUSS Category 3 Member’s occupation;

“SUSS Category 3 Mixed NPA Member” means a SUSS Category 3 Member who had continuous SUSS Category 3 Pensionable Service before and after 1 October 2000 unless the SUSS Category 3 Member and their Employer agreed that the SUSS Category 3 Member’s Normal Pension Age is the date on which the SUSS Category 3 Member reaches the age of 60;

“SUSS Category 3 Non-consenting Category B Member” means a SUSS Category 3 Category B Member (and, where applicable, their SUSS Spouse or SUSS Category 3 Dependant claiming through them) who has not consented (or who has not been asked to consent) to the removal of the annual rates of increases set out in Rule 11.3 of Part 3 of Schedule 5 applied or to be applied to their actual or prospective pension in payment as set out in Rule 11.4 of Part 3 of Schedule 5;

“SUSS Category 3 Normal Pension Age” means the date on which the SUSS Category 3 Member reaches the age of 65 or where a SUSS Category 3 Member and their Employer have agreed, the age of 60;

“SUSS Category 3 Pensionable Salary” means the basic fixed annual remuneration together with the annual average of bonuses, commissions, overtime or other fluctuating emoluments received over the previous three years (or such shorter period as they have been receivable) of a SUSS Category 3 Member, and shall comply with the following requirements:-

- (a) SUSS Category 3 Pensionable Salary shall be determined by reference to the SUSS Category 3 Member’s emoluments as at each 1 October (or later date of admission to Pensionable Service in the SUSS Former Scheme) and shall be deemed to have been remain fixed until the next 1 October;
- (b) SUSS Category 3 Pensionable Salary shall be rounded to the nearest complete pound; and

- (c) if an active member of the SUSS Former Scheme entered into a salary sacrifice arrangement with their Employer, any reduction in their SUSS Category 3 Pensionable Salary shall, where their Employer directed, be ignored for the purposes of this definition and the SUSS Category 3 Member's SUSS Category 3 Pensionable Salary is the amount notified to the trustees of the SUSS Former Scheme by their Employer;

"SUSS Category 3 Pensionable Service" means the pensionable service completed by the SUSS Category 3 Member in the SUSS Former Scheme and means complete years and months;

"SUSS Category 3 Pensioner" means a person who was in SUSS Category 3 Pensionable Service in the SUSS Former Scheme and whose pension has commenced;

"SUSS Category 3 Post 89 Member" means a SUSS Category 3 Member who did not have continued rights, as defined in HMRC's Practice Notes on the Approval of Occupational Pension Schemes (IR12) as in force on 5 April 2006;

"SUSS Category 3 Pre-2000 Benefits" means, in relation to a SUSS Category 3 Mixed NPA Member, the benefits earned by the SUSS Category 3 Mixed NPA Member in respect of SUSS Category 3 Pensionable Service completed before 1 October 2000;

"SUSS Category 3 Post-2000 Benefits" means, in relation to a SUSS Category 3 Mixed NPA Member, the benefits earned by the Mixed NRA Member in respect of SUSS Category 3 Pensionable Service completed on and after 1 October 2000;

"SUSS Category 3 Revalued Pensionable Salary" means, in respect of any SUSS Scheme Year of SUSS Category 3 Pensionable Service, the SUSS Category 3 Member's SUSS Category 3 Pensionable Salary for that SUSS Scheme Year increased in line with the SUSS Retail Prices Index up to a maximum of 5% for each complete year from the start of that SUSS Scheme Year to the date of the SUSS Category 3 Member's death or the date of the commencement of the SUSS Category 3 Member's pension (whichever is the earliest);

"SUSS Category 3 Member" means a Member of the SUSS Former Scheme who left SUSS Category 3 Pensionable Service on or after 1 February 2008 and may be a SUSS Category 3 Deferred Member or a SUSS Category 3 Pensioner Member;

"SUSS Retail Prices Index" means the Retail Prices Index (All Items) published by the Office for National Statistics. If the Retail Prices Index stops being published, the Trustee may rely on any other index or measure of inflation as it considers appropriate;

"SUSS Scheme Year" means a calendar year commencing on 1 October;

"SUSS Section" means the section of the Scheme governed by the Rules in the applicable Part of Schedule 5;

"SUSS Spouse" means the person to whom the SUSS Category 1 Member, SUSS Category 2 Member or SUSS Category 3 Member is legally married (including a Civil Partner);

"Total Contributions" means:

- (i) in respect of the FS Section, for any FS Member or FS Pensioner the total of their contributions to the Scheme and to any scheme from which a transfer payment has been received by the Trustees plus (if the Trustees considers it relevant) the Salary Exchange Amount for any period of Non-Contributory Membership, with compound interest up to the date on which the relevant payment is made (save that for the purpose of Rule 23 of Schedule 2 interest shall only accrue up to the date on which the deceased FS Member or FS Pensioner ceased to be a FS Active Member or FS Dormant Member whether by death or otherwise); and

(ii) in respect of any CARE Member or CARE Pensioner, for any such member the total of their contributions to the Scheme and to any scheme or personal pension scheme from which a transfer payment is received by the Trustee plus the Salary Exchange Amount for any period of Non-Contributory Membership, with compound interest up to the date on which the relevant payment is made (save that for the purpose of Rule 20 of Schedule 3 interest shall accrue only up to the date on which the deceased CARE Member or CARE Pensioner ceased to be a CARE Active Member or CARE Dormant Member whether by death or otherwise).

Provided that, in respect of any CARE Member or CARE Pensioner who was also a FS Dormant Member, contributions relating to (i) and (ii) will be administered in accordance with the FS Section and the CARE Section respectively. Contributions under (i) above will not be deemed to be Total Contributions in respect of the CARE Section and (ii) above will not be deemed to be Total Contributions in respect of the FS Section;

"Trivial Commutation Lump Sum Death Benefit" has the same meaning as in paragraph 20 of Schedule 29 of the Finance Act 2004;

"Trustees" means the trustee or trustees of the Scheme for the time being and includes the current Trustee, as defined in the Trust Deed;

"Unauthorised Payment" means an unauthorised payment within the meaning of section 160(5) of the Finance Act 2004;

"University" means the University of Manchester or, provided that Registration is not thereby prejudiced, any corporation, company, firm or other organisation which, upon purchase, amalgamation, re-construction, re-organisation, merger or otherwise, shall have agreed with the Trustee to observe and perform such of the provisions of the Trust Deed and Rules as thereunder to be observed and performed by the University¹⁵; and

"Unpaid Leave" shall mean each of the following:

- (a) Additional Maternity Leave during which no remuneration is paid;
- (b) Additional Adoption Leave during which no remuneration is paid;
- (c) Parental Leave during which no remuneration is paid; and
- (d) Any period of unpaid leave which the Trustees decide will be treated as Unpaid Leave.

¹⁵ **CMS Drafting Note:** Definition changed under 01/10/2004 Deed of Participation.

SCHEDULE 2
Rules of the University of
Manchester Superannuation Scheme

FINAL SALARY RULES

Interpretation Note: This Schedule sets out the Rules which apply to members of the FS Section only. All members of the FS Section are now either FS Pensioners or are FS Dormant Members.

In 2012, FS Active Members were given the option to transfer to the CARE Section. Any FS Active Members in the Scheme as at 31 December 2018 automatically became CARE Active Members on and from 1 January 2019. Consequently, some CARE Active Members will also be FS Dormant Members. Unless otherwise stated in the Rules, CARE Members' benefits are governed under Schedule 3 and any benefits relating to their benefits earned as a FS Active Member are governed under the terms of this Schedule 2.

Membership

1. DEFINITIONS

Defined terms referred to in this Schedule 2 are contained in Schedule 1.

2. ELIGIBILITY

2.1 Any person who is in Qualifying Employ and:

2.1.1 has attained age 18, and

2.1.2 has not attained Normal Pension Age, and

2.1.3 is not contributing to a personal pension,

is immediately eligible to become a FS Member or shall become so eligible so soon as they fulfil those qualifications.

2.2 Unless the Employee specifies otherwise in writing, 3 months after joining the Scheme each Employee will become a Non-Contributory Member (subject always to each FS Member's ability to become a contributory FS Member under Rule 2.3 below).

2.3 FS Members may switch in and out of Non-Contributory Membership at such intervals and on such terms and conditions as the University may decide.

2.4 The University's decision about whether or when or the terms and conditions on which any person is eligible for Non-Contributory Membership shall be final.

2.5 The University may at any time by written notice to the affected FS Members decide that anyone or any group or class of people shall no longer be eligible for or remain in Non-Contributory Membership. Non-Contributory Membership of the relevant Non-Contributory Members shall then cease with effect from the date specified in that notice.

- 2.6 For the avoidance of doubt, a person's Non-Contributory Membership does not in any way affect their ability to opt out of Membership under Rule 4.
- 2.7 Pursuant to the Deed of Amendment dated 20 December 2018, for the avoidance of doubt, no further Members were or are admitted under the FS Section from the 31 December 2018.

3. CONDITION OF EMPLOYMENT

- 3.1 An employee of the University or of a Participator who is eligible to become a FS Member or who subsequently becomes eligible may apply for membership but if they do not apply at their first opportunity they shall become a FS Member only if the Trustees and the University so decide on such terms as the Trustees shall decide PROVIDED THAT such newly appointed employees who are eligible shall be deemed on appointment in the absence of notice to the contrary to be FS Members.

4. MEMBERSHIP

- 4.1 On and from 1 April 2012, no new members were admitted to membership of the FS Section. Certain FS Members were permitted to re-join the FS Section until 31 September 2014 under Rule 2.1 of Schedule 3. The FS Section closed to future accrual from 31 December 2018.
- 4.2 An FS Member was considered to be in membership of the FS Section where they met the criteria under Rule 3 of Schedule 2 and made an application for membership in such form and manner and accompanied by such information as the Trustees required.
- 4.3 Membership in the FS Section continued for so long as benefits rights and options continued to be conferred on the FS Active Member under the Rules and any FS Active Member may have voluntarily withdrawn from membership while they remained eligible upon such terms and conditions as the Trustees decided PROVIDED THAT in the case of a newly appointed employee deemed a FS Active Member under the proviso to Rule 3 of Schedule 2, such employee was entitled to withdraw upon giving notice within three months of appointment whereupon they were deemed never to have been a FS Member.

5. CESSATION OF MEMBERSHIP

- 5.1 Subject to the provisions of this Rule a FS Member shall cease to be a FS Active Member on ceasing to be in Qualifying Employ or on voluntary withdrawal under Rule 4.
- 5.2 If a FS Member is absent from work from their Employer, other than for reasons specified in Rule 5.3 and has not been discharged by the University they shall remain in Membership of the FS Section until they have been discharged or until the University deems there to be no expectation of their return to work or until the expiry of:
 - 5.2.1 in the case of full-time education connected with employment;
 - 5.2.2 secondment to another employer;three years and in any other case one year from the date of their first absence from work, whichever is the earliest.
- 5.3 A FS Member who is absent from work from their Employer because of ill-health or secondment to a United Kingdom Government Department (or work of national importance of like nature) and in any case has not been discharged by the University or a Participator shall be deemed for the purposes of the Rules to remain a FS Member until they are discharged. A Non-Contributory Member who continues to receive FS Pensionable Salary and continues in membership of the

Salary Exchange Arrangement as it relates to pension contributions in the FS Section, shall continue to have contributions paid by the University in accordance with Rule 7.6.

- 5.4 On a FS Member's return to work following a period of absence pursuant to Rule 5.2 or Rule 5.3 if any FS Member contributions which are outstanding for the period of absence are not paid, the Trustees may reduce the benefits payable in respect of the FS Member by such amount as they determine, having regard to the period of absence.
- 5.5 Where absence is due to ill-health no increase in the amount of death in service benefit in respect of the FS Member shall take effect during the period of absence.
- 5.6 If a FS Member's absence from work is due to a reason covered by any of Rules 5.7 to 5.13 they shall be dealt with in accordance with the relevant provisions of those rules.
- 5.7 If a FS Member is absent from work for a period of Paid Leave, the period of absence is FS Pensionable Service on the following basis:
 - 5.7.1 the FS Member (other than a Non-Contributing Member) need pay contributions only on actual remuneration received (falling within the type of remuneration constituting FS Pensionable Salary) but not exceeding Notional Pensionable Salary;
 - 5.7.2 the period of absence is FS Pensionable Service on the basis that the Member's benefits are based on Notional Pensionable Salary; and
 - 5.7.3 Rule 17 continues to apply, with the lump sum under Rule 17.1.1 based on Notional Pensionable Salary.
- 5.8 If a FS Member is absent on Parental Leave during which remuneration is paid, the period of absence is FS Pensionable Service on the following basis:
 - 5.8.1 the FS Member (other than a Non-Contributing Member) need pay contributions only on actual remuneration received by way of contractual remuneration or statutory pay during the period of Parental Leave during which remuneration is paid; and
 - 5.8.2 the period of absence is FS Pensionable Service on the basis that the Member's benefits are based on Notional Pensionable Salary; and
 - 5.8.3 Rule 17 continues to apply with the lump sum under Rule 17.1.1 based on Notional Pensionable Salary.
- 5.9 If a FS Member is absent from work for a period of Unpaid Leave the period of absence is not FS Pensionable Service but the FS Member remains a FS Member for the purposes of the payment of a lump sum under Rule 17.1 only. That benefit is based on the FS Member's Notional Pensionable Salary.
- 5.10 If a FS Member, after a period of Unpaid Leave, exercises the right to return to work, they may have any part of their Unpaid Leave treated as FS Pensionable Service. To do this, the FS Member must pay the contributions which they would have paid based on Notional Pensionable Salary for that period of Unpaid Leave which is to be treated as FS Pensionable Service.
- 5.11 If a FS Member informs the Employer that they do not intend to return to work, or loses the right to do so or does not in fact return to work, their FS Membership ends on:
 - 5.11.1 subject to 5.11.2 below, the day the FS Member stops receiving statutory maternity, adoption leave or paternity pay or contractual remuneration;

- 5.11.2 in the case of unpaid Parental Leave, unpaid Additional Maternity Leave or unpaid Additional Adoption Leave, the day when that period of leave ended for the purposes of the Employment Rights Act 1996.
- 5.12 Eligibility for the payment of a lump sum under Rule 17 ends on the earlier of:
 - 5.12.1 the day on which the University or Participator is informed that the Member does not intend to return to work; and
 - 5.12.2 the day on which the Member loses the right to return to work, but not before the day in Rule 5.11.1.
- 5.13 If a FS Member returns to work for the University or Participator following a period of Unpaid Leave without their FS Membership having terminated, such Unpaid Leave shall not be treated as causing a break in their FS Pensionable Service for the purposes of:
 - 5.13.1 calculating FS Final Pensionable Salary; or
 - 5.13.2 calculating whether they are entitled to benefits under Rule 8, notwithstanding that the period of absence on Unpaid Leave is not itself FS Pensionable Service.

6. PART-TIME MEMBERSHIP

- 6.1 Where a FS Member has a period of Service which is Part-Time Service then the following provisions shall apply:
 - 6.1.1 If the whole of their Service as a FS Member is Part-Time Service and their Part-Time Service Fraction was constant throughout their period of membership of the Scheme then their Pensionable Service shall be calculated on the basis of their number of years of Part-Time Service and their FS Final Pensionable Salary.
 - 6.1.2 If a FS Member has had a period of Part-Time Service but at the time of termination of employment with the University or any Participator they are in Full-Time Service then in respect of their Part-Time Service their FS Pensionable Service shall be calculated by multiplying the number of years of Part-Time Service by the Part-Time Service Fraction.
 - 6.1.3 Where a Member is at termination of employment with the University or any Participator in Part-Time Service and has had a prior period of Full-Time Service or Part-Time Service to which a different Part-Time Service Fraction applies then:
 - (a) their Pensionable Service shall be calculated in accordance with Rule 6.1.2 above;
 - (b) if they retire on the grounds of ill-health or infirmity under Rule 10 and they transferred from Full-Time Service to Part-Time Service either as the result of ill-health or infirmity (notified to the Trustees at the time) the additional years of Pensionable Service to be credited to them under Rule 10 shall not be multiplied by the Part-Time Service Fraction;
 - (c) on retirement on the grounds of ill-health or infirmity where the provisions of Rule 6.1.3(b) do not apply the additional years of Pensionable Service which would have been credited to the FS Member under Rule 10 if they had been retiring on the grounds of ill-health or infirmity while in Full-Time Service shall be multiplied by the Part-Time Service Fraction to arrive at the additional FS Pensionable Service to be credited to them;

- (d) their FS Final Pensionable Salary shall in all cases be calculated by dividing their FS Pensionable Salary in respect of their Part-Time Service by the appropriate Part-Time Service Fraction.
- 6.1.4 If the FS Member has periods of Part-Time Service in respect of which different Part-Time Service Fractions have applied then their FS Pensionable Service shall be calculated separately in respect of each such period of Part-Time Service in accordance with Rule 6.1.2 above provided that if they are in Part-Time Service at termination of Service Rule 6.1.3(d) above shall apply for the purpose of calculating their FS Final Pensionable Salary.

Members' Contributions

7. CONTRIBUTIONS IN RESPECT OF FS ACTIVE MEMBERS

- 7.1 Subject to the provisions of this Schedule 2, every FS Active Member (except for Non-Contributory Members) shall pay contributions to the Scheme by deduction from their remuneration from the University or Participator or by such other means as the Trustees in their discretion decide equal in amount to seven and a half¹⁶ per cent of their FS Pensionable Salary until they attain Normal Pension Age or until they have completed 40 years' FS Pensionable Service (or as otherwise agreed with the Member by both the Trustee and University).whichever is the earlier PROVIDED THAT:
 - 7.1.1 a FS Member who with the University's consent retires after Normal Pension Age shall continue to pay contributions at the rate hereinbefore provided until retirement, until they have completed 40 years' FS Pensionable Service (or as otherwise agreed with the Member by both the Trustee and University), whichever is the earlier;
 - 7.1.2 if it appears to the Trustees that the amount of the contributions payable by a FS Member under the provisions of this Rule are greater than those appropriate to the Maximum Benefit the contributions payable by them thereafter shall be of such amount as the Trustees acting on the advice of the Actuary determine.
- 7.2 Non-Contributory Members shall not pay ordinary member contributions to the Funds under the rule whilst they are Non-Contributory Members. This does not affect their ability to pay additional voluntary contributions in accordance with Rule 7.4.
- 7.3 If a FS Member has joined the Additional Leave Scheme, the FS Member's FS Pensionable Salary for the purposes of calculating the FS Member's contribution under Rule 7.1 may be subject to an election as follows:
 - 7.3.1 the FS Member may elect that the contribution under Rule 7.1 will be calculated with reference to FS Pensionable Salary as defined (and in particular, the notional figure for members of the Additional Leave Scheme as set out in part (e) of the definition of FS Pensionable Salary);
 - 7.3.2 if the FS Member does not make an election under Rule 7.3.1 above, then the FS Member's FS Pensionable Salary for the purposes of the FS Member's contributions to the Scheme under Rule 7.1 above will be calculated as if part (e) in the definition of FS Pensionable Salary did not apply, but instead as if that part (e) referred to the actual

¹⁶ **CMS Drafting Note:** Change from 5% to 6.25% - 01/08/2007 Deed of Amendment. Change from 6.25% to 7.5% - 27/03/2012 Deed of Amendment.

basic rate of pay the Member receives. For the avoidance of doubt, all other parts of the definition of FS Pensionable Salary apply unamended.

- 7.4 The Trustees may in their absolute discretion agree with a FS Member (including a Non-Contributory Member) that such FS Member shall pay additional contributions to the Scheme during such period as may be specified and that in consideration thereof additional benefits shall be provided for or in respect of such FS Member under the Scheme and to which such FS Member shall become entitled on retirement at Normal Pension Age or later (with entitlement to a due proportion on early retirement or on leaving Qualifying Employ) and every such agreement shall constitute an obligation of the FS Member to contribute accordingly PROVIDED THAT:
- 7.4.1 such additional contributions may be suspended varied or terminated upon the FS Member giving to the Trustees such written notice (not exceeding twelve months) as the Trustees may from time to time require;
 - 7.4.2 left intentionally blank¹⁷;
 - 7.4.3 the benefits secured by additional contributions shall be in such form as may be agreed between the Trustees and the FS Member at the time when the additional contributions commence or from time to time thereafter and provided that the value of such benefits shall be reasonable having regard to the advice of the Actuary and to the amount of the additional contributions and the value of other benefits under the Scheme;
 - 7.4.4 the benefits secured by additional contributions shall not be taken into account for the purpose of calculating as a proportion of a FS Member's pension the amount of any other benefits payable to or in respect of the FS Member under the Scheme except to the extent that such benefits are purchased or deemed to be purchased by the additional contributions; and
 - 7.4.5 the total benefit in respect of any FS Member (including additional benefits provided hereunder) shall not exceed the Maximum Benefit.
- 7.5 As an alternative to the provision of additional benefits under the Scheme pursuant to Rule 7.4 but subject to the provisos in Rules 7.4.1 and 7.4.4 the Trustees may with the agreement of the FS Member invest the additional contributions in a policy effected with an Insurance Company or account with a building society under which benefits are allocated to individual FS Members or their Main Scheme Dependants and Clause 14.2 of the Trust Deed shall not apply to the policy or account or the benefits intended to be secured thereunder in the event of a winding-up but instead the policy or account shall be applied exclusively for the benefit of the Members concerned and their Main Scheme Dependants and in satisfaction of their rights to additional benefits hereunder. For the avoidance of doubt any policy effected with an Insurance Company or account with a building society may be assigned by the Trustee into the Member's name with or without the consent of the Member¹⁸.

