## THE SCHEDULE

In Clause 50(i) (Definitions) for the definition of "Salary" there shall be substituted the following definition:

"Salary" means:

(a) the gross salary or wages, (including Maternity Pay) plus any war or cost-of-living bonus payable and includes the commission payable to any employee remunerated wholly or in part by commission, but except in any case where the Employer otherwise directs does not include any salary, allowance, fee or gratuity in respect of any special or overtime work or duty, or any other bonus or any travelling, subsistence or similar allowance; and

(b) if any employee receives a fluctuating salary, the fixed rate per week or per month or per annum determined by the Employer for the purposes of the Scheme as it may deem necessary

Provided that, if the gross salary or wages or fluctuating salary includes profit-related pay by virtue of the employee's membership of an approved profit-related pay scheme operated by the Employer, the Employer may determine that the employee's Salary shall be the notional amount of gross salary or wages that would apply to him if he were not a member of the profit-related pay scheme. To the extent that the inclusion of profit-related pay in this definition of Salary would cause Inland Revenue Limits to be exceeded in relation to an employee, then the benefits payable to or in respect of that employee under the Scheme shall be limited to the extent necessary to ensure compliance with Inland Revenue Limits."

3/2/2000

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME

The Co-ordinator wishes to amend the Trust Deed and Rules so that:

(1) the power of amendment is clarified;

(2) an Employer's Fund may extend to more than one Employer; and

(3) different investment strategies can be adopted by different Employers.

Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee and with the consent of the Committee where this is required under Clause 46(2), amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 provides that where an amendment would or might affect any entitlement or accrued right of any member, the Trustee must approve the exercise of the amendment power by the Co-ordinator and satisfy itself that the Certification Requirements (as defined in section 67(4) Pensions Act 1995) are met. The Co-ordinator has consulted with and obtained the approval of the Trustee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution). The Trustee is satisfied the Certification Requirements are met.

With effect as of and from the Commencement Date (as defined in the Trust Deed):

1. The following paragraph (4) shall be added at the end of Clause 46 of the Trust Deed:

   "Any amendment made under this Clause 47 shall take effect from such past, present or future date as the Co-ordinator determines in accordance with the preceding paragraphs."

2. Clause 7(3)(iii) of the Trust Deed shall be deleted and replaced as follows:

   "(iii) The Actuary shall make a report to the Committee on the financial condition of the Scheme and of each Employer's Fund specifying the determination made by him under this paragraph. A copy of each review and report so made on an Employer's Fund shall be delivered by the Committee to the Co-ordinator and to the relevant Employer or, in respect of an Associated Employers' Fund, to the relevant Employers, together with any recommendation they may wish to make thereon.".

3. The following sub-clauses of Clause 7(4) of the Trust Deed shall be deleted and replaced as follows:

   "(a) If there is a deficiency in an Employer's Fund, the Actuary shall determine the total periodic sum, either fixed in money terms or linked to average earnings or prices, (in this paragraph called "the deficiency sum") which, in his opinion, is required to be paid by way of deficiency contributions to the Employer's Fund by the Employer (or by a group of Employers in respect of an Associated Employers' Fund). In determining the deficiency contributions due from each Employer in an Associated Employers' Fund the Actuary will have regard to the amount of the liabilities of the Associated Employers' Fund that is, in his opinion, attributable to employment with each Employer in the Associated Employers' Fund. The deficiency contributions will be paid over a period not exceeding twenty years commencing on such date not earlier than the review date and not later than the date the report of the Actuary is delivered to the Committee and at such periodic intervals not being less frequent than every 6 months as shall be determined by the Co-ordinator.";

"(c) If there is a surplus in an Employer's Fund and such surplus will not be eliminated by the Employer (or by a group of Employers in respect of an Associated Employers' Fund) continuing to be relieved wholly or partially from the obligation to pay any contributions in accordance with proposals approved on a previous actuarial review, the Committee shall make recommendations to the Employer (or group of Employers in respect of an Associated Employers' Fund) for dealing with any remaining surplus. The Employer (or group of Employers in respect of an Associated Employers' Fund) shall consider such recommendations and the Co-ordinator shall make such amendments to the Scheme and take such other actions as it considers appropriate to deal with any such remaining surplus in accordance with the principles set out in this sub-paragraph. Any such remaining surplus shall be applied in accordance with the following order of priorities:

(i) first to provide annual cost of living increases to pensions and frozen pensions which are liabilities of the relevant Employer's Fund in respect of the period of the five preceding calendar years and the period of the calendar year in which such recommendations are put forward insofar as during that period any increase in excess of 5 per cent may not have been made pursuant to Rule 33 having regard to the proviso to sub-paragraph (2)(a) of Rule 33;

(ii) second to suspend the Employer's (or in respect of an Associated Employers' Fund, Employers') obligation to pay standard contributions for such period as may be related to the aggregate of (i) the total amount of any deficiency contributions paid by the Employer during the period of six years ended on the preceding 5 April and (ii) the value of any loss suffered by the Employer during such period as a result of the withdrawal or reduction on any actuarial review of any benefit by way of relief from or reduction in the obligation to pay standard contributions granted to the Employer on an earlier actuarial review;

(iii) third to provide cost of living increases in respect of every pension (including a frozen pension) which is a liability of the relevant Employer's Fund payable in relation to the calendar year next following the calendar year in which such recommendations are put forward;

(iv) fourth to calculate the amount of the remaining balance after (a) deducting the cost of the changes made pursuant to sub-paragraphs (i), (ii) and (iii) of this paragraph and after (b) retaining in the Scheme such sum (if any) as may be agreed as prudent by the Trustee and the Employer (or group of Employers in respect of Associated Employers' Fund) after consultation with the Actuary and, insofar as is practicable, to apply an amount equal to one half of the amount of such remaining balance for the benefit of Members (either by making improvements to benefits or by reducing the rate of contributions, if any, under Rule 4 or eliminating them altogether, for a period) and to apply the other half of such amount for the benefit of the Employer (or group of Employers in respect of an Associated Employers' Fund).".

4. Clause 7(5) of the Trust Deed shall be deleted and replaced as follows:

"(5) In respect of each Employer's Fund the Committee shall submit to the Board of Inland Revenue in any of the circumstances referred to in Schedule 22 to the Taxes Act proposals which shall have been approved by the Committee and by the relevant Employer (or group of Employers in respect of an Associated Employers' Fund) and which comply with paragraph 3(2) to (4) of Schedule 22 to

the Taxes Act and shall carry out any such proposals if they are approved by the Board of Inland Revenue PROVIDED THAT except on the discontinuance of the Scheme under Clause 48 the Committee shall neither submit to the Board of Inland Revenue nor carry out any proposal which would lead to the transfer or payment of any part of the Scheme Fund to any of the Employers.".

5. Clause 11 of the Trust Deed shall be deleted and replaced as follows:

**"EMPLOYERS' FUNDS**

11(1) In this clause:

(a) "Effective Date" means 1 January 2002.

(b) "Relevant Beneficiaries" means in relation to an Employer the Members employed by such Employer and all persons entitled or prospectively entitled to benefits under the Scheme claiming under or through such Members. For the purpose of this definition "employed" is to be interpreted as including "formerly employed" except that in the case of a Member formerly employed by an Employer who has subsequently become employed by another Employer and only if (in such a case) and to such extent (if any) as an Internal Transfer Payment has been made in respect of the Member in accordance with the provisions of Clause 12.

(c) "Retained Amount" means the amount determined by the Committee on a Subscription Day in respect of each Employer in the case of a Single Employer's Fund (or each group of Employers in the case of an Associated Employers' Fund) as likely to be required before the immediately following Subscription Day for the payment of:

(i) benefits;

(ii) Transfer Value Payments in respect of Relevant Beneficiaries;

(iii) premiums under any insurance policy or contract insuring any liability in respect of the Relevant Beneficiaries; and

(iv) such expenses of the Scheme as the Committee consider should be borne by that Employer's Fund. Such expenses shall be credited to the Expenses Fund.

Plus the amount (if any) by which the amount the Committee required between the previous Subscription Day and the current Subscription Day to make the above payments exceeded the Retained Amount on the previous Subscription Day.

The Retained Amount may be zero.

(d) "Sub-Fund" means a portfolio of assets designated as such by the Committee.

(e) "Subscription Day" means the last business day in each month. The Committee may change the Subscription Day for a month to any other business day in that month and may select a business day to be an additional Subscription Day in a month.

(f) "Subscription Day Credit" and "Subscription Day Debit" have the meaning given in Clause 11(11).

(g) "Unit" means a unit of a Sub-Fund. The Committee shall decide the number of Units into which the Sub-Fund is divided on the first day on which a sum is received by the Committee for the credit of the Sub-Fund. The Committee may create or cancel Units in a Sub-Fund at any time.

Units shall have a single Unit price (being the value of the assets of the Sub-Fund valued at the middle market price (or equivalent) at the close of business on the Subscription Day divided by the total number of Units in issue at the opening of business on that Subscription Day) unless the Committee determines that in a particular case the Units are to be valued on a bid basis or an offer basis. If a Unit is to be valued on an offer basis, the value shall be the amount payable to buy the assets increased by the Committee's estimate of the charges which would be payable by a buyer of the assets and if the Unit is to be valued on a bid basis, the value shall be the amount that would be received on a sale of the assets, reduced by the Committee's estimate of the charges which would be payable by a seller of the assets.

In each case it shall be assumed that the transaction would be on the best terms available on the market in what, in the reasonable opinion of the Committee, is a transaction of a standard size except that the Committee may value assets by reference to the terms available in relation to their actual, rather than a standard, size, if in their reasonable opinion it would be more appropriate to do so. If any assets are traded on more than one market approved by the Committee the market to be used for this purpose shall be selected by the Committee. Unit values shall be rounded to the nearest penny.