Employers' Contributions in respect of Salary Exchange and Additional Leave¹⁹

- 7.6 The University shall contribute to the Fund the Salary Exchange Amount in respect of each of its own Non-Contributory Members for each month that they are Non-Contributory Members.
- 7.7 If a FS Member who has joined the Additional Leave Scheme makes an election under Rule 7.3 the FS Member will also be required to pay in full that part of the University's contributions which

¹⁷ **CMS Drafting Note:** Proviso (b) deleted via 08/06/2022 Deed of Amendment.

¹⁸ **CMS Drafting Note:** Last sentence added under Deed of Amendment dated 23 May 2023

¹⁹ **CMS Drafting Note:** Insertions to rule 8.4 following 26/02/2009 Deed of Amendment.

would otherwise have been paid on the difference between that higher notional salary and the amount actually received by the FS Member (including any amounts calculated under Rule 7.6).

8. PENSIONS ON RETIREMENT AND WITHDRAWAL

- 8.1 A New Member who retires at Normal Pension Age shall forthwith be paid a pension for life equal annually to one-eightieth of their FS Final Pensionable Salary at the date of leaving FS Pensionable Service subject to Rule 8.4 for every year and so in proportion for each day in an incomplete year of their FS Pensionable Service up to a maximum of 40 such years (or as otherwise agreed with the Member by both the Trustees and the University).
- 8.2 An Old Member who retires at Normal Pension Age shall forthwith be paid a pension for life equal annually to one-sixtieth of their FS Final Pensionable Salary at the date of leaving FS Pensionable Service subject to Rule 8.4 for every year and so in proportion for each day in an incomplete year of their FS Pensionable Service up to a maximum of 40 such years (or as otherwise agreed with the Member by both the Trustees and the University).
- 8.3 No pension payable under the provisions of this Rule shall exceed the Maximum Benefit or be less after the date when the FS Member attains Normal Pension Age than the Minimum Pension.
- 8.4 This Rule 8 must be interpreted to comply with the requirements of the Deed of Amendment dated 20 December 2018 which, for the avoidance of doubt, broadly provided that for all FS Active Members on 31 December 2018:
 - 8.4.1 Subject to Rule 8.4.2, no further defined benefits shall accrue under this Rule 8 of the FS Section and FS Pensionable Salary and FS Final Pensionable Salary shall be calculated as at the 31 December 2018;
 - 8.4.2 A FS Active Member who was paying additional contributions under Rule 7.4 of the FS Section to provide defined benefits or who transferred benefits into the Scheme to provide additional FS Pensionable Service (the “**Additional Benefit**”) shall continue to have the Additional Benefit calculated by reference to their FS Final Pensionable Salary.

Equalising FS Active Members’ benefits on retirement for the effect of the Barber decision

- 8.5 Any benefits calculated in accordance with the provisions of this Rule are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

9. LATE RETIREMENT

Late retirement for FS Active Members

- 9.1 FS Active Membership was no longer possible after 31 December 2018 and so these Rules 9.1 and 9.2 are retained for historical perspective only. A FS Active Member who with the University’s consent retires after Normal Pension Age shall on retirement forthwith be paid a pension for life equal to the greater of the following namely:
 - 9.1.1 a pension calculated as if the FS Active Member had left the service of the University at Normal Pension Age but increased by nine per cent per annum for each year of deferment after Normal Pension Age. In applying this increase allowance shall be made for completed months of deferment and if the deferment extends beyond five years the FS Member’s consent shall be required and a special calculation shall be made, acting on the advice of the Actuary but the amount payable in respect of such deferment shall not be less than the increased amount before-mentioned in this paragraph, and

9.1.2 a pension calculated under whichever is appropriate of Rules 8.1 and 8.2 but based on their FS Pensionable Service increased by their Qualifying Employ after Normal Pension Age.

9.2 No pension payable under the provisions of this Rule shall exceed the Maximum Benefit or be less than the Minimum Pension.

Late retirement for FS Dormant Members

9.3 Late retirement for FS Dormant Members is governed by Rule 12.8 of Schedule 2.

Equalising FS Active Members' benefits on late retirement for the effect of the Barber decision

9.4 Any benefits calculated in accordance with the provisions of this Rule 9 are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

10. ILL-HEALTH RETIREMENT

FS Active Members

10.1 A FS Active Member who has contributed to the Scheme for not less than five years who retires because in the opinion of the Trustees they are totally incapacitated by reason of physical or mental infirmity thereupon shall be paid subject to the provisions of Rules 10.4 and 10.5 a pension for life calculated by whichever is appropriate of Rules 8.1 and 8.2 but on the basis of the FS Pensionable Service which they could have completed had they remained in Qualifying Employ until Normal Pension Age up to a maximum of 40 years (or as otherwise agreed with the Member by both the Trustees and the University) PROVIDED THAT no pension payable under the provisions of this Rule shall exceed the Maximum Benefit or be less after the date when the FS Member attains Normal Pension Age than the Minimum Pension.

FS Dormant Members who are CARE Active Members with more than 5 years' Scheme membership

10.2 A FS Dormant Member who:

10.2.1 was in FS Pensionable Service on 31 March 2012 and was admitted as a CARE Active Member at any point from 1 April 2012 to before the CARE Effective Date in accordance with Rule 2.1 of the CARE Rules and who remains a CARE Active Member, or

10.2.2 who was in FS Pensionable Service on 31 December 2018 and who was admitted as a CARE Active Member with effect on and from 1 January 2019 and who remains a CARE Active Member, and

10.2.3 has contributed to the Scheme for not less than five years (including to the CARE Section) who retires because in the opinion of the Trustees they satisfy the Ill-health Condition thereupon shall be paid subject to the provisions of Rules 10.4 and 10.5 a pension for life calculated by whichever is appropriate of Rules 8.1 and 8.2 but on the basis of FS Pensionable Service under the FS Section only. For the avoidance of doubt a pension payable in accordance with this Rule 10.2 shall not be reduced for early payment.

FS Dormant Members who are CARE Active Members with less than 5 years' Scheme membership

- 10.3 A FS Dormant Member who:
- 10.3.1 was in FS Pensionable Service and was accruing benefits under the FS Section on 31 December 2018 and who was admitted as a CARE Active Member with effect on and from 1 January 2019;
 - 10.3.2 who remains a CARE Active Member; and
 - 10.3.3 has contributed to the Scheme for less than five years (including to the CARE Section) and who retires because in the opinion of the Trustees they satisfy the Ill-health Condition thereupon shall be paid subject to the provisions of Rules 10.4 and 10.5 a pension for life calculated by whichever is appropriate of Rules 8.1 and 8.2 but on the basis of FS Pensionable Service under the FS Section only. For the avoidance of doubt a pension payable in accordance with this Rule 10.3 shall be reduced for early payment by such amount as certified as reasonable by the Actuary.²⁰
- 10.4 A FS Member who retires under the provisions of Rule 10 shall give to the Trustees from time to time such evidence as the Trustees require of their continued incapacity.
- 10.5 If a FS Member who having retired under the provisions of Rule 10 is unable to satisfy the Trustees of their continued incapacity they shall receive no further pension payments until they attain Normal Pension Age and their pension thereafter shall be of such amount as the Trustees acting on the advice of the Actuary decide not being greater than the Maximum Benefit or less after the FS Member attains Normal Pension Age than the pension calculated on the basis of Rule 12.1.

Ill-health retirement for FS Dormant Members

- 10.6 Ill-health retirement for FS Dormant Members who are not CARE Active Members is provided for in Rule 12.12 of Schedule 2.

11. EARLY RETIREMENT

- 11.1 A FS Active or FS Dormant Member who has contributed to the Scheme (including contributions into the FS Section and into the CARE Section) for not less than 5 years and retires at or after attaining Normal Minimum Pension Age, may, at the discretion of the Trustees (subject to Rule 11.7 and to the extent such discretion is not overridden by equality laws), be paid a pension for life of an amount calculated in accordance with Rule 8.1 provided that:-
- 11.1.1 if an FS Active Member attained the age of 55 as at 1 April 2012 and their pension commenced payment on or after reaching age 60, no early payment reduction will be applied to all of the pension attributable to FS Pensionable Service despite being paid before Normal Pension Age;
 - 11.1.2 if an FS Active Member attained the age of 55 as at 1 April 2012 and their pension commenced payment before they have reached age 60, all of the pension attributable to FS Pensionable Service will be reduced on a basis certified as reasonable by the Actuary for the period of early payment prior to the FS Member reaching age 60. For the avoidance of doubt, the pension attributable to FS Pensionable Service on and from 1

²⁰ CMS Drafting Note: Rule 11.1 added under Deed of Amendment dated 23 May 2023.

April 2012 will be reduced for early payment only to age 60 despite Normal Pension Age being age 65 for this period; or

- 11.1.3 if an FS Active Member had not attained the age of 55 as at 1 April 2012 all of the pension attributable to FS Pensionable Service will be reduced on a basis certified as reasonable by the Actuary:-
- (a) for the period of early payment prior to the FS Member reaching age 60; and
 - (b) in respect of pension attributable to FS Pensionable Service on and from 1 April 2012 for early payment prior to Normal Pension Age with an allowance made for complete months;
- 11.2 The Trustees shall notify the FS Active or FS Dormant Member of the amount of the reduced pension to which they will be entitled under Rule 11.1 and the FS Active or FS Dormant Member shall thereupon have twenty-eight days within which to accept such reduced pension. In default of acceptance the FS Active or FS Dormant Member shall be granted a deferred pension under the provisions of Rule 12.
- 11.3 A FS Active²¹ or FS Dormant Member who has contributed to the Scheme (including contributions into the FS Section and into the CARE Section) for not less than 40 years and retires at or after attaining age 58 (with in the case of retirement before attaining age 60 the consent of the University) shall forthwith be paid a pension for life of an amount calculated by Rule 8 (as appropriate) and without the reduction provided for in Rule 11.1.
- 11.4 The value of any pension payable under this Rule taken together with any other benefit payable under Rule 14 shall to the reasonable satisfaction of the Trustees reflect the revaluation to Normal Pension Age that the reduced benefits would have attracted if they had been provided at Normal Pension Age.
- 11.5 A FS Active Member who has contributed to the Scheme (including but not limited to the CARE Section) for less than 5 years and retires at or after attaining Normal Minimum Pension Age, may, at the discretion of the Trustees, be paid a pension for life of an amount calculated in accordance with Rule 8.1 provided that such pension shall be reduced on a basis certified as reasonable by the Actuary.

Early retirement for FS Dormant Members

- 11.6 Early retirement for FS Dormant Members is governed by Rule 12.10 of Schedule 2 unless the Trustees determine Rule 11.1 of Schedule 2 shall apply.
- 11.7 **Equalisation – Members who joined the membership of the Scheme before 25 February 1992**
- 11.7.1 This Rule 11.7 shall apply in relation to a FS Member who joined the membership of Scheme before 25 February 1992.
- 11.7.2 For the purposes of Rule 11 (Early Retirement):
- (a) Normal Pension Age was equalised to age 65 as between male and females with effect on and from 25 February 1992;
 - (b) for FS Members with benefits attributable to FS Pensionable Service from 17 May 1990 to 24 February 1992 (the “**Barber Window**”) the consent of the

²¹ Rule 11.3 deleted reference to ‘male’ Member to comply with equality laws

Trustees will not be required to commence payment of their benefits under the Scheme if the FS Member has reached age 60; and

- (c) the benefits payable to an FS Member in respect of FS Pensionable Service during the Barber Window shall be on a basis determined by the Trustees on the advice of the Actuary.

12. CONTRIBUTION REFUND OR DEFERRED PENSION

- 12.1 Subject to the provisions of this Rule a FS Active Member who has completed two years' Qualifying Employ (such period of two years to be calculated for this purpose only, to include any period for which a transfer payment was received under the provisions of Clause 17.4 or otherwise) and to whom on ceasing to be a FS Active Member no pension is granted under the other provisions of these Rules on the date they cease to be a FS Active Member shall be entitled to a deferred pension commencing at Normal Pension Age or the date on which they would have contributed to the Scheme for 40 years if earlier calculated on the basis of whichever is appropriate of Rules 8.1 and 8.2 PROVIDED THAT:
 - 12.1.1 no pension payable under the provisions of this Rule shall exceed the Maximum Benefit or be less after the date when the FS Member attains Normal Pension Age than the Minimum Pension; and
 - 12.1.2 benefits payable under the provisions of this Rule shall if necessary be increased so that their value will to the reasonable satisfaction of the Trustees exceed or compare reasonably with the amount of the contributions paid by the FS Member to the scheme and not refunded.
- 12.2 A FS Active Member who becomes entitled to a deferred pension under Rule 12.1 of this Rule before 28th February 1991²² may elect to take a refund of any contributions paid by them to the Scheme before 6th April 1975 with interest up to the date upon which they cease to be a FS Active Member PROVIDED THAT in the event of the FS Active Member taking such refund of contributions the deferred pension shall be calculated by excluding FS Pensionable Service before 6th April 1975.
- 12.3 A FS Active Member who does not become entitled to a deferred pension under Rule 12.1 may elect in writing either:
 - 12.3.1 to receive a deferred pension equal to the Minimum Pension payable at Normal Pension Age together with a sum equal to any balance remaining of their Total Contributions less such amount as the Trustees acting on the advice of the Actuary decide to be equitable having regard to their deferred pension and also less an amount equal to that for which the Trustees are liable to HMRC upon making such payment; or
 - 12.3.2 to be granted a deferred pension commencing at Normal Pension Age of such amount as is certified by the Actuary to be equivalent in value to their Total Contributions; or
 - 12.3.3 to receive a deferred pension commencing after Normal Pension Age calculated in accordance with Rule 8.1 or Rule 8.2 and the amount of the pension so calculated shall be increased on a basis certified as reasonable by the Actuary²³;

²² CMS Drafting Note: February date inserted via 19/02/1999 Supplemental Trust Deed

²³ CMS Drafting Note: Para (c) added via 08/06/2022 Deed of Amendment.

PROVIDED THAT no pension payable under the provisions of this Rule shall exceed the Maximum Benefit or be less in value than the Minimum Pension up to the FS Member's Normal Pension Age.

- 12.4 If a FS Active Member fails to make an election under the provisions of Rule 12.3 they shall be deemed to have exercised the option under Rule 12.3.1.
- 12.5 If a FS Active Member elects to receive a deferred pension under Rule 12.3.2 the Trustees may with the approval of the University and acting on the advice of the Actuary apply a further sum in respect of the FS Member's interest in the Scheme to increase the amount of the deferred pension prescribed by that paragraph.
- 12.6 A FS Active Member who is granted a deferred pension under the provisions of this Rule shall thereupon become a FS Dormant Member until the deferred pension becomes payable and thereafter shall become a FS Pensioner and the value of any pension payable under this Rule taken together with that of any other benefit payable under Rule 14 shall to the reasonable satisfaction of the Trustees reflect the revaluation to Normal Pension Age that the deferred benefits would have attracted had they been provided at Normal Pension Age.

Equalising FS Dormant Members' benefits on normal retirement for the effect of the Barber decision

- 12.7 Any benefits calculated in accordance with the provisions of Rules 12.1 to 12.6 are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

Late retirement for FS Dormant Members

- 12.8 A FS Dormant Member may elect to receive a deferred pension commencing after Normal Pension Age calculated in accordance with Rule 8.1 and Rule 8.2 and the amount of the pension so calculated shall be increased on a basis certified as reasonable by the Actuary.

Equalising FS Dormant Members' benefits on late retirement for the effect of the Barber decision

- 12.9 Any benefits calculated in accordance with the provisions of this Rule 12.8 are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

Early retirement for FS Dormant Members

- 12.10 A FS Dormant Member who retires at or after attaining Normal Minimum Pension Age may, at the discretion of the Trustees, forthwith be paid a pension for life calculated as appropriate in accordance with the provisions of this Rule reduced by such amount as shall be certified as reasonable by the Actuary PROVIDED THAT:-
 - (i) no reduction shall apply in relation to FS Pensionable Service accrued before 1 April 2012 in the case of FS Dormant Members who retire at or after attaining age 60 with more than five years' Pensionable Service;
 - (ii) the pension before Normal Pension Age shall be further reduced if necessary and the pension after Normal Pension Age increased on a basis which has been certified as reasonable by the Actuary in order to ensure that the pension is not less in value than the Minimum Pension²⁴.

²⁴ CMS Drafting Note: Rule 13.7 replaced via 08/06/2022 Deed of Amendment.

Equalising FS Dormant Members' benefits on early retirement for the effect of the Barber decision

- 12.11 Any benefits calculated in accordance with the provisions of this Rule 12.10 are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

Ill-health retirement for FS Dormant Members

- 12.12 A FS Dormant Member who retires because in the opinion of the Trustees they satisfy the Ill-health Condition thereupon shall be paid subject to the provisions of Rules 10.4 and 10.5 a pension for life calculated in accordance with Rule 12.1 but on the basis of FS Pensionable Service only and reduced for early payment by such an amount as certified as reasonable by the Actuary²⁵.

Equalising FS Dormant Members' benefits on ill-health retirement for the effect of the Barber decision

- 12.13 Any benefits calculated in accordance with the provisions of this Rule 12.12 are subject to the provisions of Rule 11.7 (Equalisation – Members who joined the Scheme before 25 February 1992).

Revaluation of FS Dormant Members' benefits

- 12.14 In respect of a FS Dormant Member the amount of the deferred pension provided under this Rule in excess of any Guaranteed Minimum Pension together with that of the lump sum provided under Rule 14 shall be apportioned in the ratio that FS Pensionable Service completed after 31st December 1984 bears to total FS Pensionable Service and:

- 12.14.1 the resultant proportion attributable to FS Pensionable Service completed after 31st December 1984 shall be increased during the period from the date upon which the FS Member became a FS Dormant Member until Normal Pension Age by the lesser of:

- (a) 5% compound per annum; and
- (b) the rise in the Retail Prices Index,

PROVIDED THAT the accrued increases on the aforesaid part of the deferred pension and lump sum will be adjusted if necessary at the date that payment commences to any appropriate level determined for this purpose by order regulation or statute.

- 12.14.2 Any pension in excess of any Guaranteed Minimum Pension which in accordance with the apportionment provisions of this Rule 12.14 do not fall to be revalued in accordance with the preceding provisions of this Rule 12.14 will be revalued:

- (a) in accordance with the Retail Prices Index capped at 5% per annum in relation to FS Pensionable Service completed to 31 March 2012; and
- (b) in accordance with the Consumer Prices Index capped at 5% per annum in relation to FS Pensionable Service completed on and from 1 April 2012²⁶.

²⁵ CMS Drafting Note: Rule 13.7A added under Deed of Amendment dated 23 May 2023.

²⁶ CMS Drafting Note: Additional proviso at the end of Rule 13.8 inserted by Deed of Amendment dated 27 March 2012.

12.14.3 The proportion of a FS Member's benefits which relate to FS Pensionable Service accrued before 1 January 1985 shall, pursuant to an augmentation, be revalued on the same basis as set out in Rule 12.14.¹²⁷.