(2) For the purposes of the Scheme there shall be within the Scheme Fund an Employer's Fund in relation to all Employers which may be either a Single Employer's Fund or an Associated Employers' Fund (and similarly in relation to a former Employer where as the case may be that former Single Employer's Fund or the relevant part of an Associated Employers' Fund has not been dealt with in accordance with Clause 49).

(3) The value of that part of the Scheme Fund attributable to the participation of an Employer (or group of Employers in respect of an Associated Employers' Fund) in the Scheme (excluding the assets of the AVC Scheme referred to in Rule 5) shall be:

(a) the value of the Units standing to the credit of the Employer's Fund;

(b) the value of any assets or cash allocated to the Employer's Fund but not attributable to a Sub-Fund;

(c) the value of all contracts or policies assigned to the Committee in respect of Relevant Beneficiaries; and

(d) the net credit or debit balance of the Retained Amount held by the Committee after allowing for any expenses or liabilities relating to the Employer (or group of Employers in respect of an Associated Employers' Fund).

For the purpose of this clause all amounts received or payable pursuant to the AVC Scheme referred to in Rule 5 shall be disregarded.

(4) The Employers' Funds may (but need not) be invested in one or more Sub-Funds.

(5) Prior to the Effective Date, there shall be one Sub-Fund comprising all the assets of all the Employers' Funds.

(6) On and after the Effective Date, the Committee may at any time create further Sub-Funds.

(7) All investments acquired with money forming part of the Sub-Fund and the proceeds of disposal of any such investment and all income and other benefits rights or entitlements accruing to or in respect of or to the holder of any such investment shall be credited to and form part of such Sub-Fund and references in the Trust Deed and Rules to the assets and income of a Sub-Fund shall be construed accordingly.

(8) All cash or other assets which are payable or deliverable by the Committee under the terms of any agreement or arrangement entered into in relation to a particular Sub-Fund shall be paid or delivered solely out of that Sub-Fund.

(9) If any assets cannot, in the opinion of the Committee, be readily attributed to a particular Sub-Fund, they shall be allocated between the Sub-Funds in such manner and on such basis as the Committee reasonably considers equitable and such assets or a share of those assets shall be deemed to form part of such Sub-Fund or Sub-Funds for the purposes of the Trust Deed and Rules.

(10) The value of each Employer's Fund invested in the Sub-Funds shall be represented by Units of Sub-Funds allocated to the Employer's Fund in accordance with the provisions of this Clause 11. Units are allocated solely for the purposes of measuring the value of an Employer's Fund and its interest in the Sub-Funds concerned and shall not constitute or give rise to any separate right or interest. References in the Trust Deed and Rules to the holding, realisation and transfer of Units shall be construed accordingly. The number of Units credited or debited to an Employer's Fund shall be calculated to the nearest two decimal places.

(11) On or before a Subscription Day the Committee shall calculate the Subscription Day Credit or Debit in respect of each Employer in the case of a Single Employer's Fund or group of Employers in the case of an Associated Employers' Fund. The Subscription Day Credit is:

(a) the total of all amounts received by the Scheme from and in respect of Relevant Beneficiaries since the immediately preceding Subscription Day; less

(b) the Retained Amount.

Where the total of all amounts received by the Scheme from and in respect of Relevant Beneficiaries since the immediately preceding Subscription Day is less than the Retained Amount, the difference shall be the Subscription Day Debit.

(12) On a Subscription Day:

(a) if there is a Subscription Day Credit, the Committee may apply the Subscription Day Credit in accordance with Clause 14 and this may include crediting to the Employer's Fund Units in one or more Sub-Funds having an aggregate value equal (as near as may be) to that part of the Subscription Day Credit which is to be so invested; and

(b) if there is a Subscription Day Debit, the Committee may arrange for that liability to be met by cancelling Units in one or more Sub-Funds, or in such other manner permitted by the Trust Deed and Rules.

(13) The Committee may from time to time exchange all or any Units held by an Employer's Fund in one Sub-Fund (the "Original Sub-Fund") for Units in another Sub-Fund (the "New Sub-Fund") on the following basis:

(a) the exchange shall take place on a Subscription Day determined by the Committee;

(b) the Committee shall determine, as at the relevant Subscription Day, the value of the Units cancelled by multiplying the Units cancelled by the value of each Unit (the "Exchange Value");

(c) before the close of business on the relevant Subscription Day allocate to the Employer's Fund Units in the New Sub-Fund having an aggregate value equal (as near as may be) to the Exchange Value.

On or as soon as practicable after the Relevant Subscription Day, the Committee shall arrange for the transfer of cash or other assets (as the Committee shall determine) equal in value (as near as may be) to the Exchange Value from the Original Sub-Fund to the New Sub-Fund.

The Employer's Fund shall, if the Committee so requires, bear any additional costs incurred in relation to the exchange of Units, including the cost of valuing the Sub-Funds.

(14) The Committee may transfer Units in a particular Sub-Fund from one Employer's Fund to another Employer's Fund pursuant to a transfer of a Member's accrued entitlement from one Employer's Fund to another.