13. FLEXIBLE RETIREMENT

- 13.1 The University or Participator may (but need not) direct the Trustee to offer any one or more of the following options set out in this Rule 13 or any combination of them to a FS Member or group of FS Members providing that doing so does not authorise the Trustee to make an Unauthorised Payment and the Trustee are able to do so without infringing the preservation, revaluation or Contracting-out Laws of the Pension Schemes Act 1993 or section 255 of the Pensions Act 2004.
- 13.2 The option for the FS Active Member and FS Dormant Member to become entitled without leaving Service to immediate payment of all or part of the pension that would otherwise become payable under the Scheme if the FS Member had left Service on such terms as are determined by the University or Participator. The FS Active Member shall cease to be in FS Pensionable Service on the day immediately before the date on which the pension comes into payment and shall be treated for all purposes as a FS Pensioner.
- 13.3 The option for the FS Active Member, after exercising the option in Rule 13.2, to continue in Pensionable Service on terms (including terms as to contributions, death in service and retirement benefits) determined by the University or Participator.
- 13.4 Any other flexible payment option (i.e. any option for a FS Member to take their benefits in stage and / or continuing in Service, consistent with the pension rules and the lump sum rules in sections 165 and 166 of the Finance Act) on such terms as are determined by the University or Participator.
- 13.5 If a FS Member wishes to exercise one or more of these options after it has been offered by the Trustee they must notify the Trustee of the election in a form acceptable to them and by the date specified by the Trustee.²⁸

14. LUMP SUMS ON RETIREMENT OR WITHDRAWAL

- 14.1 A New Member who is a FS Active or FS Dormant Member who retires at or after Normal Pension Age or who is granted a pension under the provisions of Rule 11.3 shall be granted a lump sum benefit equal to three-eighths of their FS Final Pensionable Salary for every year and so in proportion for each day in an incomplete year of their FS Pensionable Service up to a maximum of 40 such years or as otherwise agreed with the Member by both the Trustees and the University.
- 14.2 A New Member who becomes a FS Dormant Member and is entitled to a deferred pension under the provisions of Rule 12.1 shall be granted a lump sum payable at Normal Pension Age calculated as set out in Rule 14.1. Any former New Member who became a FS Dormant Member shall be entitled to a lump sum on attaining Normal Pension Age of such amount as the Trustees acting on the advice of the Actuary decide to be equitable.
- 14.3 A New Member who is a FS Active Member who is granted a pension under the provisions of Rule 10 shall upon their retirement be granted a lump sum calculated by the method prescribed by Rule 14.1 above but:

²⁷ **Interpretation Note:** The Trustee requested and the University consented to an augmentation in respect of providing revaluation on pre-1985 benefits on the same basis as post 1985 benefits.

²⁸ **CMS Drafting Note:** Flexible Retirement Rule 13A inserted by 27/03/2012 Deed of Amendment.

- 14.3.1 for a FS Active who has contributed to the Scheme for not less than 5 years, on the basis of the FS Pensionable Service which they would have completed had they remained a FS Member until their Normal Pension Age up to a maximum of 40 such years or as otherwise agreed with the FS Member by both the Trustees and the University; or
- 14.3.2 for a FS Active Member who has contributed to the Scheme for less than 5 years, on the basis set out at Rule 14.1.
- 14.4 A New Member who is a FS Active Member who is granted a pension under the provisions of Rule 11 shall upon retirement be granted a lump sum calculated by the method prescribed by Rule 14.1 hereof and reduced by such amount as the Trustees, having regard to the requirements of Rule 11 and acting on the advice of the Actuary, decide to be equitable having regard to the period between their Normal Pension Age and the date of their retirement.
- 14.5 A FS Dormant Member who was a New Member and who is granted an immediate pension under the provisions of Rule 12.10 shall upon retirement be granted a lump sum calculated by the method prescribed by Rule 14.4 hereof but subject to such further reduction as the Trustees, having regard to the requirements of Rule 11 (if applicable) and acting on the advice of the Actuary consider equitable.
- 14.6 No lump sum payable under this Rule shall exceed the Maximum Benefit.
- 14.7 The Trustees may determine to pay to a FS Dormant Member any of the benefits provided for under Clause 8 (Finance Act 2004 Requirements) and Clause 5 (Payment of Benefits). Any lump sum payable under this Rule 14 shall be reduced if necessary and the benefit payable after Normal Pension Age increased on a basis which has been certified as reasonable by the Actuary in order to ensure that the pension is not less than the Minimum Pension.

Trivial commutation

- 14.8 Trivial commutation may be paid pursuant to Clause 5.4 of the Trust Deed.

Commutation in the case of serious ill-health

- 14.9 In exceptional circumstances of serious ill-health the whole of the FS Member's or FS Dormant Member's pension under the Scheme may at the discretion of the Trustees be commuted for a lump sum which has been certified as reasonable by the Actuary²⁹.

15. CONVERSION

- 15.1 A married Old Member who retires or ceases to be a FS Member under the provisions of any of Rules 8, 9, 10, 11, 12 may with the consent of the Trustees by giving notice in writing to the Trustees within two months before Normal Pension Age elect to receive in lieu of the pension otherwise payable to them a pension of less amount in order that a pension shall be provided for their widow of such amount being not greater than the pension which would otherwise have been payable to them.
- 15.2 An election made by the Old Member under Rule 15.1 shall be null and void as though it had never been made if the Old Member's wife dies before they retire and otherwise shall be irrevocable.
- 15.3 Each application to elect referred to in Rule 15.1 hereof shall be accompanied by such evidence of the age of the Old Member's wife and of their marriage as is satisfactory to the Trustees. The Old Member and their wife (if they consent) shall then be medically examined by a doctor

²⁹ CMS Drafting Note: 14.8(b) replaced via 10/01/2007 Deed of Amendment.

appointed for the purpose by the Trustees. The application shall thereafter be referred to the Actuary who shall report to the Trustees on the appropriate pension for the Old Member and for the widow. If on receipt of the Actuary's report the Trustees consider that a suitable offer can be made they shall send to the Old Member a written statement of the terms offered and the Old Member shall be allowed fourteen days from the date of the statement to inform the Trustees in writing which if any they select.

- 15.4 If at the retirement of a member there is subsisting a valid election under Rule 15.1 they shall be paid the pension they have selected and on their death their wife if they survive shall be paid the pension so selected referred to in Rules 15.1 and 15.3 hereof.

16. OLD MEMBERS' OPTION

- 16.1 An Old Member who so elected in writing to the Bursar of the University on or before certain specified dates shall in lieu of the benefits prescribed by Rule 8.2 be granted upon the happening of the events therein prescribed the benefits prescribed by Rules 8.1, 12 and 20 and if they have exercised such an option the same shall be irrevocable.
- 16.2 The benefits payable under Rule 12 to an Old Member who has exercised an option referred to in Rule 16.1 shall be increased by one-half of one per cent for each year of their Pensionable Service and so in proportion for each day in each incomplete year of such service prior to 1st August 1962.

Death Benefits

17. DEATH OF FS ACTIVE MEMBER

- 17.1 On the death of a FS Active Member before retirement there shall be paid:
- 17.1.1 under the provisions of Rule 19 a sum equal to three times their FS Final Pensionable Salary if they have been a FS Active Member of the Scheme for at least a year at the date of their death or, if they have not, three times their annual rate of FS Pensionable Salary, and
- 17.1.2 to their Personal Representatives a sum equal to the FS Active Member's Total Contributions to the Scheme unless any benefit is payable under Rule 20.

18. DEATH OF A FS DORMANT MEMBER

- 18.1 On the death of a FS Dormant Member there shall be paid to their Personal Representatives a sum equal to their Total Contributions to the Scheme.

19. PAYMENT OF DEATH BENEFIT

- 19.1 The sum payable under Rule 17.1.1 shall be held by the Trustees with power to be exercised (if at all) within two years of the FS Member's death to pay or apply the sum or any part of the sum to or for the benefit of one or more of the lump sum beneficiaries (within the meaning of Clause 5.6.1 of the Trust Deed) on such terms and conditions (by way of settlement) and in such shares as the Trustees decide.

20. WIDOWS' AND WIDOWERS' PENSIONS

FS Active Members with not less than 5 years of Pensionable Service

- 20.1 On the death before Normal Pension Age of a married FS Active Member who is a New Member who has completed five years' Pensionable Service (or such other period (if any) as the Trustee

and the University may determine), there shall be paid to their widow during their life a pension equal annually in amount to two-thirds of the pension which would have been payable to the FS Active Member under the Scheme had that FS Active Member remained a FS Active Member until Normal Pension Age with the same FS Final Pensionable Salary as that applicable to the FS Active Member at the date of death and then retired.

FS Active Members with less than 5 years of Pensionable Service

- 20.2 Subject to any discretion exercised by the Trustees under Rule 20.1, on the death before Normal Pension Age of a married FS Active Member who is a New Member who has completed less than five years' Pensionable Service, there shall be paid to their widow not less than the benefit provided in Rule 20.11.

FS Active Members in service post Normal Pension Age

- 20.3 On the death after Normal Pension Age of a married FS Active Member who is New Member there shall be paid to their widow during their life a pension equal annually in amount to two-thirds of the pension which would have been paid to the FS Active Member had the FS Active Member retired on the day before the FS Active Member died.

CARE Active Members with FS Dormant Benefits

- 20.4 On the death before Normal Pension Age of a FS Dormant Member who:³⁰
- 20.4.1 was in FS Pensionable Service on 31 March 2012 and was admitted as a CARE Active Member with effect at any point from 1 April 2012 in accordance with Rule 2.1 of Schedule 3 and who immediately before their death was a CARE Active Member; or
 - 20.4.2 was in FS Pensionable Service and accruing benefits under the FS Section on 31 December 2018 and who was admitted as a CARE Active Member with effect on and from 1 January 2019 and who immediately before their death was a CARE Active Member; and
 - 20.4.3 was in Qualifying Employ on their death, who has completed five years' Pensionable Service in the Scheme (including in the CARE section) (or such other period (if any) as the Trustees and the University may determine);
- there shall be paid to their widow during their life a pension equal annually in amount to two-thirds of the pension which would be payable to the FS Dormant Member using FS Pensionable Service to 31 March 2012 or 31 December 2018 (or such other date as the Trustees determine is appropriate) with the same FS Final Pensionable Salary as that applicable to the FS Dormant Member at the date they became a FS Dormant Member (unless otherwise determined by the Trustees).

CARE Active member who is also a FS Dormant Member who is in service post Normal Pension Age

- 20.5 On the death after Normal Pension Age of a CARE Active Member who is also a FS Dormant Member who:
- 20.5.1 was in FS Pensionable Service on 31 March 2012 and was admitted as a CARE Active Member with effect at any point from 1 April 2012 in accordance with Rule 2.1 of Schedule 3 and who immediately before their death was a CARE Active Member; or

³⁰ CMS Drafting Note: Rules 21.2A and 21.2B inserted via 23/05/2023 Deed of Amendment

20.5.2 was in FS Pensionable Service and accruing benefits under the FS Section on 31 December 2018 and who was admitted as a CARE Active Member with effect on and from 1 January 2019 and who immediately before their death was a CARE Active Member; and

20.5.3 was in Qualifying Employ on their death, who has completed five years' Pensionable Service in the Scheme (including in the CARE section) (or such other period (if any) as the Trustees and the University may determine);

there shall be paid to their widow during their life a pension equal annually in amount to two-thirds of the pension which would be payable to the FS Member under the Scheme under the FS Section using FS Pensionable Service to 31 March 2012 or 31 December 2018 (or such other date as the Trustees determine is appropriate) with the same FS Final Pensionable Salary as that applicable to the FS Member at the date they became a FS Dormant Member (unless otherwise determined by the Trustees).

FS Dormant Members who are not CARE Active Members

20.6 On the death before Normal Pension Age of a married FS Dormant Member who is not also a CARE Active Member, there shall be paid to their widow not less than the benefit provided in Rule 20.11.

FS Pensioner

20.7 On the death of a married FS Pensioner who was a New Member there shall be paid to their widow during their life a pension equal annually in amount to two-thirds of the pre-commutation pension that would have been payable to the FS Pensioner.

Trustee's discretion and interpretation of this Rule

20.8 In the event of the FS Member or FS Pensioner referred to in Rules 20.1 to 20.7 not being married at the date of death the Trustees shall have power if in their absolute discretion they think fit to pay the pension that would have been payable under Rules 20.1 to 20.7 had the said FS Member or FS Pensioner been married to such of the Main Scheme Dependants of the said FS Member or FS Pensioner as they shall decide.

20.9 Where the widow is more than ten years younger than their deceased husband the Trustees may reduce the pension prescribed by this Schedule 2 upon the advice of the Actuary but so that no such reduction shall exceed 2½ per cent for each year in excess of ten or shall reduce the pension below the Guaranteed Minimum Pension.

20.10 For the purpose of the above sub-Rules of this Rule the word "widow" shall include a widower and in such cases the word "wife" shall include "husband". In addition, and as appropriate, the words "widow" and "widower" shall include a same sex spouse for the purposes of the Marriage (Same Sex Couples) Act 2013 and a Civil Partner for the purposes of the Civil Partnership Act 2004.³¹

Underpin for certain spouses

20.11 Notwithstanding any of the provisions of this Rule on the death of a married male FS Active Member who is a New Member, FS Dormant Member or FS Pensioner there shall be payable a widow's pension equal to 1/160th of the FS Member's FS Final Pensionable Salary for each year

³¹ CMS Drafting Note: Rule 21.5 deletion and replace via 23/05/2023 Deed of Amendment.

(and so in proportion for each day in an incomplete year in the case of a FS Dormant Member)³² of Contracted Out Employment up to the date of their death (or such other date as determined by the Trustees) PROVIDED THAT if such FS Member dies within six months of their marriage and at the date of their death such pension to be increased up to the date of death as provided by Rule 25.1 and at the date of their marriage they are not in Contracted Out Employment no benefit in pursuance of this sub-Rule shall be payable in respect of them.

- 20.12 No pension payable under this Rule shall exceed the Maximum Benefit or be less than the minimum specified in Rule 22.

21. CHILDREN'S PENSIONS

- 21.1 In the event of a pension becoming payable under Rule 20 following the death of a FS Member or FS Pensioner who leaves an Eligible Child or Eligible Children there shall be paid a pension for the benefit of each Eligible Child subject to a maximum of two at any one time each equal to one-half of the pension payable under Rule 20. The Trustees may apply the total value of this benefit to each Eligible Child if more than two Eligible Children in such manner as the Trustees see fit.
- 21.2 In the event of no pension becoming payable under Rule 20 following the death of a FS Member or FS Pensioner who leaves an Eligible Child for the reason that the FS Member or FS Pensioner is not survived by a widow or widower or in the event of a widow or widower ceasing to benefit under that Rule other than by reason of remarriage there shall be paid a pension for the benefit of each Eligible Child subject to a maximum of two at anyone time each equal to two thirds of the pension calculated under Rule 20. The Trustees may apply the total value of this benefit to each Eligible Child if more than two Eligible Children in such manner as the Trustees see fit.
- 21.3 Any amount payable under this Rule may be paid at the discretion of the Trustees to any person or persons approved of by them who undertake to apply the pension or pensions for the maintenance or benefit of any one or more of the Eligible Children of the FS Member or FS Pensioner and the Trustees shall not be under any obligation to see to the application of any such pension or pensions payable in respect of each Eligible Child and paid to such persons as aforesaid.

22. GUARANTEED WIDOW'S AND WIDOWER'S PENSION

- 22.1 Subject to the provisions of this Rule on the death of a FS Active Member, FS Dormant Member or FS Pensioner who was married at the date of their death and who at any time has been in Contracted Out Employment their widow or widower shall be paid an appropriate pension (taking into account any benefit under Rule 20), in the circumstances and for the period required by the Pension Schemes Act 1993 and any regulations thereunder for the time being in force of an amount not less than that determined in accordance with Clauses 20 and 21 of the Trust Deed.
- 22.2 If a male FS Active Member who left the service of the University before attaining age 65 after completing less than two years' FS Pensionable Service or Contracted Out Employment and was not at the date of leaving entitled to the short service benefits prescribed by Rule 12.1 dies the Trustees may direct that the benefits payable shall be restricted to the Guaranteed Minimum Pension.

³² **CMS Drafting Note:** Wording "for each year" and those in brackets introduced via 19/02/1999 Deed of Amendment.

- 22.3 If a Contributions Equivalent Premium has been paid in respect of the FS Member, FS Dormant Member or FS Pensioner no benefit shall be payable under this Rule.

23. GUARANTEE

- 23.1 On the cessation of the last to cease of the payment of a pension to a FS Pensioner (if any) to their spouse (if any) and to their children (if any) there shall be paid to their Personal Representatives a sum equal to the excess (if any) of their Total Contributions over the total of the pension payments made to the FS Pensioner, to their spouse (if any) and to their children (if any) and of any lump sum paid under the provisions of Rule 14.

24. PENSION INCREASES FOR FS SECTION MEMBERS

- 24.1 In respect of benefits in excess of the Guaranteed Minimum Pension accrued in the FS Section, the pensions in payment for FS Pensioners or, if relevant, a Spouses' or Dependents' pension in payment under the Scheme shall be increased annually on such date as the Trustees determine at the following rates:
- 24.1.1 For benefits accrued up to 1 April 2012, the lesser of 5% and the Retail Prices Index over the 12 months to each 31 December immediately preceding the effective date of such increase; and
- 24.1.2 For benefits accrued on and from 1 April 2012, the lesser of 5% and the Consumer Prices Index over the 12 months to each 31 December immediately preceding the effective date of such increase.

25. AUGMENTATION OF FS SECTION PENSION INCREASES

- 25.1 With the consent of the University and subject to the proviso of this Rule 25.1, the Trustees may increase the pension in payment under the Scheme for or in respect of any FS Pensioner on such terms and conditions as the Actuary confirms in writing to be appropriate and the University or, if appropriate, the Participator pays such increased contributions as the Actuary prescribes PROVIDED THAT no pension or other benefit shall be increased under the provisions of this Rule by such amount as would prejudice the registration of the Scheme under the Finance Act 2004.

SCHEDULE 3 – CARE SECTION RULES

Interpretation Note: This Schedule sets out the Rules which apply to members of the CARE Section only. This section was adopted by deed of amendment dated 27 March 2012.

In 2012, FS Active Members were given the option to transfer to the CARE Section. The FS Section was subsequently closed to further accrual on 31 December 2018 and all FS Active Members in the Scheme automatically became CARE Active Members on and from 1 January 2019. Some CARE Active Members will also be FS Dormant Members. Unless otherwise stated in the Rules, such CARE Active Members' benefits are governed under Schedule 3 and FS Dormant Members' benefits earned as a FS Active Member in the FS Section are governed under the terms of Schedule 2.

1. DEFINITIONS

- 1.1 Defined terms referred to in this Schedule 3 are contained in Schedule 1.

2. ELIGIBILITY AND ADMISSION

- 2.1 An Employee was entitled to join this CARE Section:
- 2.1.1 automatically from the CARE Effective Date, where immediately prior to the CARE Effective Date, the Employee was a FS Active Member; or³³
 - 2.1.2 in accordance with the CARE Section Rules as they stood on and from 1 April 2012 up to the CARE Effective Date (as amended during that period) which set out in summary that:
 - (a) on and from 1 April 2012 until immediately prior to the CARE Effective Date, where the Employee was in Qualifying Employ and was more than 16 years of age and had not attained age 65 or, on and from 1 November 2020, State Pension Age; or
 - (b) on and from 1 April 2012 until immediately prior to the CARE Effective Date, where they were a FS Active Member who notified the Trustee in writing that they wished to cease to be a FS Active Member and become a CARE Active Member, and who was admitted to membership of the CARE Section on the date notified to them by the Trustee.
- 2.2 An Employee who was not a FS Active Member or a CARE Active Member immediately prior to the CARE Effective Date shall not be permitted to become a CARE Active Member.
- 2.3 If a CARE Active Member:-
- 2.3.1 leaves Qualifying Employ; or
 - 2.3.2 voluntarily withdraws from CARE Active Membership pursuant to Rule 5.2 of the CARE Section they shall be entitled to become a CARE Active Member within six months of joining Qualifying Employ or within six months of ceasing to be a CARE Active Member (as the case may be) but shall only have that option once.
- 2.4 The University may, by notice in writing to the Trustee, at any time close the CARE Section to the admission of new CARE Active Members as from such date it notifies the Trustee.

³³ **CMS Drafting Note:** Clauses 2.1 to 2.3 of the CARE Section amended by deed of amendment dated 20 December 2018.

- 2.5 Unless the CARE Active Member specifies otherwise in writing, they shall be a Non-Contributory Member in the fourth pay period from the date they become a CARE Active Member.
- 2.6 A CARE Active Member may switch in and out of Non-Contributory Membership at such intervals and on such terms as the Employer may decide.
- 2.7 The University's decision as to whether or when or the terms and conditions on which any CARE Active Member is eligible to be a Non-Contributory Member shall be final.
- 2.8 The University may, at any time by notice in writing to CARE Active Members decide that any group or class of persons shall no longer be eligible for or remain Non-Contributory Members and Non-Contributory Membership shall cease with effect from the date specified in the notice.
- 2.9 For the avoidance of doubt, a CARE Active Member's Non-Contributory Membership shall not affect their ability to cease to be a CARE Active Member pursuant to Rule 5.