(15) The Committee shall keep accounts for each Sub-Fund and record the number of Units of each Sub-Fund allocated to and cancelled in respect of each Employer's Fund and the number of Units of each Sub-Fund held by each Employer's Fund for the time being. The Committee shall supply a written statement to each Employer or group of Employers in respect of an Associated Employers' Fund at least once a year giving details of the value of the Employer's Fund and number of Units in each Sub-Fund standing to the credit of the Employer's Fund on the effective date of the statement and the transactions which have taken place for the Employer's Fund since the date of the last statement.

(16) In order to value a Sub-Fund on a Subscription Day, a valuation shall be carried out on the following basis:

(a) The value of a Sub-Fund shall include any uninvested cash (excluding uninvested cash relating to a Subscription Day Credit on that Subscription Day) allocated to that Sub-Fund on the Subscription Day at face value if the cash is denominated in sterling.

(b) A Sub-Fund shall not include Subscription Day Credits on that Subscription Day.

(c) Where an agreement exists for the unconditional sale or purchase of assets on behalf of a Sub-Fund which has not been completed, the valuation shall be undertaken on the basis that it has been completed.

(d) The Committee may deduct from the Sub-Fund their reasonable estimate of the amounts of any accrued liabilities payable out of the Sub-Fund and add to the Sub-Fund their reasonable estimate of the amount of any claims for repayments of tax and income due but not received.

(e) In relation to assets valued in a foreign currency, the Committee shall convert that value into sterling at a rate of exchange which, unless the Committee decide in their reasonable opinion to adopt an alternative method of conversion, represents the mid-point between the highest and lowest rates of exchange quoted for conversion of that currency into sterling.

(f) Any other assets shall be valued at an amount decided by the Committee in their discretion, which is not greater than the amount which would be payable to buy the assets and not less than the amount which would be received on selling the assets, in each case on the best terms available and in an arm's length transaction for immediate settlement. The Committee may, however, determine in their reasonable opinion to adopt an alternative method of valuation.

(g) In valuing a Sub-Fund for the purposes of this clause, the Committee may rely on advice on any matter relevant to the valuation obtained from a person whom they reasonably believe is qualified to give the advice.

(17) For the purpose of the Scheme there shall be within the Scheme Fund an Expenses Fund for the purposes of meeting the costs and expenses of managing and administering the Scheme (as referred to in Clause 18) to which there shall be credited that part of the Retained Amount required to pay expenses of the Scheme. The Committee may in addition on any Subscription Day and from time to time debit from each Employer's Fund and credit the same to the Expenses Fund amounts calculated on such basis as the Committee shall from time to time determine. The Committee may in their absolute discretion on any Subscription Day debit from the Expenses Fund and include in a Subscription Day Credit amounts as they determine to be appropriate, including (without limitation) in the circumstances of a termination of the Scheme pursuant to Clause 48 or a partial termination of the Scheme pursuant to Clause 49.".

6. The following sub-clauses of Clause 12 of the Trust Deed shall be deleted and replaced by the following:

"(1) Subject to Clause 13, if a Member ceases to be in Contributing Service by reference to a particular Employer (the "earlier employer") and enters the employment of another Employer or subsequently re-enters the employment of the same Employer (in either case the "later employer") in circumstances in which he remains or becomes liable while in the employment of the later employer (or would remain or become liable but for the provisions of Rule 4(3)(a)) for the payment of Normal Contributions, if the Member elects (in such manner as the Committee may from time to time prescribe) to transfer his accrued entitlements from the earlier Employer's Fund to the later Employer's Fund, the Committee shall credit an Internal Transfer Payment (as determined under Clause 12(2)) from the earlier Employer's Fund to the later Employer's Fund.";

"(3) The Committee shall determine whether the Internal Transfer Payment shall be credited by one or more of the following:

(a) (i) the cancellation of Units in one or more of the Sub-Funds of the earlier Employer's Fund;

(ii) the transfer or disposal of assets from the earlier Employer's Fund; and

(b) (i) the allocation of Units in such one or more Sub-Funds of the later Employer's Fund;

(ii) the receipt or acquisition of assets by the later Employer's Fund.

Where the Internal Transfer Payment is to be credited by the cancellation and/or allocation of Units in one or more Sub-Funds the Committee shall instruct the Actuary to determine the number of Units to be cancelled and/or allocated.

On or as soon as practicable after the cancellation and allocation of Units (if any), the Committee shall determine whether cash or other assets shall be transferred between one or more Sub-Funds. If such a transfer is to occur, the Committee shall arrange for the transfer of such cash or other asset as it shall determine.

(4) (a) Subject to fulfilling the conditions of sub-section (4)(b) of this clause below in relation to those former employees and other beneficiaries whose accrued entitlements are to be transferred, an Employer (the "First Employer") may agree with another Employer (the "Second Employer"), that the accrued entitlements in that First Employer's Fund attributable to some or all of the pensioners, deferred pensioners and others claiming benefit through such pensioners and deferred pensioners ("transferring beneficiaries") shall be transferred to the Second Employer's Fund.

In such circumstances the Internal Transfer Payment in respect of such Members and other beneficiaries shall be determined by the Actuary in a manner consistent with that used for the Internal Transfer Payment being credited at that time between Employers' Funds. The Internal Transfer Payment shall be credited in accordance with the provisions of Clause 12(1).

(b) The transfer described in sub-section (4)(a) above may only proceed if:

(i) the Committee consents having considered the advice of the Actuary; and

(ii) the consent to the transfer is obtained from the transferring beneficiaries or in relation to those transferring beneficiaries whose consent is not sought or is refused, the requirements of Regulation 12 Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 (Transfer of member's accrued rights without consent) are complied with.

(5) Contributing Service of a Member shall be determined separately by reference to each Employer of the Member and upon the Member becoming employed by another Employer a new period of Contributing Service shall commence in respect of which entitlements under the Scheme shall be calculated separately UNLESS either:

(a) an Internal Transfer Payment is credited in respect of the Member to the Employer's Fund of the later employer; or

(b) the earlier Employer and the immediately following later Employer are Employers in the same Associated Employers' Fund.

If either of these events occur, Contributing Service of the Member completed with the earlier employer shall be treated as Contributing Service with the later employer for all purposes of the Scheme and the Rules.".

7. Clause 13 of the Trust Deed shall be deleted and replaced by the following:

"13 Substitution, Amalgamation and Division of Employers' Funds

(1) If an Employer (the "original Employer") enters into liquidation for the purposes of reconstruction or amalgamation and immediately thereafter the undertaking which is the product of that reconstruction or amalgamation (the "successor Employer"):

(a) employs every Member who is liable (whilst so employed) to pay Normal Contributions (or who would be so liable but for the provisions of Rule 4(3)(a)) and who immediately before the reconstruction or amalgamation was employed by the original Employer; and

(b) is either already an Employer in respect of other Members or is admitted to the Scheme as an Employer in accordance with Clause 8; and

(c) the original Employer are not Employers in the same Associated Employers' Fund,

then all of the assets and liabilities of the Employer's Fund of the original Employer shall be transferred to the Employers' Fund of the successor Employer with effect from the date on which the employments of the Members referred to in paragraph (a) above are transferred to the successor Employer or, if later, the date with effect from which the successor Employer is admitted to the Scheme as an Employer.

(2) So long as Inland Revenue Approval is not prejudiced, any Employer which is an Associated Employer in relation to another Employer or group of Associated Employers may with the consent of the Committee form an Associated Employers' Fund by participating in the Single Employer's Fund of the other Employer or participate in the Associated Employers' Fund of a group of Associated Employers. On and from 1 August 2003 the relevant Employers must evidence their wish to form or participate in an Associated Employers' Fund by making written application to the Committee.

(3) Where:

(a) an Employer participating in an Associated Employers' Fund ceases to be an Associated Employer with the other Employer participating in the Associated Employers' Fund; or

(b) an Employer participating in an Associated Employers' Fund wishes to cease participating in the Associated Employers' Fund and to participate in a Single Employer's Fund or a different Associated Employers' Fund; or

(c) the Committee determined that an Employer shall cease to participate in an Associated Employers' Fund; or

(d) the continued participation of an Employer in an Associated Employers' Fund might prejudice Inland Revenue Approval;

the Employer shall cease to participate in the Associated Employers' Fund, on a date agreed by the Committee. The Employer shall arrange with the Committee to establish or participate in an alternative Employer's Fund from that date in respect of all its employees in Eligible Employment.

(4) At any time following an Employer commencing participation in an Associated Employers' Fund or following an Employer ceasing to participate in an Associated Employers' Fund, the Committee may determine that the current employees of the Employer commencing participation in the Associated Employers' Fund or ceasing to participate in the Associated Employers' Fund shall cease to be Contributors of the Employer's Fund in which their Employer is ceasing to participate ("Employer's Old Fund") and become Contributors of the Employer's Fund in which their Employer is commencing participation ("Employer's New Fund"). Upon such determination, the entitlements accrued by employees under the Employer's Old Fund may be transferred to the Employer's New Fund in accordance with Clause 12.".

8. Clause 48(8)(e) of the Trust Deed shall be deleted and replaced by the following:

"(e) subject thereto and subject to the approval of the Board of Inland Revenue, in the payment to the Employer or to one or more (in such shares at the Committee decides) of the group of Employers in respect of an Associated Employers' Fund (after deduction of any tax due thereon) of the balance (if any) of the Employer's Fund which may remain and in such event the Employer or Employers may retain the whole or any part of the balance of the Fund so paid.".