3. CARE ACTIVE MEMBER'S CONTRIBUTIONS

- 3.1 Subject to the provisions of this CARE Section, every CARE Active Member who is not a Non-Contributory Member shall pay contributions to the Scheme at the rate of six and a half percent of their CARE Pensionable Salary (by deduction from their remuneration from the University or the Participator or by such other means as the Trustee in its discretion decides) until they cease to be in CARE Pensionable Service.
- 3.2 Every CARE Active Member who is a Non-Contributory Member shall not be required to pay contributions to this CARE Section whilst they are Non-Contributory Members. This does not affect their ability to pay Additional Voluntary Contributions pursuant to this Rule 3.
- 3.3 If a CARE Active Member has joined the Additional Leave Scheme, their CARE Pensionable Salary for the purposes of calculating the CARE Active Member's contributions pursuant to Rule 3.2 of this Schedule 3 may be subject to an election as follows:-
 - 3.3.1 the CARE Active Member may elect that the contributions under Rule 3.2 will be calculated by reference to CARE Pensionable Salary as defined (and, in particular, the notional figure for members of the Additional Leave Scheme) as set out in part (e) of the definition of CARE Pensionable Salary);
 - 3.3.2 if the CARE Active Member does not make an election under Rule 3.3.1 above, then their CARE Pensionable Salary for the purposes of their contributions to the Scheme pursuant to Rule 3.2 above shall be calculated as if part (e) of the definition of CARE Pensionable Salary did not apply, but instead as if that part (e) referred to the actual basic rate of pay they receive. For the avoidance of doubt all other parts of the definition of CARE Pensionable Salary shall apply unamended.
- 3.4 A CARE Active Member may elect to pay Additional Voluntary Contributions pursuant to this Rule 3 of this Schedule 3 provided that the consent of the University shall be required for a CARE Active Member who is a Non-Contributory Member to pay Additional Voluntary Contributions. If such consent by the University is granted, for a CARE Active Member who is a Non-Contributory Member, the Salary Exchange Amount shall be paid on the CARE Active Member's behalf. The Main Rules of the Scheme relating to the payment of Additional Voluntary Contributions shall not apply to a CARE Active Member who was a FS Member and instead the provisions of this Rule 3 shall apply.³⁴

³⁴ **CMS Drafting Note:** Clause 3.3 deleted and replaced by 8 June 2022 deed of amendment, with effect from 8 June 2022.

- 3.5 The Trustee may in its absolute discretion agree with a CARE Active Member (including for the purposes of this rule a Non-Contributory Member) that such CARE Active Member shall pay Additional Voluntary Contributions to the Scheme during such period as may be specified (subject to Registration of the Scheme not being prejudiced) and subject to such arrangements not resulting in the Scheme making or being treated as having made an Unauthorised Payment and that in consideration thereof additional benefits shall be provided for or in respect of such CARE Active Member under the Scheme and to which such CARE Active Member shall become entitled on the commencement of their pension and every such agreement shall constitute an obligation of the CARE Active Member to contribute accordingly PROVIDED THAT:
- 3.5.1 such Additional Voluntary Contributions may be suspended or varied or terminated upon the CARE Active Member giving to the Trustee such written notice (not exceeding twelve months) as the Trustee may from time to time require;
 - 3.5.2 left intentionally blank.³⁵
 - 3.5.3 the benefits secured by Additional Voluntary Contributions shall be in such form as may be agreed between the Trustee and the CARE Active Member at the time when the Additional Voluntary Contributions commence or from time to time thereafter and provided that the value of such benefits shall be reasonable having regard to the advice of the Actuary and to the amount of the Additional Voluntary Contributions and the value of other benefits under the Scheme;
 - 3.5.4 the benefits secured by Additional Voluntary Contributions shall not be taken into account for the purpose of calculating as a proportion of a CARE Member's pension the amount of any other benefits payable to or in respect of the CARE Member under the Scheme except to the extent that such benefits are purchased or deemed to be purchased by the Additional Voluntary Contributions.
- 3.6 As an alternative to the provision of additional benefits under the Scheme pursuant to Rule 3.5 but subject to provisos in Rules 3.5.1 to 3.5.4 the Trustee may, with the agreement of the CARE Member, invest the additional contributions in a policy effected with an Insurance Company or account with a building society under which, the benefits are allocated to individual CARE Members or their Main Scheme Dependants and Clause 14.2 of the Trust Deed shall not apply to the policy or account or the benefits intended to be secured thereunder in the event of a winding-up but instead the policy or account shall be applied exclusively for the benefit of such Members concerned and their Main Scheme Dependants and in satisfaction of their rights to additional benefits hereunder. For the avoidance of doubt any policy effected with an Insurance Company or account with a building society may be assigned by the Trustee into the Member's name with or without the consent of the Member.
- 3.7 If a CARE Active Member dies in Service their AVC Fund shall be held by the Trustee upon the death benefit trusts under the Main Rules. If a CARE Active Member ceases to be a CARE Active Member where a refund of their contributions is due to them, then their AVC Fund shall also be refunded to them, subject to a deduction in respect of any tax for which the Trustee is liable. If a CARE Active Member ceases to be a CARE Active Member and a transfer is made to an Other Scheme, a transfer shall also be made in respect of their AVC Fund.

³⁵ **CMS Drafting Note:** Clause 3.4.2 deleted and replaced by 8 June 2022 Deed of Amendment.

4. EMPLOYER CONTRIBUTIONS IN RESPECT OF SALARY EXCHANGE

- 4.1 Notwithstanding the provisions of the Trust Deed and Rules regarding the payment of contributions by the University and each Participator, the Employer shall pay contributions to the Scheme equal to the Salary Exchange Amount for each CARE Active Member for each month or part thereof that they are a Non-Contributory Member.
- 4.2 If a CARE Member who has joined the Additional Leave Scheme makes an election under Rule 3.3, the CARE Member will also be required to pay in full that part of the University's contributions which would otherwise have been paid on the difference between that higher notional salary and the amount actually received by the CARE Member (including any amounts calculated under Rule 4.1).

5. TERMINATION OF CARE ACTIVE MEMBERSHIP

- 5.1 Subject to the provisions of this Rule 5, a CARE Active Member shall cease to be a CARE Active Member on ceasing to be in Qualifying Employ or upon voluntary withdrawal under Clause 5.2.
- 5.2 Any CARE Active Member may voluntarily withdraw from CARE Active Membership while they remain eligible upon such terms and conditions as the Trustee shall decide having given their Employer not less than one month's notice in writing PROVIDED THAT in the case of a newly appointed Employee deemed a CARE Active Member under the proviso in Rule 3.3, such Employee shall be entitled to withdraw from CARE Active Membership upon giving notice within three months of appointment whereupon they shall be deemed never to have been a CARE Active Member.
- 5.3 As soon as practicable after receiving notice from a CARE Active Member of their withdrawal from the Scheme under Rule 5.2, the Employer shall give notice of the withdrawal to the Trustee.

6. ABSENCE

- 6.1 If a CARE Active Member is absent from work for their Employer, other than for the reasons specified in Rule 6.2 and has not been discharged by the University or a Participator they shall remain in CARE Active Membership until they have been discharged or until their Employer deems there to be no expectation of their return to work or until the expiry of:
 - 6.1.1 in the case of full-time education connected with employment; or
 - 6.1.2 secondment to another employer,three years and in any other case one year from the date of their first absence from work, whichever is the earliest.
- 6.2 A CARE Active Member who is absent from work for their Employer because of ill-health or secondment to a United Kingdom Government Department (or work of national importance of like nature) and in any case has not been discharged by the University or a Participator shall be deemed for the purposes of the Rules to remain a CARE Active Member until they are discharged. A Non-Contributory Member who continues to receive CARE Pensionable Salary and continues in membership of the Salary Exchange Arrangement as it relates to pension contributions, shall continue to have contributions paid by the University in accordance with Rule 4.1.
- 6.3 On a CARE Active Member's return to work following a period of absence pursuant to Rule 6.1 or Rule 6.2 if any CARE Active Member contributions which are outstanding for the period of absence are not paid, the Trustee may reduce the benefits payable in respect of the CARE Active Member by such amount as they determine, having regard to the period of absence.

- 6.4 Subject to the provisions of the Equality Act 2010, where absence is due to ill-health no increase in the amount of death in service benefit in respect of the CARE Active Member shall take effect during the period of absence.
- 6.5 If a CARE Active Member's absence from work is due to a reason covered by any of Rules 6.6 to 6.12, they shall be dealt with in accordance with the relevant provisions of those clauses.
- 6.6 If a CARE Active Member is absent from work for a period of Paid Leave, the period of absence is CARE Pensionable Service on the following basis:
 - 6.6.1 the CARE Active Member (other than a Non-Contributory Member) need pay contributions only on actual remuneration received (falling within the type of remuneration constituting CARE Pensionable Salary) but not exceeding Notional Pensionable Salary;
 - 6.6.2 the period of absence is CARE Pensionable Service on the basis that the CARE Active Member's benefits are based on Notional Pensionable Salary; and
 - 6.6.3 Rule 20.1 continues to apply, with the lump sum under Rule 20.1 based on Notional Pensionable Salary.
- 6.7 If a CARE Active Member is absent on Parental Leave during which remuneration is paid, the period of absence is CARE Pensionable Service on the following basis:
 - 6.7.1 the CARE Active Member (other than a Non-Contributory Member) need pay contributions only on actual remuneration received by way of contractual remuneration or statutory pay during the period of Parental Leave during which remuneration is paid; and
 - 6.7.2 the period of absence is CARE Pensionable Service on the basis that the CARE Active Member's benefits are based on Notional Pensionable Salary; and
 - 6.7.3 Rule 20.1 continues to apply with the lump sum under Rule 20.1 based on Notional Pensionable Salary.
- 6.8 If a CARE Active Member is absent from work for a period of Unpaid Leave and the Employer does not agree to treat that period of Unpaid Leave as CARE Pensionable Service pursuant to Rule 6.9 the period of absence is not CARE Pensionable Service but the CARE Active Member remains a CARE Active Member for the purposes of the payment of a lump sum under Rule 20.1 only. That benefit is based on the CARE Active Member's Notional Pensionable Salary.
- 6.9 A CARE Active Member may make a request to their Employer to have any part of their Unpaid Leave treated as CARE Pensionable Service. To do this, the CARE Active Member must agree to pay the contributions to the Scheme which they would have paid based on their Notional Pensionable Salary for that period of Unpaid Leave which is to be treated as CARE Pensionable Service. If the Employer agrees to treat any part of the Unpaid Leave as CARE Pensionable Service the Employer must pay the contributions which it would have paid based on Notional Pensionable Salary for that period of Unpaid Leave which is to be treated as CARE Pensionable Service.
- 6.10 If the CARE Active Member informs the Employer that they do not intend to return to work, or loses the right to do so or does not in fact return to work, their CARE Active Membership ends on:
 - 6.10.1 subject to Rule 6.10.2 below, the day the CARE Active Member stops receiving statutory maternity, adoption leave or paternity pay or contractual remuneration;

- 6.10.2 in the case of unpaid Parental Leave, unpaid Additional Maternity Leave or unpaid Additional Adoption Leave, the day when that period of leave ended for the purposes of the Employment Rights Act 1996.
- 6.11 Eligibility for the payment of a lump sum under Rule 20.1 ends on the earlier of:
 - 6.11.1 the day from which the CARE Active Member does not intend to return to work that has been confirmed to the University or Participator; and
 - 6.11.2 the day on which the CARE Active Member loses the right to return to work, but not before the day in Rule 6.10.1.
- 6.12 If a CARE Active Member returns to work for the University or Participator following a period of Unpaid Leave without their CARE Active Membership having terminated, such Unpaid Leave shall not be treated as causing a break in their CARE Pensionable Service for the purposes of:
 - 6.12.1 calculating CARE Pensionable Salary; or
 - 6.12.2 calculating whether they are entitled to benefits under Rule 9, notwithstanding that subject to Rule 6.9 the period of absence on Unpaid Leave is not itself CARE Pensionable Service.

7. RESUMPTION OF MEMBERSHIP

- 7.1 Subject to Rules 7.2 and 7.3 a person who has ceased to be a CARE Active Member under Rule 6 may be re-admitted under Rule 2.1 if they satisfy all the eligibility requirements in Rule 2.3.2.
- 7.2 Re-admission shall be subject to such conditions or special arrangements as the University and the Trustee may impose.
- 7.3 If a person ceases to be a CARE Active Member and is re-admitted under Rule 2.1 then, except as required by the Preservation Requirements and the Contracting-out Laws or otherwise stipulated by the University:
 - 7.3.1 the benefits for each continuous period of CARE Pensionable Service ending before the CARE Active Member's Normal Pension Age will be treated and calculated separately under Rules 9 to 10.7; and
 - 7.3.2 the benefits for the period of continuous CARE Pensionable Service, if any, ending on the CARE Active Member's Normal Pension Age will be treated and calculated separately under Rule 12.

8. NOT USED

9. BENEFITS ON LEAVING MEMBERSHIP

- 9.1 When a CARE Member ceases to be a CARE Active Member their CARE Pensionable Service ceases.
- 9.2 After their CARE Active Membership ceases a person will pay no further contributions and will accrue no further benefits.
- 9.3 If the CARE Active Member is a Qualified Member they will be entitled to Short Service Benefit and will have the right to a deferred pension under Rule 10.2 and become a CARE Dormant Member.

9.4 Depending on the CARE Member's circumstances they may have the options of:

- 9.4.1 an immediate incapacity pension under Rule 12.3;
- 9.4.2 an immediate early retirement pension under Rule 10.7 or Rule 14;
- 9.4.3 a late retirement pension under Rule 10.9; or
- 9.4.4 a transfer of their Cash Equivalent under the Trust Deed and Rules.

10. CALCULATION OF SHORT SERVICE BENEFIT

10.1 The Preservation Requirements apply to the deferred pension under this Rule 10.

10.2 Unless the CARE Dormant Member is entitled to an immediate pension under Rule 10.6 or a late retirement pension under Rule 10.9³⁶ or their benefits are transferred out of the Scheme, a deferred pension will be payable at Normal Pension Age. The amount will be calculated under Rule 12 but by reference to:-

CARE Dormant Members who are also FS Dormant Members

10.2.1 In the case of a CARE Dormant Member who is also a FS Dormant Member:-

- (a) their FS Pension Part, completed to the date they left FS Active Membership; and
- (b) the total of their CARE Pension Parts at the date their CARE Pensionable Service in this CARE Section ends.

CARE-only Members

10.2.2 In the case of a CARE Dormant Member who is not a FS Dormant Member, the total of their CARE Pension Parts at the date their CARE Pensionable Service ends.

10.3 A deferred pension under Rule 10.2.1(a) relating to the CARE Member's FS Pension Part, in excess of Guaranteed Minimum Pension, shall be increased in accordance with Rule 12.14 of Schedule 2.

10.4 Any deferred pension under 10.2.1(b) relating to the CARE Member's CARE Pension Parts (including any pension attributable to being a CARE Active Member), shall be revalued in accordance with the Preservation Requirements.

10.5 The value of a CARE Member's deferred pension shall, in the opinion of the Trustee, exceed or compare reasonably with the amount of the CARE Member's contributions and Additional Voluntary Contributions, if any, paid by the CARE Member to the CARE Section of the Scheme.

Equalising CARE Dormant Members' benefits on retirement who are also FS Dormant Members' for the effect of the Barber decision

10.6 Any benefits calculated in accordance with the provisions of this Rule 10.5 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

Early and Ill-health retirement for CARE Dormant Members

10.7 A CARE Dormant Member may, on or after they reach Normal Minimum Pension Age (or at any age prior to that if the Ill-health Condition is satisfied in respect of them), at the discretion of the

³⁶ **CMS Drafting Note:** Clause 10.2.1 amended to include late retirement pension inserted wording by deed of amendment 8 June 2022.

Trustee, be paid a pension calculated in accordance with Rule 10.2 reduced by such amount as shall be certified as reasonable by the Actuary provided that the pension before Normal Pension Age shall be further reduced if necessary and the pension after Normal Pension Age increased on a basis which has been certified as reasonable by the Actuary to ensure that the pension is not less than the Minimum Pension.³⁷

Equalising CARE Dormant Members' benefits on early and ill-health retirement who are also FS Dormant Members for the effect of the *Barber* decision

- 10.8 Any benefits calculated in accordance with the provisions of this Rule 10.7 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

Late retirement for CARE Dormant Members

- 10.9 A CARE Dormant Member may opt by written notice to the Trustees to have their deferred pension under Rule 10.2 paid after Normal Pension Age. The pension will be calculated in accordance with Rule 12 and shall be increased on a basis certified as reasonable by the Actuary.³⁸

Equalising CARE Dormant Members benefits on late retirement who are also FS Dormant Members for the effect of the *Barber* decision

- 10.10 Any benefits calculated in accordance with the provisions of this Rule 10.9 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

11. MEMBERS WHO ARE NOT QUALIFIED MEMBERS

- 11.1 Subject to Rule 11.3, a CARE Member whose CARE Active Membership ceases before they become a Qualified Member shall receive a refund of their Total Contributions, adjusted under Rule 11.2 or a transfer of their deferred benefit under the Main Rules provided that if the CARE Member was a FS Active Member they shall be granted a deferred pension in relation to their Pensionable Service completed as a CARE Active Member commencing at Normal Pension Age of such amount as is certified by the Actuary to be equivalent in value to their Total Contributions and provided further that no pension payable under the provisions of this Rule 11.1 shall be less after the date when the CARE Member attains the Normal Pension Age than the Minimum Pension.

- 11.2 A refund under Rule 11.1 will be:

11.2.1 increased by any Interest the Trustee (on the advice of the Actuary) decides is appropriate and will not result in the Scheme making an Unauthorised Payment; and

11.2.2 reduced by:

- (a) the certified amount of any Contributions Equivalent Premium paid by the Trustee to the Secretary of State under the Pension Schemes Act 1993; and
- (b) the amount of any income tax for which the Trustee are liable in respect of the refund or the interest on it.

- 11.3 The Trustee shall not make a payment under this Rule 11.3 unless they are satisfied that it will meet the requirements for a short service refund lump sum within the meaning of paragraph 5 of

³⁷ **CMS Drafting Note:** Deletion and replacement of clause 10.3 by deeds of amendment dated 8 June 2022 and 23 May 2023.

³⁸ **CMS Drafting Note:** Insertion of clause 10.4 by deed of amendment dated 8 June 2022.

Schedule 29 of the Finance Act 2004 or will otherwise constitute an authorised payment for the purposes of section 164 of the Finance Act 2004.

12. RETIREMENT AT NORMAL PENSION AGE

12.1 A CARE Active Member who leaves Pensionable Service at Normal Pension Age shall be entitled to an annual pension calculated in accordance with Rule 12.2 below.

12.2 The initial rate of pension payable under Rule 12.1 shall be:-

CARE Active Members who are also FS Dormant Members

12.2.1 If the CARE Active Member is also a FS Dormant Member:

- (a) their FS Pension Part, re-valued from the date the CARE Active Member ceased to be a FS Active Member in accordance with Rule 12.14 of Schedule 2; and
- (b) the aggregate of their CARE Pension Parts.
- (c) For the avoidance of doubt, unless otherwise stated in these Rules, the FS Dormant Member's FS Pension Part is calculated and payable in accordance with the provisions of Schedule 2 of the Rules.

CARE Members only

12.2.2 In the case of all other CARE Members, the aggregate of their CARE Pension Parts.

Equalising CARE Active Members benefits on retirement who are also FS Dormant Members for the effect of the *Barber* decision

12.3 Any benefits calculated in accordance with the provisions of this Rule 12 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

13. INCAPACITY PENSION

13.1 A CARE Active Member who has contributed to the Scheme for not less than five years who leaves Service because, in the opinion of the Trustee, they are totally incapacitated by reason of physical or mental infirmity, so that they satisfy the Ill-health Condition, thereupon shall be paid, subject to the provisions of Rule 13.4 and Rule 13.5 a pension for life calculated in accordance with Rule 12 but on the basis of:-

13.1.1 CARE Pension Parts they have accrued at the date they leave CARE Pensionable Service;

13.1.2 CARE Pensionable Service they could have completed had they remained in Qualifying Employ until Normal Pension Age up to a maximum of 40 years; and

13.1.3 CARE Pensionable Salary at the date they leave CARE Pensionable Service;

provided that no pension payable under the provisions of this Rule 13.1 shall be less after the date when the CARE Member attains Normal Pension Age than the Minimum Pension.

13.2 A CARE Active Member who has contributed to the Scheme for not less than five years who leaves Service because, in the opinion of the Trustee they satisfy the Ill-health Condition, but who are not totally incapacitated by reason of physical or mental infirmity, so that thereupon shall be paid, subject to the provisions of Rule 13.4 and Rule 13.5 a pension for life calculated in accordance with Rule 12 with reduction for early payment by such amount as shall be certified as

reasonable by the Actuary or, at the discretion of the Trustee with the consent of the University, without reduction, on the basis of:

13.2.1 CARE Pension Parts they have accrued at the date they leave CARE Pensionable Service; and

13.2.2 CARE Pensionable Salary at the date they leave CARE Pensionable Service;

provided that no pension payable under the provisions of this Rule 13.2 shall be less after the date when the CARE Member attains Normal Pension Age than the Minimum Pension.