9. The following sub-clauses of Clause 49 of the Trust Deed shall be deleted and replaced as follows:

"(3) No such notice as is referred to in paragraph (1) of this Clause shall be given and no such resolution as is referred to in paragraph (2) of this Clause shall be passed by or in relation to an Employer unless at the time at which the notice is given or the resolution is passed none of the liabilities of the Employer's Fund or relevant part thereof in respect of an Associated Employers' Fund relating to such Employer are liabilities in respect of a Protected Person.";

"(8) When the part of the Scheme applicable to the Terminating Employer (as defined in paragraph (13) of this Clause) becomes a terminated scheme the Committee shall (subject as hereinafter provided) realise:

(a) the relevant Single Employer's Fund or such relevant part of the relevant Associated Employers' Fund as the Committee with the advice of the Actuary shall decide to be appropriate; and

(b) such part of the AVC Scheme referred to in Rule 5 as the Committee with the advice of the Actuary shall decide to be appropriate (such part of the AVC Scheme being referred to in this paragraph as the "Appropriate Part")

PROVIDED THAT:

(i) if the Committee decide to exclude from the part of the Scheme which becomes a terminated scheme any of the benefits referred to in paragraph (9) of this Clause they shall not realise that part of the relevant

Employer's Fund and of the Appropriate Part of the AVC Scheme which the Committee with the advice of the Actuary decide to retain in respect of those benefits; and

(ii) notwithstanding the foregoing provisions of this paragraph (8) the Committee shall have the powers set out in paragraphs (9) and (10) of Clause 48 which shall apply for the purposes of this Clause 49 mutatis mutandis.";

"(10) The Committee shall apply the proceeds of realisation (under paragraph (8) of this Clause) of the Single Employer's Fund or relevant part of the Associated Employers' Fund (as appropriate) (after the payment of all costs charges and expenses incurred in giving effect to the provisions of paragraph (8), this paragraph and paragraph (11) of this Clause out of the part of the Expenses Fund attributable to that Employer and from the proceeds of the realisation of the Single Employer's Fund or relevant part of the Associated Employers' Fund (as appropriate) if that part of the Expenses Fund is insufficient) and so far as the moneys available permit in the manner and order of priority set out in paragraphs (5), (6), (7), (8), (9) and (10) of Clause 48.";

"(11) The Committee shall apply the proceeds of realisation (under paragraph (8) of this Clause) of the Appropriate Part of the AVC Scheme referred to in Rule 5 in the payment of the costs charges and expenses referred to in paragraph (10) of this Clause only to the extent (if any) to which the appropriate part of the Expenses Fund and the proceeds of realisation of the Single Employer's Fund or relevant part of the Associated Employers' Fund (as appropriate) are insufficient to pay those costs charges and expenses and subject thereto and so far as the moneys available permit in the manner and order of priority set out in paragraphs (5) (other than sub-paragraphs (a)(i), (ii) and (iv) thereof), (6), (7), (8), (9) and (10) of Clause 48.";

"(12) Notwithstanding the provisions of paragraph (8) of this Clause the Committee may defer the realisation referred to in paragraph (8) of this Clause and instead of terminating the part of the Scheme applicable to the Terminating Employer continue it as a closed scheme with no further contributions until whichever of the following dates and events is the first to occur:

(i) the discontinuance of the Scheme in accordance with the provisions of Clause 48;

(ii) the passing of a resolution by the Committee to the effect that the part of the Scheme applicable to the Terminating Employer is to be terminated at any time after it could have been terminated but for the decision of the Committee to continue it as a closed scheme; and

(iii) the date on which the relevant Employer's Fund or part thereof (if an Associated Employers' Fund) and the Appropriate Part of the AVC Scheme are exhausted.

If the part of the Scheme applicable to the Terminating Employer is continued and the relevant Employer's Fund or part thereof (if an Associated Employers' Fund) and the Appropriate Part of the AVC Scheme are not exhausted when the first of the above dates and events occurs the provisions of paragraph (8) of this Clause shall then have effect.".

10. The definition of "Employer's Fund" in Clause 50 of the Trust Deed shall be deleted and replaced by the following:

""**Employer's Fund**" means a Single Employer's Fund or an Associated Employers' Fund, as the context so dictates.".

11. The following definitions in Clause 50 of the Trust Deed shall be added:

""**Single Employer's Fund**" means a single fund in relation to a single Employer;" and

""**Associated Employers' Fund**" means a single fund in relation to a group of Associated Employers established in accordance with Clause 13(2);".

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by a majority of the members of the Committee in respect of the amendments set out in Clauses 2, 4, 5, 6, 7, 10, and 11 of this resolution and by all the members of the Committee in respect of the amendments set out in Clauses 1, 3, 8 and 9 of this resolution.

.....

On behalf of the Committee of Management

13/8/2003

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

29/8/2003

.....

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME**

The Co-ordinator wishes to amend the Trust Deed and Rules by the addition of pension sharing on divorce provisions. Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. The Co-ordinator has consulted with and obtained the approval of the Trustee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

1. With effect on and from 1 December 2000 a new Rule 69 shall be inserted as follows:

"69. Pension Sharing on Divorce

(1) The provisions of Appendix VI are hereby adopted and incorporated as part of the Rules and shall override any other provisions of the Scheme with which they are inconsistent. Words defined in Appendix VI shall have the same meaning in this Rule. Safeguarded Rights shall have the meaning given to it in s.68A of the 1993 Act.

(2) Where a Pension Sharing Order is made in respect of a Member's or Ex-Spouse Participant's benefits, the Committee shall reduce those benefits by the amount of the Pension Debit.