13.3 A CARE Active Member who has contributed to the Scheme for less than five years who leaves Service because, in the opinion of the Trustee they satisfy the Ill-health Condition, thereupon shall be paid, subject to the provisions of Rule 13.4 and Rule 13.5 a pension for life calculated in accordance with Rule 12 reduced by such amount as shall be certified as reasonable by the Actuary provided that the pension before Normal Pension Age shall be further reduced if necessary and the pension after Normal Pension Age increased on a basis which has been certified as reasonable by the Actuary in order to ensure that the pension is not less than the Minimum Pension.

13.4 A CARE Active Member who retires and becomes a CARE Pensioner under Rules 13.1, 13.2 or 13.3 shall give to the Trustee from time to time such evidence as the Trustee requires of their continued incapacity.

13.5 If a CARE Active Member having retired and become a CARE Pensioner under the provisions of Rule 13.1, 13.2 or 13.3 is unable to satisfy the Trustee of their continued incapacity they shall receive no further pension payments until they attain Normal Pension Age and their pension thereafter shall be of such amount as the Trustee acting on the advice of the Actuary decide not being less after the CARE Pensioner attains Normal Pension Age than the pension calculated on the basis of Rule 10.2 as appropriate.

Equalising CARE Active Members benefits on ill-health retirement who are also FS Dormant Members for the effect of the Barber decision

13.6 Any benefits calculated in accordance with the provisions of this Rule 13 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

Ill-Health retirement for CARE Dormant Members

13.7 Ill-health early retirement for CARE Dormant Members is provided for in Rule 10.7 of Schedule 3.

14. EARLY RETIREMENT

14.1 A CARE Active Member who leaves Service at or after they reach Normal Minimum Pension Age may, at the discretion of the Trustees, be paid a pension for life of an amount calculated in accordance with Rule 12 reduced by such amount as the Trustee acting on the advice of the Actuary decides to be equitable PROVIDED THAT:³⁹

14.1.1 in the case of a CARE Active Member who leaves Service before attaining 60, the University will give prior notification to the Trustee if it does not consent to each such retirement (in which case no pension may be paid under this Rule 14 save to the extent

³⁹ CMS Drafting Note: Amendment to clause 14.1 by deed of amendment 8 June 2022.

the CARE Active Member may take their benefits without the need for consent due to the effect of equality law); and

- 14.1.2 the pension before Normal Pension Age shall be further reduced if necessary and the pension after Normal Pension Age increased on a basis which has been certified as reasonable by the Actuary in order to ensure that the pension is not less than the Minimum Pension;
- 14.1.3 provided that if the CARE Active Member was a FS Active Member and who wishes their pension to commence at or after attaining the age of 55:-
 - (a) if the CARE Active Member has attained the age of 55 as at 1 April 2012 and their pension commenced payment on or after reaching age 60, no early payment reduction will be applied to the pension attributable to CARE Pensionable Service despite being paid before Normal Pension Age; and
 - (b) if the CARE Active Member has attained the age of 55 as at 1 April 2012 but their pension commences before they have attained the age of 60, the part of the pension which is attributable to CARE Pensionable Service completed on and from 1 April 2012 shall be reduced for the period between the date the pension commences and age 60, with an allowance made for complete months. For the avoidance of doubt, the pension attributable to CARE Pensionable Service on and from 1 April 2012 will be reduced for early payment only to age 60 despite the later Normal Pension Age for this period.
- 14.2 The Trustee shall notify the CARE Active Member of the amount of the reduced pension to which they will be entitled under Rule 14.1 and the CARE Member shall have twenty-eight days within which to accept such reduced pension. In default of acceptance the CARE Active Member shall be granted a deferred pension under the provisions of Rule 10.
- 14.3 The value of any pension payable under this Rule 14 when taken together with any other benefit payable under Rule 17 shall to the reasonable satisfaction of the Trustee reflect the revaluation to Normal Pension Age that the reduced benefits would have attracted if they had been provided at Normal Pension Age.
- 14.4 Where paragraph 22 of Schedule 36 of the Finance Act 2004 (Protected pension age: scheme rights existing before 6 April 2006) applies to the Scheme and to a CARE Active Member, the Scheme shall in relation to such CARE Active Member unless such CARE Member agrees otherwise with the Trustee in writing be operated so as to meet the retirement condition set out in paragraph 22(7) of Schedule 36 of the Finance Act 2004.

Equalising CARE Active Members' benefits on early retirement who are also FS Dormant Members for the effect of the *Barber* decision

- 14.5 Any benefits calculated in accordance with the provisions of this Rule 14 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

Early retirement for CARE Dormant Members

- 14.6 Early retirement for CARE Dormant Members is provided for in Rule 10.7 of Schedule 3.

15. FLEXIBLE RETIREMENT

- 15.1 The University or Participator may (but need not) direct the Trustee to offer any one or more of the following options set out in this Rule 15 or any combination of them to a CARE Member or group of CARE Members providing that doing so does not authorise the Trustee to make an Unauthorised Payment and the Trustee are able to do so without infringing the preservation, revaluation or Contracting-out Laws of the Pension Schemes Act 1993 or section 255 of the Pensions Act 2004.
- 15.2 The option for the CARE Member to become entitled without leaving Service to immediate payment of all or part of the pension that would otherwise become payable under the Scheme if the CARE Member had left Service on such terms as are determined by the University or the Participator, but this option may not be offered to a CARE Member who has not attained Normal Minimum Pension Age.
- 15.3 The option for the CARE Active Member or CARE Dormant Member, after exercising the option in Rule 15.2, to continue in Pensionable Service on terms (including terms as to contributions, death in service and retirement benefits) determined by the University or the Participator.
- 15.4 Any other flexible payment option (i.e. any option for a CARE Member to take their benefits in stages and / or continuing in Service, consistent with the pension rules and the lump sum rules in sections 165 and 166 of the Finance Act) as is determined by the University or the Participator.
- 15.5 If a CARE Member wishes to exercise one or more of these options after it has been offered by the Trustee they must notify the Trustee of the election in a form acceptable to them and by the date specified by the Trustee.

16. LATE RETIREMENT

Late Retirement for CARE Active Members

- 16.1 A CARE Active Member who with their Employer's consent remains in Service after Normal Pension Age may either:
- 16.1.1 choose to become a Postponed Pensioner until leaving Service and then become a CARE Pensioner; or
 - 16.1.2 choose to remain in CARE Active Membership until leaving Service and becoming a CARE Pensioner.
- 16.2 A pension in respect of a CARE Active Member which does not come into payment at Normal Pension Age in accordance with Rule 16.1 will be calculated as follows:
- 16.2.1 the aggregate of their CARE Pension Parts accrued prior to Normal Pension Age will be calculated under Rule 12 of Schedule 3, but increased by nine per cent per annum for each year of deferment after Normal Pension Age. In applying this increase, allowance shall be made for completed months of deferment and if the deferment extends beyond five years the CARE Active Member's consent shall be required and a special calculation shall be made, acting on the advice of the Actuary but the amount payable in respect of such deferment shall not be less than the increased amount before-mentioned in this paragraph;
 - 16.2.2 their FS Pension Part prior to Normal Pension Age will be calculated under Rule 12.2.1(a) of Schedule 3, but increased in accordance with Rule 12.8 of Schedule 2 for each year and month of deferment after Normal Pension Age; and

16.2.3 the aggregate of their CARE Pension Parts (if any), accrued after Normal Pension Age will be calculated on the basis of CARE Pensionable Service (with an allowance made for complete months) after Normal Pension Age only;

16.3 For the avoidance of doubt, Rules 16.1 and 16.2 do not apply to Deferred Members who retire at or prior to Normal Pension Age.

16.4 No pension payable under the provisions of this Rule 16 shall be less than the Minimum Pension.

Equalising CARE Active Members' benefits on late retirement who are also FS Dormant Members for the effect of the Barber decision

16.5 Any benefits calculated in accordance with the provisions of this Rule 16 are subject to the provisions of Rule 11.7 of Schedule 2 (Equalisation – Members who joined the Scheme before 25 February 1992).

Late retirement for CARE Dormant Members

16.6 Late retirement for CARE Dormant Members is provided for in Rule 10.9 of Schedule 3.

17. LUMP SUM ON RETIREMENT

17.1 A CARE Member will receive a lump sum on retirement.

17.2 The lump sum will be payable on the date when the pension begins to be paid and, subject to Rules 17.3 to 17.7, will be three times the CARE Member's initial annual pension. If the CARE Member's pension payable under Rule 12 is less than the Minimum Pension, then the lump sum will be reduced if necessary and the pension after Normal Pension Age increased by an amount which has been certified as reasonable by the Actuary in order to ensure that the pension is not less than the Minimum Pension.

17.3 A CARE Member may elect by giving the Trustee notice in writing before their pension becomes payable, to be paid additional pension in place of part or all of the lump sum payable under Rule 17.2;

17.4 The additional pension will be calculated by the Trustee to take account of the reduction in or non-payment of the lump sum under Rule 17.2 on a basis certified as reasonable by the Actuary. Such basis must be consistent with maintaining the Scheme's Registration.

17.5 In addition to the amount in Rule 17.2 above, a CARE Member may elect, by giving the Trustee notice in writing before their pension becomes payable, to be paid a lump sum in place of part of their pension.

17.6 The lump sum payable will be payable on the date when the pension begins to be paid and will not exceed such amount as can be paid as a Pension Commencement Lump Sum or a lump sum of the type described in regulation 19 of the Authorised Payments Regulations.

17.7 The reduction in pension to take account of the lump sum payable under Rule 17.5 will be calculated by the Trustee on a basis certified as reasonable by the Actuary. Such basis must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a Pension Commencement Lump Sum or a lump sum of the type described in regulation 19 of the Authorised Payments Regulations. The balance of pension payable shall not be less than the CARE Member's Guaranteed Minimum Pension.

- 17.8 If:
- 17.8.1 the Scheme's Administrator has received evidence from a registered medical practitioner that a CARE Member is expected to live for less than one year; and
 - 17.8.2 the other requirements for payment of a Serious Ill-health Lump Sum in respect of the CARE Member are met,
- the Trustee, may at their discretion, subject to Rule 17.9, allow the CARE Member to convert the whole of their pension under the Scheme to a lump sum. Such payment shall extinguish the CARE Member's entitlement to benefits under the Scheme. The lump sum will be subject to the deduction of any tax for which the Trustee or the Scheme's Administrator are or may be liable.
- 17.9 Any pension payable under the Rules to a CARE Member's or CARE Pensioner's widow, widower or surviving Civil Partner on the death of a CARE Member or CARE Pensioner shall not be affected by any commutation under this Rule 17 and shall be provided on the same terms as would have applied had no such commutation occurred.
- 17.10 Trivial commutation lump sums under the CARE Section are paid pursuant to Clause 5.4 of the Trust Deed.
- 17.11 If, subject to the Pension Condition being met, paragraph 31(1) of Schedule 36 of the Finance Act 2004 (Entitlement to lump sums exceeding 25% of uncrystallised rights) applies so as to modify the provisions of Schedule 29 of the Finance Act 2004 in relation to the Scheme and the relevant individual(s), the Trustee shall operate the Scheme in relation to such individual(s) so as to ensure compliance with the Pension Condition unless the Trustee and the CARE Member concerned agree in writing that this Rule 17.11 shall not apply in relation to the CARE Member. Any such agreement shall be irrevocable.
- 17.12 Any commutation of a Guaranteed Minimum Pension must be in accordance with regulation 60 of the Occupational Pension Schemes (Contracting-out) Regulations 1996.
- 17.13 The Trustee may pay a lump sum where the payment would be of a type described in Part 2 of the Authorised Payments Regulations. In the case of a payment described in regulation 6, 8, 11 or 12 of the Authorised Payments Regulations, the payment shall extinguish the CARE Member's entitlement to benefits under the Scheme. The basis for determining the amount of the lump sum must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a payment which is an authorised payment pursuant to Finance Act 2004. Where the lump sum involves commutation of a benefit, the amount of the lump sum shall be an amount which the Trustee considers reasonable having consulted the Actuary.
- 17.14 Subject to the Trustee deciding otherwise, this Rule 17 shall apply only in respect of benefits under the CARE Section and CARE Members with Scheme benefits under another section shall have their lump sum calculated in accordance with the relevant Scheme section(s).

18. DURATION OF PENSIONS

- 18.1 Subject to Rule 20.4 and Rule 12.3, a pension will be payable for life.
- 18.2 The last payment will be that which is payable on or immediately before the date of death or earlier termination and will not be apportioned.

19. METHOD OF PAYMENT AND INCREASES

- 19.1 Every pension and lump sum will be payable from any office nominated by the Trustee to the bank account of the Beneficiary or in any other manner the Trustee decides.

- 19.2 In respect of benefits accrued in the CARE Section, the pensions in payment for CARE Pensioners shall be increased annually on such date as the Trustees determine at the lesser of:
- 19.2.1 5%; and
- 19.2.2 the Consumer Prices Index over the 12 months to each 31 December immediately preceding the effective date of such increase.
- 19.3 With the consent of the University the Trustees may increase the pension in payment under the Scheme for or in respect of any CARE Pensioner on such terms and conditions as the Actuary confirms in writing to be appropriate and the University or if appropriate the Participator pays such increased contributions as the Actuary prescribes PROVIDED THAT no pension or other benefit shall be increased under the provisions of this Rule by such amount as would prejudice the registration of the Scheme under the Finance Act 2004.⁴⁰

20. DEATH OF A CARE ACTIVE MEMBER

- 20.1 On the death of a CARE Active Member there shall be paid:
- 20.1.1 a lump sum equal to three times the CARE Active Member's CARE Pensionable Salary at the date of their death if they have been a CARE Active Member of the Scheme for at least a year at the date of their death or, if they have not, three times their annual rate of CARE Pensionable Salary; and
- 20.1.2 a sum equal to the CARE Active Member's Total Contributions unless any benefit is payable under Rules 20.2, 20.3 and 20.4; and
- Payments made under this Rule 20.1 shall be paid in accordance with Clause 5.6 of the Trust Deed (or any other relevant power).
- 20.2 On the death of a CARE Active Member who has completed five years' Pensionable Service and who leaves a Spouse or Civil Partner they will be paid a pension for life (adjusted under Rule 22). The amount will be 2/3rds of the pension that a CARE Active Member could have accrued from the date of death to Normal Pension Age (subject to a maximum of 40 years of Pensionable Service) (but by reference to CARE Pensionable Salary at the date of death)) had that CARE Active Member remained a CARE Active Member until Normal Pension Age and then retired. For the purpose of this Rule 20.2 it shall be assumed that the CARE Active Member would not have exchanged any lump sum for pension under Rule 17.
- 20.3 The Spouse's or Civil Partner's Guaranteed Minimum Pension will always be paid to the person entitled to it under the Contracting-out Laws.
- 20.4 No pension payable under Rule 20.2 or Rule 21.2 shall be less than the Minimum Pension.
- 20.5 In the event of the CARE Member or CARE Pensioner referred to in Rules 20 and 21 not being married or in a Civil Partnership at the date of death, the Trustee shall have power in its absolute discretion, to pay the pension that would have been payable under Rules 20 and 21 had the said CARE Member or CARE Pensioner been married or in a Civil Partnership to such of the Main Scheme Dependents of the said CARE Member or CARE Pensioner as they shall decide.

⁴⁰ **CMS Drafting Note:** Deletion and replacement of clause 20.4 by deed of amendment dated 23 May 2023 with effect from 23 May 2023.

21. DEATH OF A CARE PENSIONER OR CARE DORMANT MEMBER

- 21.1 On the death of a CARE Pensioner who leaves a Spouse or Civil Partner they will be paid a pension for life (adjusted under Rule 22). The pension will be equal annually in amount to 2/3rds of the pension payable to the CARE Pensioner.
- 21.2 The Spouse or Civil Partner's Guaranteed Minimum Pension will always be paid to the person entitled to it under the Contracting-out Laws.
- 21.3 On the death of a CARE Dormant Member, under Rule 10:
- 21.3.1 there shall be paid to the CARE Dormant Member's Personal Representatives a sum equal to their Total Contributions to the Scheme (which for the purposes of this Rule 21.3.1 shall include the whole of their AVC Fund to the extent that it has not otherwise been applied to provide benefits in respect of such CARE Dormant Member);
- 21.3.2 a pension will be payable to the CARE Dormant Member's Spouse or Civil Partner equal to ½ of the CARE Dormant Member's pension calculated in accordance with Rule 10.2⁴¹ but with revaluation applied to date of death.
- 21.4 On the death of a Postponed Pensioner, Rule 21.1 to 21.2 will apply as if the Postponed Pensioner had become a CARE Pensioner immediately before their death.
- 21.5 The Trustee has discretion to pay a pension under this Rule 21 to such other person mentioned in Rule 20.5 of Schedule 3.

22. REDUCTION OF A SPOUSE'S PENSION

- 22.1 A pension payable to a Spouse or Civil Partner under Rule 20.2 and 21 will be adjusted under Rules 22.2 and 22.3.
- 22.2 If a Spouse or Civil Partner is more than ten years younger than the CARE Member or CARE Pensioner the Trustee may reduce the Spouse's or Civil Partner's pension upon the advice of the Actuary provided that no such reduction shall exceed two and a half per cent for each year in excess of ten or shall reduce the pension below the GMP.
- 22.3 A Spouse's (or if applicable, Civil Partner's) pension will be reduced by the amount of the Spouse's or surviving Civil Partner's Guaranteed Minimum Pension if another person is entitled to that under the Contracting-out Laws.

23. BENEFITS FOR CHILDREN

- 23.1 In the event of a pension becoming payable Rules 20 (Death of a CARE Active Member) and 21 (Death of a CARE Pensioner or CARE Dormant Member) following the death of a CARE Member or CARE Pensioner who leaves an Eligible Child or Eligible Children, there shall be paid a pension for the benefit of each Eligible Child subject to a maximum of two at any one time each equal to one-half of the pension payable to the Spouse or Civil Partner. The Trustee may apply the total value of this benefit to each Eligible Child if more than two in such manner as the Trustee sees fit.
- 23.2 If the CARE Member or CARE Pensioner is not survived by a Spouse or Civil Partner or if the Spouse or Civil Partner cease to benefit other than by reason of remarriage (or entering into a Civil Partnership) there shall be paid a pension for the benefit of each Eligible Child subject to a maximum of two at anyone time each equal to two thirds of the pension which would have been

⁴¹ **CMS Drafting Note:** Rule 22.3.2 deleted and replaced under Deed of Amendment dated 23 May 2023.

payable to the Spouse or Civil Partner under Rules 20 and 21. The Trustee may apply the total value of this benefit to each Eligible Child if more than two Eligible Children in such manner as the Trustee sees fit.

- 23.3 Payment of a pension to an Eligible Child will cease when the recipient ceases to be an Eligible Child but the Trustee may at its discretion re-allocate among any remaining Eligible Children that person's share of the pension payable in respect of such Eligible Child or Eligible Children.
- 23.4 The receipt of an Eligible Child for money paid to them under Rule 23.1 shall be a good discharge to the Trustee.
- 23.5 Any amount payable under this Rule may be paid at the discretion of the Trustee to any person or persons approved of by it who undertake to apply the pension or pensions for the maintenance or benefit of any one or both of the Eligible Children of the CARE Member or CARE Pensioner and the Trustee shall not be under any obligation to see to the application of any such pension or pensions payable in respect of such an Eligible Child or Eligible Children and paid to such person as aforesaid.

24. GENERAL PROVISIONS RELATING TO PENSIONS

- 24.1 On the cessation of the last to cease of the payment of a pension to a CARE Pensioner (if any) to their Spouse (if any), Civil Partner (if any) and to their Eligible Children (if any) there shall be paid to their Personal Representatives a sum equal to the excess (if any) of their Total Contributions over the total of the pension payments made to the CARE Pensioner, to their Spouse (if any), Civil Partner (if any) and to their Eligible Children (if any) and of any lump sum under Rule 17. However the Trustee shall not be obliged to make any payment pursuant to this Rule 24.1 to the extent that it would constitute an Unauthorised Payment.
- 24.2 Nothing in these Rules shall in any way restrict the right of the University a Participator or of its or their duly authorised servant to determine the office or employment of any CARE Member or CARE Pensioner and no damages shall be recoverable nor any amount claimed to be set off in respect of any benefit under the Scheme which a CARE Member or CARE Pensioner alleges against the Trustee, the University or the Participator they have lost by reason of the determination of their employment whether such determination was lawful or not.