(3) An Ex-Spouse shall not be entitled to join the Scheme in respect of Pension Credit Rights unless the Committee in its absolute discretion decides otherwise. The terms on which an Ex-Spouse may join the Scheme and the benefits payable to such Ex-Spouse shall be determined by the Committee and notified to the Ex-Spouse.

(4) A Member shall not be able to transfer Pension Credit Rights into the Scheme unless the Committee in its absolute discretion decides otherwise. The benefits payable to a Member in respect of his Pension Credit Rights shall be determined by the Committee and notified to the Member. Any Pension Credit Benefits granted to such Member shall be provided separately from any other benefits provided under the Scheme for or in respect of the Member.

(5) Any pension payable to an Ex-Spouse Participant from the Scheme shall be increased each year in accordance with Rule 33.

(6) Charges may be applied for activity in relation to pension sharing. The Committee shall, subject to s 41 of the Welfare Reform and Pensions Act 1999, determine the circumstances in which such charges shall be applied, the amount of such charges and the method of recovery.

(7) The Committee shall have power to transfer an Ex-Spouse's Pension Credit, Pension Credit Rights, Pension Credit Benefits and Safeguarded Rights without his consent to another scheme or arrangement in accordance with Chapter I of Part IV of the Welfare Reform and Pensions Act 1999 and where such transfer will not prejudice Inland Revenue Approval.

(8) (a) The Committee shall determine the part of the Pension Credit which is in respect of Safeguarded Rights in accordance with section 68A of the 1993 Act. The Committee shall ensure that such part of the Pension Credit or Pension Credit Benefit of the Ex-Spouse or Ex-Spouse Participant is separately identifiable as being in respect of Safeguarded Rights.

(b) The Committee must give effect to Safeguarded Rights by the provision of a pension for life unless one of the circumstances in regulation 9 of the Pension Sharing (Safeguarded Rights) Regulations 2000 apply.

(c) Safeguarded Rights may be suspended or forfeited only in the circumstances set out in regulation 12 of the Pension Sharing (Safeguarded Rights) Regulations 2000.

(9) In addition to the powers set out in the Rules, the Committee shall have all other powers necessary to deal with Pension Credit, Pension Credit Rights, Pension Credit Benefits and Safeguarded Rights payable to or in respect of Members, Ex-Spouses and Ex-Spouse Participants in any way permitted by the Welfare Reform and Pensions Act 1999 and the Regulations made under that Act and where the Welfare Reform and Pensions Act 1999 or Regulations made under that Act only permit the Committee to deal with Pension Credit, Pension Credit Rights, Pension Credit Benefits and Safeguarded Rights payable to or in respect of Members, Ex-Spouses Ex-Spouse Participants if the Rules so permit, the Rules shall be deemed to provide the necessary permission".

2. A new Appendix VI (Rules for Pension Sharing on Divorce) shall be inserted as follows:

**"APPENDIX VI**

**RULES FOR PENSION SHARING ON DIVORCE**

1. **DEFINITIONS**

**"Ex-Spouse"** means an individual to whom Pension Credit Rights have been or are to be allocated following a Pension Sharing Order, agreement or equivalent provision.

**"Ex-Spouse Participant"** is an Ex-Spouse who participates in the Scheme. For this purpose the Ex-Spouse Participant must participate in the Scheme, either:

(a) solely for the provision of a Pension Credit Benefit; or

(b) for the wholly separate provision of a Pension Credit Benefit, where benefits accrue or have accrued to that individual under the Scheme for any other reason.

**"Index"** means the Government's Index of Retail Prices.

**"Insurance Company"** is as defined in Section 659B of the Act.

**"Member"** means a member of the Scheme to whom benefit is currently accruing as a result of service as an employee, or an Ex-Spouse Participant whose rights under the Scheme derive from a pension sharing order, agreement or equivalent provision.

**"Negative Deferred Pension"** means the amount by which the Member's pension or deferred pension under the Scheme which arose/arises from Service with the Employer(s), is reduced at the Relevant Date by Section 31 Welfare Reform and Pension Act 1999 or under corresponding Northern Ireland Legislation, following a Pension Sharing Order, agreement or equivalent provision. For this purpose, Service with the Employer(s) includes all periods of service with other employers which have been treated as if they were Service with the Employer(s) where a transfer payment has been made to the Scheme in respect of that other service.

**"Pension Credit"** means a credit under Section 29(1)(b) of the Welfare Reform and Pensions Act 1999 or under corresponding Northern Ireland legislation.

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

**"Pension Credit Rights"** means rights to future benefits under a scheme which are attributable (directly or indirectly) to a Pension Credit.

**"Pension Debit"** means a debit under Section 29(1)(a) of the Welfare Reform and Pensions Act 1999 or under corresponding Northern Ireland legislation.