SCHEDULE 4 – MANCHESTER INNOVATION BENEFIT SCHEDULE

Interpretation Note: This Schedule sets out the benefit provisions which apply to members of the MILGPS Former Scheme (as defined in Schedule 1) only. This section was adopted by deed of merger dated 28 August 2013.

1. DEFINITIONS

Defined terms referred to in this Schedule 4 are contained in Schedule 1.

2. ADMISSION

2.1 This Schedule 4 applies to:-

- 2.1.1 MILGPS Deferred Members; and
- 2.1.2 MILGPS Former Pensioners.

3. BENEFITS PAYABLE TO MILGPS FORMER PENSIONERS

- 3.1 The benefits payable to and in respect of MILGPS Former Pensioners are as set out in the terms of the annuity policies issued in respect of them.

4. BENEFITS PAYABLE TO MILGPS DEFERRED MEMBERS

4.1 A MILGPS Deferred Member shall be entitled at Normal Pension Date to:-

- 4.1.1 a pension equal to $1/80^{\text{th}}$ of the MILGPS Deferred Member's MILGPS Final Pensionable Salary for each complete year of MILGPS Pensionable Service (together with an additional proportion for each additional complete month) (subject to a maximum of $2/3$ rd of the MILGPS Deferred Member's MILGPS Final Pensionable Salary);
- 4.1.2 a lump sum equal to $3/80$ ths of the Member's MILGPS Final Pensionable Salary for each complete year of MILGPS Pensionable Service (together with an additional proportion for each complete month)

subject to a maximum of 40 years of MILGPS Pensionable Service which shall be revalued from the date of leaving MILGPS Pensionable Service to their Normal Pension Date by the MILGPS Revaluation Basis.

- 4.2 With the consent of the University the MILGPS Deferred Member may receive a pension and lump sum from age 55 (or earlier if they are suffering from the MILGPS Ill-health Condition) calculated in accordance with Rule 4.1 of this Schedule 4 reduced for early payment on a basis certified as reasonable by the Actuary.

5. DEATH BENEFITS PAYABLE TO A MILGPS DEFERRED MEMBER

- 5.1 On the death before Normal Pension Date of a MILGPS Deferred Member a lump sum shall be payable equal to the total contributions paid by the MILGPS Deferred Member to the MILGPS Former Scheme.
- 5.2 On the death before Normal Pension Date of a MILGPS Deferred Member a pension is payable to the spouse:-

- 5.2.1 equal to any Guaranteed Minimum Pension to which the spouse is entitled to or, if greater and where the MILGPS Deferred Member joined the MILGPS Former Scheme before 1 January 1996, 1/160th of MILGPS Final Pensionable Salary for each year of contracted-out service completed by the MILGPS Deferred Member in the MILGPS Former Scheme (provided that in calculating the greater amount the MILGPS Final Pensionable Salary of the MILGPS Deferred Member, their earnings for National Insurance contributions purposes above the upper earnings limit and below the lower earnings limit will be disregarded); and
- 5.2.2 In respect of the Member's contracted-out service in the MILGPS Former Scheme on or after 6 April 1997 equal to 50% of the pension earned by the MILGPS Deferred Member on or after 6 April 1997 and calculated as at the date the MILGPS Deferred Member's service in the MILGPS Former Scheme ceases.

6. DEATH BENEFITS PAYABLE TO A MILGPS PENSIONER

- 6.1 On the death of a MILGPS Pensioner within 5 years from the commencement of their pension, a lump sum shall be payable equal to the value (as determined by the Trustee) of the pension payments which would have been paid to the MILGPS Pensioner during the remainder of the 5 year period if the MILGPS Pensioner had not died provided that the Trustee may instead chose to continue to pay the pension payments as to such person or persons as the Trustee determines until the 5th anniversary of the commencement of the pension.
- 6.2 On the death of a MILGPS Pensioner a pension shall be paid to the spouse of the MILGPS Pensioner equal to 50% of the pension payable to the MILGPS Pensioner immediately before their death but on the assumption that they had not commuted any part of that pension provided that, if the MILGPS Pensioner married after their pension commenced and within 6 months of the date of their death, the pension shall be restricted to the Guaranteed Minimum Pension to which the spouse is entitled in respect of their contracted out service in the MILGPS Former Scheme before 6 April 1997.
- 6.3 On the death of a MILGPS Pensioner a pension shall be paid to each of their MILGPS Children (up to a maximum of 2 MILGPS Children) equal to 25% of the pension payable to the MILGPS Pensioner immediately before their death but on the assumption that they had not commuted any part of that pension.

7. PENSION INCREASES

- 7.1 Any pension in payment in excess of the Guaranteed Minimum Pension shall increase each year by 5% per annum compound each year provided that if the pension is paid for less than a year it shall be at such lower rate as the Trustee with the agreement of the University shall decide.

SCHEDULE 5 - SUSS SECTIONS

Interpretation Note: This Schedule sets out the benefit provisions which apply to members of the SUSS Former Scheme (as defined in Schedule 1) only. This section was adopted by deed of merger dated 30 March 2022.

PART 1 RELATING TO THE STUDENTS' UNION SUPERANNUATION SCHEME FOR SUSS CATEGORY 1 MEMBERS

To the extent specified below, in respect of SUSS Category 1 Members, the Rules are modified or added to. Except where specified below, the Rules shall apply.

1. DEFINITIONS

Defined terms referred to in this Part 1 of Schedule 5 are contained in Schedule 1.

2. ELIGIBILITY

2.1 This Part 1 applies to SUSS Category 1 Members.

2.2 A SUSS Category 1 Member automatically became a SUSS Category 1 Deferred Member of the Scheme or a SUSS Category 1 Pensioner in the Scheme (if their pension was in payment in the SUSS Former Scheme) with effect on and from 31 March 2022 as a result of the transfer of the benefits for and in respect of them pursuant to the Transfer Deed dated 30 March 2022.

3. PENSION AT NORMAL PENSION AGE FOR DEFERRED MEMBERS

3.1 A SUSS Category 1 Deferred Member shall be entitled to receive a pension at SUSS Category 1 Normal Pension Age payable for life which is the sum of an annual amount of 1/60th of their SUSS Category 1 Final Pensionable Salary times by their SUSS Category 1 Pensionable Service and so in proportion for each complete month of SUSS Category 1 Pensionable Service revalued in accordance with the requirements of the Pension Schemes Act 1993

Provided that the SUSS Category 1 Final Pensionable Salary shall be calculated by reference to the greater of:-

- 3.1.1 their SUSS Category 1 Final Pensionable Salary at the date their SUSS Category 1 Pensionable Service terminated; and
- 3.1.2 their SUSS Category 1 Final Pensionable Salary on the assumption that their SUSS Category 1 Pensionable Salary remained the same as at the date they left Pensionable Service.

4. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBERS

4.1 With the consent of the University and the Trustee, a SUSS Category 1 Deferred Member shall be entitled to receive a pension before SUSS Category 1 Normal Pension Age, and after attaining the Normal Minimum Pension Age, for life calculated in accordance with Rule 3.1 reduced in respect of each calendar month (or part thereof) for the period between the date the pension commenced and SUSS Category 1 Normal Pension Age by 0.5% per month.

5. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBERS WHO ARE SUFFERING FROM THE ILL-HEALTH CONDITION

- 5.1 With the consent of the University and the Trustee, a SUSS Category 1 Deferred Member shall be entitled to receive a pension before SUSS Category 1 Normal Pension Age if they satisfy the SUSS Category 1 Ill-health Condition. The pension is calculated in accordance with Rule 3.1 reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and SUSS Category 1 Normal Pension Age by 0.5% per month for the first 15 years of such period and for any period in excess of 15 years by such amount not exceeding 0.5% per month as the Trustee in its discretion shall determine for any subsequent part of such period.

6. PENSION AFTER NORMAL PENSION AGE FOR DEFERRED MEMBERS

- 6.1 With the consent of the Trustee, a SUSS Category 1 Deferred Member may elect to have their pension, commence after SUSS Category 1 Normal Pension Age (but not later than age 75). The pension shall be calculated in accordance with Rule 3.1 which shall be increased by 0.75% for each complete calendar month in the period between SUSS Category 1 Normal Pension Age and the date of the commencement of the pension.

7. DEATH OF A DEFERRED MEMBER

- 7.1 On the death of a SUSS Category 1 Deferred Member before their pension commences:-

- 7.1.1 a lump sum shall be paid equal to the total ordinary contributions paid by the SUSS Category 1 Deferred Member without interest to the SUSS Former Scheme which shall be payable in accordance with Rule 15; and
- 7.1.2 in the event the SUSS Category 1 Deferred Member leaves a SUSS Spouse, a pension shall be payable to the SUSS Spouse calculated at the rate of $1/12^{\text{th}} \times 1/160^{\text{th}}$ of the greater of:-
- (a) their SUSS Category 1 Final Pensionable Salary calculated at the date of leaving Pensionable Service; and
 - (b) their SUSS Category 1 Final Pensionable Salary on the assumption that their SUSS Category 1 Pensionable Salary remained the same as at the date they left Pensionable Service

for each complete month of their SUSS Contracted-out Employment and which complies with the Contracting-out Laws.

- 7.2 On the death of a SUSS Category 1 Deferred Member before their pension commences and who dies without a SUSS Spouse but is survived by an SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children a pension is payable to the SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children calculated in accordance with Rule 7.1.2 above.
- 7.3 If there is more than one SUSS Category 1 Eligible Child, the pension payable is applied by the Trustee in such proportions and in such manner as it determines.

8. DEATH OF A PENSIONER

- 8.1 On the death of a SUSS Category 1 Pensioner, within five years of their pension having commenced, a lump sum shall be paid equal to the pension payments which would have been paid to them during the remainder of the five year period without increases less the amount of any

pension payable to the SUSS Spouse under Rule 8.3 for the remainder of that five years which shall be payable in accordance with Rule 15.

- 8.2 On the death of a SUSS Category 1 Pensioner, within five years of their pension having commenced, who is not survived by a SUSS Spouse, a lump sum shall be paid equal to the pension payments which could have been paid to them during the remainder of the five year period without any increases which would have been payable on the pension payments which shall be payable in accordance with Rule 15.
- 8.3 If the last payment of a SUSS Spouse's pension falls due within a period of five years from the date of the commencement of the SUSS Category 1 Pensioner's pension, a lump sum equal in value to the instalments of the SUSS Spouse's pension which would have been payable from the date of the last instalment of the pension until the end of such period is payable in accordance with Rule 15.
- 8.4 On the death of a SUSS Category 1 Pensioner, who is survived by a SUSS Spouse, a pension shall be paid to the SUSS Spouse equal to ½ of the pension payable to the SUSS Category 1 Pensioner at the date of their death or which would have been paid if the SUSS Category 1 Pensioner had not commuted any part of their pension for a lump sum or for a SUSS Category 1 Dependant's pension under Rule 11.
- 8.5 On the death of a SUSS Category 1 Pensioner, who dies without a SUSS Spouse, but is survived by an SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children a pension is payable to the SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children calculated in accordance with Rule 8.4 above.
- 8.6 If there is more than one SUSS Category 1 Eligible Child, the pension payable is applied by the Trustee in such proportions as it determined and in such manner as it determines.

9. GENERAL PROVISIONS RELATING TO THE PAYMENT OF A PENSION

- 9.1 A pension payable to a SUSS Spouse shall be paid by monthly instalments commencing on the date of death of the SUSS Category 1 Members.
- 9.2 If the SUSS Spouse of a SUSS Category 1 Members is more than 10 years' younger than the SUSS Category 1 Members, the Trustee may reduce any SUSS Spouse's pension provided at such rate not exceeding 2.5% for each year of the disparity in ages in excess of 10 years as it shall in its discretion determine.
- 9.3 The Trustee may withhold any pension payable to a SUSS Spouse or an SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children until evidence, in the case of a SUSS Spouse of marriage and age, and, in the case of an SUSS Category 1 Eligible Child or SUSS Category 1 Eligible Children that the child or each child satisfies the definition of SUSS Category 1 Eligible Child, satisfactory to the Trustee is produced.
- 9.4 After a pension has commenced under this Part 1, the person or persons in receipt of it shall provide the Trustee with such evidence as to their existence as the Trustee may require.
- 9.5 In determining the benefits payable in respect of a SUSS Category 1 Members, any marriage taking place after SUSS Category 1 Normal Pension Age and within six months of the SUSS Category 1 Members's death, and any children of such marriage, may be disregarded by the Trustee.

- 9.6 Payment of a pension to an SUSS Category 1 Eligible Child shall cease when the recipient ceases to be an SUSS Category 1 Eligible Child provided that the Trustee may at its discretion re-allocate any amount remaining SUSS Category 1 Eligible Children that person's share of the pension payable to the Child.
- 9.7 For the avoidance of doubt, Rule 13 of Schedule 2 (Flexible Retirement) and Rule 15 of Schedule 3 (Flexible Retirement) of the deed of amendment dated 27 March 2012 does not apply to a SUSS Category 1 Members.

10. PENSION INCREASES

- 10.1 This Rule 10 applies to all SUSS Category 1 Members (and SUSS Spouses, SUSS Category 1 Dependants and SUSS Category 1 Eligible Children claiming through them) irrespective of when their pension commences, left SUSS Category 1 Pensionable Service in the Former Scheme, or died).
- 10.2 The Trustee shall increase all pensions in payment for or in respect of SUSS Category 1 Members each year in accordance with this Rule 10.

Category A Members

- 10.3 The Trustee shall increase a pension in payment to or in respect of a SUSS Category 1 Category A Member each year as follows:-

Excess

- 10.3.1 For a pension in excess of a SUSS Category 1 Category A Member's SUSS GMP attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988 by 7% per annum; and

GMP

- 10.3.2 For a SUSS Category 1 Category A Member's SUSS GMP attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988 in accordance with Rule 10.10.

Consenting Category B Members

- 10.4 The Trustee shall increase a pension in payment to or in respect of a SUSS Category 1 Consenting Category B Member each year as follows:-

Excess

- 10.4.1 For a pension in excess of a SUSS Category 1 Consenting Category B Member's SUSS GMP, attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988, by 7% per annum;
- 10.4.2 For a pension in excess of a SUSS Category 1 Consenting Category B Member's SUSS GMP, attributable to SUSS Category 1 Pensionable Service on or after 1 October 1988 and up to and including 31 December 1993, by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7%;

GMP

- 10.4.3 For a SUSS Category 1 Consenting Category B Member's SUSS GMP, attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988, in accordance with Rule 10.10;
- 10.4.4 For a SUSS Category 1 Consenting Category B Member's SUSS GMP attributable to Pensionable Service, on or after 1 October 1988 and up to and including 31 December 1993, by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7%.

Non-Consenting Category B Members

- 10.5 The Trustee shall increase a pension in payment to or in respect of a SUSS Category 1 Non-Consenting Category B Member each year as follows:-

Excess

- 10.5.1 For a pension in excess of a SUSS Category 1 Non-Consenting Category B Member's SUSS GMP, attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 31 December 1993, by 7% per annum;

GMP

- 10.5.2 For a SUSS Category 1 Non-Consenting Category B Member's SUSS GMP, attributable to SUSS Category 1 Pensionable Service on or after 1 October 1981 and up to and including 31 December 1993, in accordance with Rule 10.10;

Transfers in

- 10.6 This Rule 10 does not apply to any part of a pension which is derived from a transfer into the SUSS Former Scheme for which the trustees of the SUSS Former Scheme granted benefits in the Former Scheme. The Trustee shall increase a pension derived from a transfer into the SUSS Former Scheme as the Trustee shall, having taken the advice of an Actuary, consider appropriate and which may have been communicated to the SUSS Category 1 Members at the time of the transfer.

Effective date of increases

- 10.7 The increases payable under this Rule 10 shall take effect on 1st April each year. If the pension has been in payment for less than one year, the Trustee shall reduce the amount of the increase to reflect the fact the pension has only been in payment for a proportion of the previous year by reference to the number of complete months for which the pension has been in payment.

Reference date for the Retail Prices Index

- 10.8 For the purposes of this Rule 10, the Trustee shall use the SUSS Retail Prices Index as at the preceding September or such other date as the University and the Trustee determines.

Discretionary increases

- 10.9 In addition to the provisions of Rules 10.1 to 10.5 (inclusive), the University and the Trustee may review the pensions in payment each year and may, from time to time, further increase them by such amount and at such times as the Trustee, with the consent of the University, and have regard to the availability of funds, may decide.

Contracting out increases

- 10.10 The SUSS Guaranteed Minimum Pension referred to in Rules 10.3.2, 10.4.3, 10.4.4 and 10.5.2 above shall, insofar as they are attributable to earnings in the tax years from (and including) 1988/89 be increased in accordance with the requirements of sections 109 and 110 of the Pension Schemes Act 1993 and to the extent of any orders made thereunder.

11. LUMP SUM COMMUTATION

- 11.1 A SUSS Category 1 Deferred Member may elect by giving the Trustee notice in writing before their pension becomes payable, to be paid a lump sum in place of part of their pension.
- 11.2 The lump sum payable will be payable on the date when the pension begins to be paid and will not exceed such amount as can be paid as a Pension Commencement Lump Sum or a lump sum of the type described in regulation 19 of the Authorised Payments Regulations.
- 11.3 The reduction in pension to take account of the lump sum payable under Rule 11.1 will be calculated by the Trustee on a basis certified as reasonable by the Actuary. Such basis must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a Pension Commencement Lump Sum of the type described in regulation 19 of the Authorised Payments Regulations. The balance of pension payable shall not be less than the SUSS Category 1 Deferred Member's SUSS GMP.

12. SERIOUS-ILL HEALTH COMMUTATION

- 12.1 Serious ill-health commutations are paid pursuant to Clause 5.5 of the Trust Deed.

13. TRIVIAL COMMUTATION

- 13.1 Trivial commutation lump sums are paid pursuant to Clause 5.4 of the Trust Deed.

14. GENERAL PROVISIONS RELATING TO COMMUTATION

- 14.1 If, subject to the Pension Condition being met, paragraph 31(1) of Schedule 36 of the Finance Act 2004 applies so as to modify the provisions of Schedule 29 of the Finance Act 2004 in relation to the Scheme and the relevant individual(s), the Trustee shall operate the Scheme in relation to such individual(s) so as to ensure compliance with the Pension Condition unless the SUSS Category 1 Members and the Trustee agree in writing that this Rule 14.1 shall not apply in relation to the SUSS Category 1 Members. Any such agreement shall be irrevocable.
- 14.2 Any commutation of a SUSS GMP must be in accordance with regulation 60 of the Occupational Pension Schemes (Contracting-out) Regulations 1996.
- 14.3 The Trustee may pay a lump sum where the payment would be of a type described in Part 2 of the Authorised Payment Regulations. In the case of a payment described in Regulation 6, 8, 11 or 12 of the Authorised Payment Regulations, the payment shall extinguish the SUSS Category 1 Members's entitlement to benefits under the Scheme. In the case of a payment described in Regulation 9 of the Authorised Payment Regulations, the payment shall, the payment shall extinguish the SUSS Category 1 Members's entitlement to benefits under the Scheme unless the Trustee is making the payment after the SUSS Category 1 Members's death in circumstances where this is not applicable. The basis for determining the amount of the lump sum must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a payment which is an authorised payment pursuant to Finance Act 2004. Where the lump sum

involves commutation of a benefit, the amount of the lump sum shall be an amount which the Trustee considers reasonable after having consulted the Actuary.

15. DISCRETIONARY TRUST OF LUMP SUMS

- 15.1 Discretionary lump sum death benefits are paid pursuant to Clause 5.6 of the Trust Deed.

PART 2 RELATING TO THE STUDENTS' UNION SUPERANNUATION SCHEME FOR SUSS CATEGORY 2 MEMBERS

To the extent specified below, in respect of SUSS Category 2 Members, the Rules are modified or added to. Except where specified below, the Rules shall apply.

1. DEFINITIONS

Defined terms referred to in this Part 2 of Schedule 5 are contained in Schedule 1.

2. ELIGIBILITY

2.1 This Part 2 applies to SUSS Category 2 Members.

2.2 A SUSS Category 2 Member automatically became a SUSS Category 2 Deferred Member of the Scheme or a SUSS Category 2 Pensioner in the Scheme (if their pension was in payment in the SUSS Former Scheme) with effect on and from 31 March 2022 as a result of the transfer of the benefits for and in respect of them pursuant to the Transfer Deed dated 30 March 2022.

3. PENSION AT NORMAL PENSION AGE FOR DEFERRED MEMBERS

3.1 Subject to Rule 6 in relation to a SUSS Category 2 Mixed NPA Member, a SUSS Category 2 Deferred Member shall be entitled to receive a pension at SUSS Category 2 Normal Pension Age payable for life equal to:-

3.1.1 In respect of a SUSS Category 2 Deferred Member the aggregate of:-

- (a) $\frac{1}{60}^{\text{th}}$ of their SUSS Category 2 Final Pensionable Salary times by their SUSS Category 2 Pensionable Service and so in proportions for each additional complete month of SUSS Category 2 Pensionable Service completed to 1 October 2000 revalued in accordance with the requirements of the Pension Schemes Act 1993

Provided that SUSS Category 2 Final Pensionable Salary shall be calculated by reference to the greater of:-

- (i) their SUSS Category 2 Final Pensionable Salary at the date their SUSS Category 2 Pensionable Service terminated; and
- (ii) their SUSS Category 2 Final Pensionable Salary on the assumption that their SUSS Category 2 Pensionable Salary remained the same as at the date they left SUSS Category 2 Pensionable Service ; and
- (b) $\frac{1}{60}^{\text{th}}$ of their SUSS Category 2 Final Pensionable Salary times by their SUSS Category 2 Pensionable Service and so in proportion for each additional complete month of Pensionable Service completed from 1 October 2000 to 30 September 2003 revalued in accordance with the requirements of the Pension Schemes Act 1993; and
- (c) the aggregate of the pension earned for each SUSS Scheme Year during which they were in SUSS Category 2 Pensionable Service on or after 1 October 2003 being calculated as $\frac{1}{60}^{\text{th}}$ of their SUSS Category 2 Revalued Pensionable Salary for that Scheme Year

Provided that the SUSS Category 2 Pensionable Service of a SUSS Category 2 Member shall not exceed 40 years in total.

4. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBER

- 4.1 With the consent of the Trustee, a SUSS Category 2 Deferred Member shall be entitled to receive a pension before SUSS Category 2 Normal Pension Age and after attaining the Normal Minimum Pension Age payable for life, calculated in accordance with Rule 3 reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and SUSS Category 2 Normal Pension Age by such amount as the Trustee determines having consulted with the Actuary or, in the case of a Mixed NPA Member, calculated in accordance with Rule 6 provided that the consent of the Trustee is not required if the SUSS Category 2 Mixed NPA Member wishes to retire at or after the age of 60.

5. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBERS WHO ARE SUFFERING FROM THE ILL-HEALTH CONDITION

- 5.1 With the consent of the Trustee, a SUSS Category 2 Deferred Member shall be entitled to receive a pension before SUSS Category 2 Normal Pension Age if they satisfy the SUSS Category 2 Ill-health Condition. The pension is calculated in accordance with Rule 3 reduced in respect of each calendar month (or part thereof) in the period between SUSS Category 2 Normal Pension Age and the date the pension commences by such amount as the Trustee determines having consulted with the Actuary or, in the case of a Mixed NPA Member, calculated in accordance with Rule 6.

6. PENSION BENEFITS FOR A MIXED NPA MEMBER

- 6.1 In relation to a SUSS Category 2 Mixed NPA Member, the benefits shall be calculated as follows:-

6.1.1 if the benefits are paid prior to the attainment of age 60:-

- (a) the SUSS Category 2 Pre-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3, revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and age 60 by such amount as the Trustee determines having consulted with the Actuary;
- (b) the SUSS Category 2 Post-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3, revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and age 65 by such amount as the Trustee determines having consulted with the Actuary;

6.1.2 if the benefits are paid on the attainment of age 60:-

- (a) the SUSS Category 2 Pre-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the date the pension commences;
- (b) the SUSS Category 2 Post-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and age 65 by such amount as the Trustee determines having consulted the Actuary;

6.1.3 if the benefits are paid between the ages of 60 and 65:-

- (a) the SUSS Category 2 Pre-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to age 60 and shall be increased by such amount as the Trustee determines having consulted the Actuary for the period between the age of 60 and the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 2 Pensionable Service at age 60 completed prior to 30 September 2000 and their SUSS Category 2 Final Pensionable Salary calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme revalued where necessary);
- (b) the SUSS Category 2 Post-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the date the pension commences and reduced (as relevant) in respect of each calendar month (or part thereof) in the period between the date the pension commences and age 65 by such amount as the Trustee determine having consulted the Actuary;

6.1.4 if the benefits are paid at the age of 65:-

- (a) the SUSS Category 2 Pre-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the age of 60 and shall then be increased by such amount as the Trustee determines having consulted the Actuary from the age of 60 to the age of 65 provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 2 Pensionable Service at age 60 completed prior to 30 September 2000 and their SUSS Category 2 Final Pensionable Salary calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme (revalued where necessary);
- (b) the SUSS Category 2 Post-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the age of 65;

6.1.5 if the benefits are paid after the age of 65:-

- (a) the SUSS Category 2 Pre-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme in accordance with Rule 3 and revalued to the age of 60 and shall then be increased by such amount as the Trustee determines having consulted the Actuary for the period from the age of 60 to the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 2 Pensionable Service at age 60 completed prior to 30 September 2000 and their SUSS Category 2 Final Pensionable Salary calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme (revalued where necessary);
- (b) the SUSS Category 2 Post-2000 Benefits shall be calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme

in accordance with Rule 3 and revalued to the age of 65 and shall then be increased by such amount as the Trustee determines having consulted the Actuary for the period from the age of 65 to the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 2 Pensionable Service at age 60 and their SUSS Category 2 Final Pensionable Salary calculated at the date of leaving SUSS Category 2 Pensionable Service in the SUSS Former Scheme (revalued where necessary).

7. PENSION AFTER NORMAL PENSION AGE FOR DEFERRED MEMBERS

- 7.1 Subject to Rule 6 in the case of a SUSS Category 2 Mixed NPA Member, with the consent of the Trustee, a SUSS Category 2 Deferred Member may elect to have their pension commence after SUSS Category 2 Normal Pension Age (but not later than age 75). The pension shall be calculated in accordance with Rule 3 and shall be increased for each complete calendar month by such amount as the Trustee determines having consulted the Actuary.

8. DEATH OF A DEFERRED MEMBER BEFORE NORMAL PENSION AGE

- 8.1 On the death of a SUSS Category 2 Deferred Member, before their pension commences and before Normal Pension Age:-
- 8.1.1 a lump sum shall be paid equal to the total ordinary contributions paid by the SUSS Category 2 Deferred Member to the SUSS Former Scheme without interest and the amount of the additional voluntary contributions paid by the SUSS Category 2 Deferred Member to the SUSS Former Scheme without interest which shall be payable in accordance with Rule 17; and
 - 8.1.2 in the event the SUSS Category 2 Deferred Member leaves a SUSS Spouse, a pension shall be payable to the SUSS Spouse which shall be the minimum of the SUSS Spouse's SUSS Guaranteed Minimum Pension and the pension (if any) that must be paid to them under the reference scheme test pursuant to section 12B of the Pension Schemes Act 1993.
- 8.2 In the event the SUSS Category 2 Deferred Member specifies a SUSS Category 2 Nominated Dependant and there is no SUSS Spouse, the Trustee may pay the SUSS Spouse's pension to the SUSS Category 2 Nominated Dependant calculated in accordance with Rule 8.1.2.
- 8.3 On the death of a SUSS Category 2 Deferred Member, before their pension commences and before SUSS Category 2 Normal Pension Age and who dies without a SUSS Spouse but is survived by an SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children a pension is payable to the SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children calculated in accordance with Rule 8.1.2 above.
- 8.4 If there is more than one SUSS Category 2 Eligible Child, the pension payable is applied by the Trustee in such proportions and in such manner as the Trustee determines.

9. DEATH OF A DEFERRED MEMBER AFTER NORMAL PENSION AGE

- 9.1 On the death of a SUSS Category 2 Deferred Member, before their pension commences and after Normal Pension Age:-

- 9.1.1 a lump sum shall be paid equal to the total ordinary contributions without interest paid by the SUSS Category 2 Deferred Member to the SUSS Former Scheme which shall be payable in accordance with Rule 17; and
- 9.1.2 in the event the SUSS Category 2 Deferred Member leaves a SUSS Spouse, a pension shall be payable to the SUSS Spouse calculated at the rate of $\frac{1}{2}$ of the pension to which the SUSS Category 2 Deferred Member would have been entitled under Rule 3 for a SUSS Category 2 Deferred Member who is not a Mixed NRA Member and Rule 6 in the case of a Mixed NRA Member if their pension had commenced on the date of their death on the assumption they had not commuted any part of their pension for a lump sum or a SUSS Category 2 Dependant's pension under Rule 13.
- 9.2 In the event the SUSS Category 2 Deferred Member specifies a Nominated Dependant, the Trustee may pay the SUSS Spouse's pension to the Nominated Dependant, calculated in accordance with Rule 9.1.2, at its absolute discretion provided that if the SUSS Category 2 Deferred Member also leaves a SUSS Spouse, the pension payable to the SUSS Category 2 Nominated Dependant is the amount of the pension in excess of the SUSS Spouse's SUSS GMP.
- 9.3 On the death of a SUSS Category 2 Deferred Member, before their pension commences and after SUSS Category 2 Normal Pension Age and who dies without a SUSS Spouse or SUSS Category 2 Nominated Dependant but is survived by an SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children, a pension is payable to the SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children calculated in accordance with Rule 9.1.2 above.
- 9.4 If there is more than one SUSS Category 2 Eligible Child, the pension payable is applied by the Trustee in such proportions and in such manner as the Trustee determines.

10. DEATH OF A PENSIONER

- 10.1 On the death of a Pensioner, within five years of their pension having commenced, a lump sum shall be paid equal to the pension payments which would have been paid to them during the remainder of the five year period less the amount of any pension payable to the SUSS Spouse under Rule 10.3 or to the SUSS Category 2 Nominated Dependant under Rule 10.4 for the remainder of that five years which shall be payable in accordance with Rule 17.
- 10.2 On the death of a Pensioner, within five years of their pension having commenced, who is not survived by a SUSS Spouse or a SUSS Category 2 Nominated Dependant, a lump sum shall be paid equal to the pension payments which would have been paid to them during the remainder of the five years which shall be payable in accordance with Rule 17.
- 10.3 On the death of a SUSS Category 2 Pensioner who is survived by a SUSS Spouse, a pension shall be paid to the SUSS Spouse equal to $\frac{1}{2}$ of the pension payable to the SUSS Category 2 Pensioner at the date of their death or which would have been paid if the SUSS Category 2 Pensioner had not commuted any part of their pension for a lump sum or a SUSS Category 2 Dependant's pension under Rule 13.
- 10.4 In the event the SUSS Category 2 Pensioner specifies a SUSS Category 2 Nominated Dependant, the Trustee may pay the pension to the SUSS Category 2 Nominated Dependant, calculated in accordance with Rule 10.3 provided that if the SUSS Category 2 Pensioner also leaves a SUSS Spouse, the pension payable to the SUSS Category 2 Nominated Dependant is the amount of the pension in excess of the SUSS Spouse's SUSS GMP.

- 10.5 If the last payment of a SUSS Spouse's pension or Nominated Dependant's pension falls due within a period of five years from the date of commencement of the SUSS Category 2 Pensioner's pension, a lump sum equal in value to the instalments of the SUSS Spouse's pension or Nominated Dependant's pension which would have been payable from the date of the last instalment of the pension until the end of such period is payable in accordance with Rule 17.
- 10.6 On the death of a SUSS Category 2 Pensioner, who dies without a SUSS Spouse or a Nominated Dependant, but is survived by an SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children, a pension is payable to the SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children calculated in accordance with Rule 10.3 above.
- 10.7 If there is more than one SUSS Category 2 Eligible Child, the pension payable is applied by the Trustee in such proportions and in such manner as it determines.

11. GENERAL PROVISIONS RELATING TO THE PAYMENT OF PENSIONS

- 11.1 A pension payable to the SUSS Spouse shall be paid by monthly instalments commencing on the date of death of the SUSS Category 2 Member.
- 11.2 If the SUSS Spouse or SUSS Category 2 Nominated Dependant is more than 10 years' younger than the Member, the Trustee may reduce the SUSS Spouse's or Nominated Dependant's pension at such rate not exceeding 2.5% for each year of the disparity in ages in excess of 10 years as it shall in its discretion determine.
- 11.3 The Trustee may withhold any pension payable to the SUSS Spouse, SUSS Category 2 Nominated Dependant or SUSS Category 2 Eligible Child until evidence satisfactory to the Trustee of marriage and the age in the case of the SUSS Spouse or evidence that the SUSS Category 2 Nominated Dependant satisfies the definition of SUSS Category 2 Nominated Dependant, or in the case of an SUSS Category 2 Eligible Child or SUSS Category 2 Eligible Children that the child or each child satisfies the definition of SUSS Category 2 Eligible Child is produced.
- 11.4 After a pension has commenced under this Part 2, the person or persons in receipt of it shall provide the Trustee with such evidence as to their existence as the Trustee may require.
- 11.5 In determining benefits payable in respect of a Member, any marriage taking place after SUSS Category 2 Normal Pension Age and within six months of the Member's death, and any children of such marriage, may be disregarded by the Trustee.
- 11.6 Payment of a pension to an SUSS Category 2 Eligible Child shall cease when the recipient ceases to be an SUSS Category 2 Eligible Child provided that the Trustee may at its discretion re-allocate any amount remaining SUSS Category 2 Eligible Children that person's share of the pension payable to the SUSS Category 2 Eligible Child.
- 11.7 For the avoidance of doubt, Rule 13 of Schedule 2 (Flexible Retirement) and Rule 15 of Schedule 3 (Flexible Retirement) does not apply to a Member.

12. PENSION INCREASES

- 12.1 This Rule 12 applies to all Members (and SUSS Spouses, SUSS Category 2 Nominated Dependents and SUSS Category 2 Eligible Children claiming through them) irrespective of when their pension commences, left SUSS Category 2 Pensionable Service in the SUSS Former Scheme or died.
- 12.2 The Trustee shall increase all pensions in payments for or in respect of SUSS Category 2 Members in accordance with this Rule 12.

Consenting Category B Members

- 12.3 The Trustee shall increase a pension in payment to or in respect of a Consenting Category B Member each year as follows:-

Excess

- 12.3.1 for a pension in excess of a Consenting Category B Member's SUSS GMP, attributable to SUSS Category 2 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988, by 7% per annum;
- 12.3.2 for a pension in excess of a Consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 October 1988 and up to and including 31 December 1993, by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7%;
- 12.3.3 for a pension in excess of a Consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum;
- 12.3.4 for a pension attributable to SUSS Category 2 Pensionable Service on or after 6 April 1997 and up to and including 30 September 2000 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5% or, if greater, by 3% per annum;
- 12.3.5 for a pension attributable to SUSS Category 2 Pensionable Service completed on or after 1 October 2000 and up to and including 30 September 2011 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%

GMP

- 12.3.6 for a Consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988 in accordance with Rule 12.10;
- 12.3.7 for a Consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 October 1988 and up to and including 31 December 1993 by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7%;
- 12.3.8 for a Consenting Category B Member's SUSS GMP completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum

provided that the increases under Rule 12.3.1 and Rule 12.3.6 shall not be less than 3% per annum in total.

Non-Consenting Category B Members

- 12.4 The Trustee shall increase a pension in payment to or in respect of a SUSS Category 2 Non-consenting Category B Member as follows:-

Excess

- 12.4.1 for a pension in excess of a SUSS Category 2 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 October 1981 and up to and including 31 December 1993 by 7% per annum;
- 12.4.2 for a pension in excess of a SUSS Category 2 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum;
- 12.4.3 for a pension attributable to SUSS Category 2 Pensionable Service on or after 6 April 1997 and up to and including 30 September 2000 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5% or, if greater, by 3% per annum;
- 12.4.4 for a pension attributable to SUSS Category 2 Pensionable Service completed on or after 1 October 2000 and up to and including 30 September 2011 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%

GMP

- 12.4.5 for a SUSS Category 2 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service completed on or after 1 October 1981 and up to and including 31 December 1993 in accordance with Rule 12.10.
- 12.4.6 for a SUSS Category 2 Non-consenting Category B Member's SUSS GMP completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum

provided that the increases under Rule 12.4.1 and Rule 12.4.5 shall not be less than 3% per annum in total.

Category C Member

- 12.5 The Trustee shall increase a pension in payment referable to a SUSS Category 2 Category C Member each year as follows:-

Excess

- 12.5.1 for a pension in excess of a SUSS Category 2 Category C Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum;
- 12.5.2 for a pension attributable to SUSS Category 2 Pensionable Service on or after 6 April 1997 and up to and including 30 September 2000 by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;
- 12.5.3 for a pension attributable to SUSS Category 2 Pensionable Service on or after 1 October 2000 and up to and including 30 September 2011 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;

GMP

12.5.4 for a SUSS Category 2 Category C Member's SUSS GMP attributable to SUSS Category 2 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum.

Transfers in

12.6 This Rule 12 does not apply to any part of a pension which is derived from a transfer into the SUSS Former Scheme for which the trustees of the SUSS Former Scheme granted benefits in the SUSS Former Scheme. The Trustee shall increase a pension derived from a transfer into the SUSS Former Scheme as the Trustee shall, having taken the advice of the Actuary, consider appropriate and which may have been communicated to the Member at the time of the transfer.

Effective date of increases

12.7 The increases payable under this Rule 12 shall take effect on 1st April each year. If the pension has been in payment for less than one year the Trustee shall reduce the amount of the increase to reflect the fact that the pension has only been in payment for a proportion of the previous year by reference to the number of complete months for which the pension has been in payment.

Reference date for the Retail Prices Index

12.8 For the purposes of this Rule 12, the Trustee shall use the SUSS Retail Prices Index as at the preceding September or such other date as the University and the Trustee determines.

Discretionary increases

12.9 In addition to the provisions of Rule 12.1 to Rule 12.5 (inclusive), the University and the Trustee may review the pensions in payment each year and may, from time to time, further increase them by such amount and at such times as the Trustee, with the consent of the University, and having regard to the availability of the funds, may decide.

Contracting-out increases

12.10 The SUSS GMP referred to in Rules 12.3.3, 12.3.4, 12.4.2 and 12.5.4 above, shall, in so far as they are attributable to earnings in the tax years from (and including) 1988/1989 be increased in accordance with the requirements of sections 109 and 110 of the Pension Schemes Act 1993 and to the extent of any orders made thereunder.

13. LUMP SUM COMMUTATION

13.1 A SUSS Category 2 Deferred Member may elect by giving the Trustee notice in writing before their pension becomes payable, to be paid a lump sum in place of part of their pension.

13.2 The lump sum payable will be payable on the date when the pension begins to be paid and will not exceed such amount as can be paid as a Pension Commencement Lump Sum or a lump sum of the type described in regulation 19 of the Authorised Payments Regulations.

13.3 The reduction in pension to take account of the lump sum payable under Rule 13.1 will be calculated by the Trustee on a basis certified as reasonable by the Actuary. Such basis must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a Pension Commencement Lump Sum of the type described in regulation 19 of the Authorised Payments Regulations. The balance of pension payable shall not be less than the SUSS Category 2 Deferred Member's SUSS GMP.

14. SERIOUS ILL-HEALTH COMMUTATION

- 14.1 Serious ill-health commutations are paid pursuant to Clause 5.5 of the Trust Deed.

15. TRIVIAL COMMUTATION

- 15.1 Trivial commutation lump sums are paid pursuant to Clause 5.4 of the Trust Deed.

16. GENERAL PROVISIONS RELATING TO COMMUTATION

- 16.1 If, subject to the Pension Condition being met, paragraph 31(1) of Schedule 36 of the Finance Act 2004 applies so as to modify the provisions of Schedule 29 of the Finance Act 2004 in relation to the Scheme and the relevant individual(s), the Trustee shall operate the Scheme in relation to such individual(s) so as to ensure compliance with the Pension Condition unless the Member and the Trustee agree in writing that this Rule 16.1 shall not apply in relation to the Member. Any such agreement shall be irrevocable.
- 16.2 Any commutation of a SUSS GMP must be in accordance with regulation 60 of the Occupational Pension Schemes (Contracting-out) Regulations 1996.
- 16.3 The Trustee may pay a lump sum where the payment would be of a type described in Part 2 of the Authorised Payment Regulations. In the case of a payment described in Regulation 6, 8, 11 or 12 of the Authorised Payment Regulations, the payment shall extinguish the Member's entitlement to benefits under the Scheme. In the case of a payment described in Regulation 9 of the Authorised Payment Regulations, the payment shall, the payment shall extinguish the Member's entitlement to benefits under the Scheme unless the Trustee is making the payment after the Member's death in circumstances where this is not applicable. The basis for determining the amount of the lump sum must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a payment which is an authorised payment pursuant to Finance Act 2004. Where the lump sum involves commutation of a benefit, the amount of the lump sum shall be an amount which the Trustee considers reasonable after having consulted the Actuary.

17. DISCRETIONARY TRUST OF LUMP SUMS

- 17.1 Discretionary lump sum death benefits are paid pursuant to Clause 5.6 of the Trust Deed.

PART 3 RELATING TO THE STUDENTS' UNION SUPERANNUATION SCHEME FOR SUSS CATEGORY 3 MEMBERS

To the extent specified below, in respect of SUSS Category 3 Members, the Rules are modified or added to. Except where specified below, the Rules shall apply.

1. DEFINITIONS

Defined terms referred to in this Part 3 of Schedule 5 are contained in Schedule 1.

2. ELIGIBILITY

- 2.1 This Schedule C applies to SUSS Category 3 Members.
- 2.2 A SUSS Category 3 Member shall automatically become a SUSS Category 3 Deferred Member or a SUSS Category 3 Pensioner with effect on and from 31 March 2022 as a result of the transfer of the benefits for and in respect of them pursuant to the Transfer Deed dated 30 March 2022.

3. PENSION AT NORMAL PENSION AGE FOR DEFERRED MEMBERS

- 3.1 Subject to Rule 6 in relation to a SUSS Category 3 Mixed NPA Member, a SUSS Category 3 Deferred Member shall be entitled to receive a pension at SUSS Category 3 Normal Pension Age payable for life calculated at the rate of 1/60th of SUSS Category 3 Final Pensionable Salary at the date of leaving SUSS Category 3 Pensionable Service in the SUSS Former Scheme prior to 1 October 2003 and 1/60th of their SUSS Category 3 Revalued Pensionable Salary for each year of SUSS Category 3 Pensionable Service after that date.

Increases

- 3.2 Subject to Rule 6 in relation to a SUSS Category 3 Mixed NPA Member, deferred benefits accrued prior to 1 October 2003 shall, before they come into payment, be revalued in accordance with Chapter II of Part IV of the Pension Schemes Act 1993 (Revaluation of accrued benefits (excluding SUSS Guaranteed Minimum Pensions)).

4. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBER

- 4.1 With the consent of the Trustee, a SUSS Category 3 Deferred Member shall be entitled to receive a pension payable for life before SUSS Category 3 Normal Pension Age and after attaining the Normal Minimum Pension Age. The pension shall be calculated in accordance with Rule 3 and reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and SUSS Category 3 Normal Pension Age by such amount as the Trustee determines having consulted with the Actuary or, in the case of a SUSS Category 3 Mixed NPA Member, calculated in accordance with Rule 6 provided that the consent of the Trustee is not required if the SUSS Category 3 Mixed NPA Member wishes to retire at or after the age of 60.

5. PENSION BEFORE NORMAL PENSION AGE FOR DEFERRED MEMBERS WHO ARE SUFFERING FROM THE ILL-HEALTH CONDITION

- 5.1 With the consent of the Trustee, a SUSS Category 3 Deferred Member shall be entitled to receive a pension before SUSS Category 3 Normal Pension Age if they satisfy the SUSS Category 3 Ill-health Condition. The pension shall be calculated in accordance with Rule 3 and reduced in respect of each calendar month (or part thereof) in the period between the date the pension commences and SUSS Category 3 Normal Pension Age by such amount as the Trustee determines

having consulted with the Actuary or, in the case of a SUSS Category 3 Mixed NPA Member, calculated in accordance with Rule 6.

6. PENSION BENEFITS FOR A MIXED NPA MEMBER

6.1 In relation to a SUSS Category 3 Mixed NPA Member, the benefits shall be calculated as follows:-

6.1.1 if the benefits come into payment prior to the SUSS Category 3 Member attaining age 60:-

- (a) the SUSS Category 3 Pre-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3, revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) in the period between the date the pension commences and age 60 by such amount as the Trustee determines having consulted with the Actuary;
- (b) the SUSS Category 3 Post-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3, revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) in the period between the date the pension commences and age 65 by such amount as the Trustee determines having consulted with the Actuary;

6.1.2 if the benefits are paid on the SUSS Category 3 Member attaining age 60:-

- (a) the SUSS Category 3 Pre-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the date the pension commences;
- (b) the SUSS Category 3 Post-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) for the period between the date the pension commences and the SUSS Category 3 Member attaining age 65 by such amount as the Trustee determines having consulted the Actuary;

6.1.3 if the benefits are paid to the SUSS Category 3 Member between the ages of 60 and 65:-

- (a) the SUSS Category 3 Pre-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the age of 60 and shall be increased by such amount as the Trustee determines having consulted the Actuary between the age of 60 and the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 3 Pensionable Service at age 60 and their SUSS Category 3 Final Pensionable Salary calculated at the date of leaving SUSS Category 3 Pensionable Service (revalued where necessary);
- (b) the SUSS Category 3 Post-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the date the pension commences and reduced in respect of each calendar month (or part thereof) for the period

between the date the pension commences and age 65 by such amount as the Trustees determine having consulted the Actuary;

6.1.4 if the benefits are paid to the SUSS Category 3 Member at the age of 65:-

- (a) the SUSS Category 3 Pre-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the age of 60 and shall then be increased by such amount as the Trustee determines having consulted the Actuary from the age of 60 to the age of 65 provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 3 Pensionable Service at age 60 and their SUSS Category 3 Final Pensionable Salary calculated at the date of leaving SUSS Category 3 Pensionable Service (revalued where necessary);
- (b) the SUSS Category 3 Post-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the age of 65;

6.1.5 if the benefits are paid after the SUSS Category 3 Member has attained age of 65:-

- (a) the SUSS Category 3 Pre-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and revalued to the age of 60 and shall then be increased by such amount as the Trustee determines having consulted the Actuary from the age of 60 to the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 3 Pensionable Service at age 60 and their SUSS Category 3 Final Pensionable Salary calculated at the date of leaving SUSS Category 3 Pensionable Service (revalued where necessary);
- (b) the SUSS Category 3 Post-2000 Benefits shall be calculated at the date the SUSS Category 3 Member left SUSS Category 3 Pensionable Service in accordance with Rule 3 and shall be revalued in accordance with the requirements of the Pension Schemes Act 1993 to the age of 65 and shall then be increased by such amount as the Trustee determines having consulted the Actuary from the age of 65 to the date the pension commences provided that the pension shall not be less than a pension calculated by reference to their SUSS Category 3 Pensionable Service at age 60 and their SUSS Category 3 Final Pensionable Salary calculated at the date of leaving SUSS Category 3 Pensionable Service in the SUSS Former Scheme (revalued where necessary).

7. PENSION AFTER NORMAL PENSION AGE FOR DEFERRED MEMBERS

- 7.1 Subject to Rule 6 in the case of a SUSS Category 3 Mixed NPA Member, with the consent of the Trustee, a SUSS Category 3 Deferred Member may elect to take their pension after SUSS Category 3 Normal Pension Age (but not later than age 75). Where the SUSS Category 3 Member so elects their pension is calculated in accordance with Rule 3 and shall be increased for each complete month by such amount as the Trustee determines having consulted the Actuary.

8. DEATH OF A DEFERRED MEMBER

- 8.1 On the death of a SUSS Category 3 Deferred Member before their pension commences:-
- 8.1.1 a lump sum shall be paid equal to the total ordinary contributions paid by the SUSS Category 3 Deferred Member to the SUSS Former Scheme without interest which shall be payable in accordance with Rule 16; and
 - 8.1.2 in the event the SUSS Category 3 Deferred Member leaves a SUSS Spouse, a pension shall be payable to the SUSS Spouse which shall be the SUSS Spouse's SUSS Guaranteed Minimum Pension and (if any) that which must be paid to them under the reference scheme test pursuant to section 12B of the Pension Schemes Act 1993;
 - 8.1.3 in the event the SUSS Category 3 Deferred Member does not leave a SUSS Spouse or they were not living with their SUSS Spouse at the time of their death (whether or not there was any financial dependency), the Trustee may pay a pension to one or more of their SUSS Category 3 Dependants which shall not exceed the amount of pension payable under Rule 8.1.2
- 8.2 On the death of a SUSS Category 3 Deferred Member, before their pension commences and who dies without a SUSS Spouse or a pension is not payable to a SUSS Category 3 Dependant but is survived by an SUSS Category 3 Eligible Child or SUSS Category 3 Eligible Children a pension is payable to the SUSS Category 3 Eligible Child or SUSS Category 3 Eligible Children calculated in accordance with Rule 8.1.2 above.
- 8.3 If there is more than one SUSS Category 3 Eligible Child, the pension payable is applied by the Trustee is divided equally between them.

9. DEATH OF A PENSIONER

- 9.1 On the death of a SUSS Category 3 Pensioner, within five years of their pension having commenced, a lump sum shall be paid equal to the pension payments which would have been paid to them during the remainder of the five year period less the amount of any pension payable to the SUSS Spouse under Rule 9.2 or a SUSS Category 3 Dependant under Rule 9.3 for the remainder of that five years provided that no account will be taken of any increases under Rule 11 which would have applied after their death. The lump sum shall be payable in accordance with Rule 16. A lump sum benefit is not payable under this Rule if the SUSS Category 3 Pensioner was aged 75 or over at the date of their death. However, if the SUSS Category 3 Pensioner was aged 75 or over the Trustee may, at its discretion, use the value of the lump sum which would otherwise have been payable to increase the benefits payable to the SUSS Category 3 Dependants in such manner as the Trustee may decide.
- 9.2 On the death of a SUSS Category 3 Pensioner who is survived by a SUSS Spouse, a pension shall be paid to the SUSS Spouse equal to ½ of the pension payable to the SUSS Category 3 Pensioner at the date of their death or which would have been paid if the SUSS Category 3 Pensioner had not commuted any part of their pension for a lump sum or a SUSS Category 3 Dependant's pension under the Main Rules.
- 9.3 In the event the SUSS Category 3 Pensioner does not leave a SUSS Spouse or they were not living with their SUSS Spouse at the time of their death (whether or not there was any financial dependency), the Trustee may pay a pension to one or more of their SUSS Category 3 Dependants which shall not exceed the amount of pension payable under Rule 9.2.

9.4 On the death of a SUSS Category 3 Pensioner, who dies without a SUSS Spouse or a pension is not payable to a SUSS Category 3 Dependant but is survived by an SUSS Category 3 Eligible Child or SUSS Category 3 Eligible Children, a pension is payable to the SUSS Category 3 Eligible Child or SUSS Category 3 Eligible Children calculated in accordance with Rule 9.2 above.

9.5 If there is more than one SUSS Category 3 Eligible Child, the pension payable is applied by the Trustee is divided equally between them.

10. GENERAL PROVISIONS RELATING TO THE PAYMENT OF PENSIONS

10.1 A pension payable to the SUSS Spouse shall be paid by monthly instalments commencing on the date of death of the SUSS Category 3 Member.

10.2 If the SUSS Spouse or SUSS Category 3 Dependant is more than 10 years' younger than the SUSS Category 3 Member, the Trustee may reduce the SUSS Spouse's pension or the SUSS Category 3 Dependant's pension provided at such rate not exceeding 2.5% for each year of the disparity in ages in excess of 10 years as it shall in its discretion determine.

10.3 The Trustee may withhold any pension payable until such evidence as the Trustee determines is required and is satisfactory to the Trustee is produced.

10.4 After a pension has commenced under this Part 3, the person or persons in receipt of it shall provide the Trustee with such evidence as to their existence as the Trustee may require.

10.5 In determining the benefits payable in respect of a SUSS Category 3 Member, any marriage taking place after the pension has commenced and within six months of the SUSS Category 3 Member's death, and any children of such marriage, may be disregarded.

10.6 Payment of a pension to an SUSS Category 3 Eligible Child shall cease when the recipient ceases to be an SUSS Category 3 Eligible Child provided that the Trustee may at its discretion re-allocate any amount remaining SUSS Category 3 Eligible Children that person's share of the pension payable to the SUSS Category 3 Eligible Child.

10.7 For the avoidance of doubt, Rule 13 of Schedule 2 (Flexible Retirement) and Rule 15 of Schedule 3 (Flexible Retirement) does not apply to the SUSS Category 3 Member.

11. PENSION INCREASES

11.1 This Rule 11 applies to all SUSS Category 3 Members (and SUSS Spouses, SUSS Category 3 Dependants and SUSS Category 3 Eligible Children claiming through them) irrespective of when their pension commences, left SUSS Category 3 Pensionable Service in the SUSS Former Scheme or died.

11.2 The Trustee shall increase all pensions in payments for and in respect of SUSS Category 3 SUSS Category 3 Members in accordance with this Rule 11.

Consenting Category B Members

11.3 The Trustee shall increase a pension in payment referable to a SUSS Category 3 Consenting Category B Member each year as follows:-

Excess

11.3.1 for a pension in excess of a SUSS Category 3 Consenting Category B Member's SUSS GMP, attributable to SUSS Category 3 Pensionable Service on or after 1 October 1981 and up to and including 30 September 1988, by 7% per annum;

- 11.3.2 for a pension in excess of a SUSS Category 3 Consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 October 1988 and up to and including 31 December 1993, by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7%;
- 11.3.3 for a pension in excess of a SUSS Category 3 Consenting Category B Member's SUSS GMP, attributable to SUSS Category 3 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997, by 3% per annum;
- 11.3.4 for a pension attributable to SUSS Category 3 Pensionable Service of a SUSS Category 3 Consenting Category B Member on or after 6 April 1997 and up to and including 30 September 2000, by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;
- 11.3.5 for a pension attributable to the SUSS Category 3 Pensionable Service of SUSS Category 3 Consenting Category B Member on or after 1 October 2000 and up to and including 30 September 2011, by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;

GMP

- 11.3.6 for a SUSS Category 3 Consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service completed on or after 1 October 1981 up to and including 30 September 1988, in accordance with Rule 11.10;
- 11.3.7 for a SUSS Category 3 Consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 October 1988 and up to and including 31 December 1993 by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 7% or, if greater;
- 11.3.8 for a SUSS Category 3 Consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997, by 3% per annum.

Non-Consenting Category B Members

- 11.4 The Trustee shall increase a pension in payment referable to a SUSS Category 3 Non-consenting Category B Member as follows:

Excess

- 11.4.1 for a pension in excess of a SUSS Category 3 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 October 1981 and up to and including 31 December 1993 by 7% per annum;
- 11.4.2 for a pension in excess of a SUSS Category 3 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum;
- 11.4.3 for a pension attributable to SUSS Category 3 Pensionable Service on or after 6 April 1997 and up to and including 30 September 2000 by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;

- 11.4.4 for a pension attributable to SUSS Category 3 Pensionable Service on or after 1 October 2000 and up to and including 30 September 2011 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;

GMP

- 11.4.5 for a SUSS Category 3 Non-Consenting B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service completed on or after 1 October 1981 and up to and including 31 December 1993 in accordance with Rule 11.10;
- 11.4.6 for a SUSS Category 3 Non-consenting Category B Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum.

Category C Member

- 11.5 The Trustee shall increase a pension in payment referable to a SUSS Category 3 Category C Member each year as follows:

Excess

- 11.5.1 for a pension in excess of a SUSS Category 3 Category C Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service completed on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum;
- 11.5.2 for a pension attributable to SUSS Category 3 Pensionable Service on or after 6 April 1997 and up to and including 30 September 2000 by the greater of 3% per annum and the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%;
- 11.5.3 for a pension attributable to SUSS Category 3 Pensionable Service on or after 1 October 2000 and up to and including 30 September 2011 by the percentage increase in the SUSS Retail Prices Index during the previous 12 months up to a maximum of 5%; and

GMP

- 11.5.4 for a SUSS Category 3 Category C Member's SUSS GMP attributable to SUSS Category 3 Pensionable Service on or after 1 January 1994 and up to and including 5 April 1997 by 3% per annum.

Transfers in

- 11.6 This Rule 11 does not apply to any part of a pension which is derived from a transfer into the SUSS Former Scheme for which the trustees of the SUSS Former Scheme granted benefits in the SUSS Former Scheme. The Trustee shall increase a pension derived from a transfer into the SUSS Former Scheme as the Trustee shall, having taken the advice of the Actuary, consider appropriate and which may have been communicated to the SUSS Category 3 Member at the time of the transfer.

Effective date of increases

- 11.7 The increases payable under this Rule 11 shall take effect on 1 April each year. If the pension has been in payment for less than one year the Trustee shall reduce the amount of the increase to reflect the fact that the pension has only been in payment for a proportion of the previous year by reference to the number of complete months for which the pension has been in payment.

Reference date for the Retail Prices Index

- 11.8 For the purposes of this Rule 11, the Trustee shall use the SUSS Retail Prices Index as at the preceding September or such other date as the University and the Trustee determines.

Discretionary increases

- 11.9 In addition to the provisions of Rule 11.1 to Rule 11.5 (inclusive), the University and the Trustee may review the pensions in payment each year and may, from time to time, further increase them by such amount and at such times as the Trustee, with the consent of the University, and having regard to the availability of the funds, may decide.

Contracting-out increases

- 11.10 The SUSS GMP referred to in Rules 11.3.6, 11.3.7, 11.3.8, 11.4.5, 11.4.6 and 11.5.4 above, shall, in so far as they are attributable to earnings in the tax years from (and including) 1988/1989 be increased in accordance with the requirements of sections 109 and 110 of the Pension Schemes Act 1993 and to the extent of any orders made thereunder.

12. LUMP SUM COMMUTATION

- 12.1 A SUSS Category 3 Deferred Member may elect by giving the Trustee notice in writing before their pension becomes payable, to be paid a lump sum in place of part of their pension.
- 12.2 The lump sum payable will be payable on the date when the pension begins to be paid and will not exceed such amount as can be paid as a Pension Commencement Lump Sum or a lump sum of the type described in regulation 19 of the Authorised Payments Regulations.
- 12.3 The reduction in pension to take account of the lump sum payable under Rule 12.1 will be calculated by the Trustee on a basis certified as reasonable by the Actuary. Such basis must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a Pension Commencement Lump Sum of the type described in regulation 19 of the Authorised Payments Regulations. The balance of pension payable shall not be less than the SUSS Category 3 Deferred Member's SUSS GMP.

13. SERIOUS ILL-HEALTH COMMUTATION

- 13.1 Serious ill-health commutations are paid pursuant to Clause 5.5 of the Trust Deed.

14. TRIVIAL COMMUTATION

- 14.1 Trivial commutation lump sums are paid pursuant to Clause 5.4 of the Trust Deed.

15. GENERAL PROVISIONS RELATING TO COMMUTATION

- 15.1 If, subject to the Pension Condition being met, paragraph 31(1) of Schedule 36 of the Finance Act 2004 applies so as to modify the provisions of Schedule 29 of the Finance Act 2004 in relation to the Scheme and the relevant individual(s), the Trustee shall operate the Scheme in relation to such individual(s) so as to ensure compliance with the Pension Condition unless the SUSS Category 3 Member and the Trustee agree in writing that this Rule 16.1 shall not apply in relation to the SUSS Category 3 Member. Any such agreement shall be irrevocable.
- 15.2 Any commutation of a SUSS GMP must be in accordance with regulation 60 of the Occupational Pension Schemes (Contracting-out) Regulations 1996.

- 15.3 The Trustee may pay a lump sum where the payment would be of a type described in Part 2 of the Authorised Payment Regulations. In the case of a payment described in Regulation 6, 8, 11 or 12 of the Authorised Payment Regulations, the payment shall extinguish the SUSS Category 3 Member's entitlement to benefits under the Scheme. In the case of a payment described in Regulation 9 of the Authorised Payment Regulations, the payment shall, the payment shall extinguish the SUSS Category 3 Member's entitlement to benefits under the Scheme unless the Trustee is making the payment after the SUSS Category 3 Member's death in circumstances where this is not applicable. The basis for determining the amount of the lump sum must be consistent with maintaining the Scheme's Registration and with the lump sum constituting a payment which is an authorised payment pursuant to Finance Act 2004. Where the lump sum involves commutation of a benefit, the amount of the lump sum shall be an amount which the Trustee considers reasonable after having consulted the Actuary.

16. DISCRETIONARY TRUST OF LUMP SUMS

- 16.1 Discretionary lump sum death benefits are paid pursuant to Clause 5.6 of the Trust Deed.

This Deed has been executed and delivered as a deed by UMSS Limited on the date set out above.

Executed as a deed by)
UMSS LIMITED)
acting by Stewart Graham)
Julia Yates and)
..... each duly authorised by Vidett)
Trust Corporation Limited to sign on its behalf as)
director of UMSS Limited)

DocuSigned by:
S. Graham
.....950D17B7BDDQ478.....

On behalf of Director

DocuSigned by:
Julia Yates
.....0C6CE2BED0824F5.....

On behalf of Director

and Ash Field
.....

Signed by:
Ash Field
.....2E2D672799474EC.....

Secretary