**"Pension Debit Member"** means a Member whose benefits have been permanently reduced by a Pension Debit. Such a Member will either be:

(c) a Member who is a controlling director of a company which is his/her employer if he/she is a director of the company to whom paragraph (b) of Section 417(5) of the Taxes Act 1988 applies either at the date on which the marriage was dissolved or annulled, or at any time within the period of 10 years before that date; or

(d) a Member whose earnings at the date at which his/her marriage was dissolved or annulled exceeded 1/4 of the Permitted Maximum for the year of assessment in which the dissolution or annulment occurred. Earnings for these purposes shall be taken to be the total emoluments:

(i) which were paid to the member in consequence of pensionable service to which the Scheme relates during the year of assessment before the year of assessment in which the marriage was dissolved or annulled; and

(ii) from which tax was deducted in accordance with the Income Tax (Employments) Regulations 1993.

**"Pension Sharing Order"** means any order or provision as is mentioned in Section 28(1) of the Welfare Reform and Pensions Act 1999 or Article 25(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999.

**"Relevant Date"** means the date of retirement, leaving active membership or death as the case may be.

2. **ASSIGNMENT**

Rule 59 is amended to permit the assignment of part or all of the Member's retirement benefits or rights to benefits under the Scheme to his Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision or the assignment of part or all of the Ex-Spouse Participant's benefits or rights under the Scheme to his Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision.

3. The Committee must make provision for the Pension Credit Benefits under the Scheme to be treated as provided separately from any benefits provided under the Scheme for the same individual as an employee or as the Dependant of an employee.

4. Participation in the Scheme offered to an Ex-Spouse either where the requirement in Rule 3 of this Appendix VI is satisfied, or where the Ex-Spouse only has Pension Credit Benefits under the Scheme.

The following options will, subject to Rule 69, be available to the Ex-Spouse Participant in relation to the Pension Credit Benefit, subject to compliance with Social Security legislation.

(a) A pension can be paid at the request of the Ex-Spouse Participant at any time between attaining age 50 and 75, or earlier on grounds of incapacity where he is simultaneously taking benefits on incapacity grounds arising from Qualifying Service as an employee under the Scheme in which the Pension Credit Benefits are held. Additionally a pension not yet in payment may be fully commuted, at any age, on the grounds of exceptional circumstances of serious ill-health. The Ex-Spouse Participant cannot defer commencement of the pension beyond his 75th birthday. If he is aged 75 or over at the date the Pension Sharing Order is implemented, the pension must come into payment immediately. There is no limit on the amount of the pension. Such a pension should not be commuted, surrendered or assigned except in accordance with the Scheme rules. Such a pension must be payable for life unless it is fully commuted under Rule 4(f) of this Appendix VI, and may be guaranteed.

(b) No lump sum may be paid to the Ex-Spouse Participant where the Member (who was formerly married to the Ex-Spouse Participant) has already received a lump sum retirement benefit from the Scheme before the date of the implementation by the Scheme of the Pension Sharing Order, agreement or equivalent provision.

No lump sum may be paid to the Ex-Spouse Participant where all of the Pension Credit Rights under the Scheme have been transferred into the Scheme with a lump sum nil certificate.

Otherwise the Ex-Spouse Participant may choose to take a lump sum in commutation for part of the pension, at the time the pension first becomes payable. The lump sum is limited to a maximum of 2.25 x the initial annual pension. For this purpose, the initial annual pension should be calculated on the following bases:

(i) if the pension payable for the year changes, the initial pension payable should be taken;

(ii) it should be assumed that the Ex-Spouse Participant will survive for a year;

(iii) the effect of commutation should be ignored.

(c) Where the Ex-Spouse Participant dies before benefits come into payment a lump sum death benefit may be paid. This lump sum can be paid to any person at the discretion of the Committee.

The lump sum is limited to 25% of what would have been the cash equivalent of the Pension Credit Rights at the Ex-Spouse Participant's date of death. The balance of the said cash equivalent may be used to provide a non-commutable pension to a Dependant of the Ex-Spouse Participant. The amount of pension payable to a Dependant is limited to a maximum of 2/3rds of the amount of the pension that could have been paid to the Ex-Spouse Participant at the date of death had the whole of the cash equivalent of the Pension Credit Rights been used to purchase an annuity at an available market rate. For the purpose of determining the pension which could have been paid to the Ex-Spouse Participant, it should be assumed that he was aged 50 at the date of death, where he died at an earlier age. Where more than one pension is to be paid the total of

all the pensions cannot exceed the amount of the pension that could have been paid to the Ex-Spouse Participant.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if later, on the cessation of full time education. Such pensions may, however, be fully commuted for a lump sum on the grounds of triviality at the time that such a pension becomes payable.

(d) Where the Ex-Spouse Participant dies after the pension has come into payment, a non-commutable pension may be payable to a Dependant of the Ex-Spouse Participant.

The amount of pension payable to a Dependant is limited to a maximum of 2/3$^{rds}$ of the initial annual pension which was paid to the Ex-Spouse Participant as increased by any rise in the Index since the commencement of the Ex-Spouse Participant's pension. Where more than one pension is to be paid the total of all the pensions cannot exceed the amount of the initial annual pension which was paid to the Ex-Spouse Participant, as increased by any rise in the Index since the commencement of the Ex-Spouse Participant's pension. For these purposes initial annual pension should be calculated on the same basis as for Rule 4(b) of Appendix VI.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if later, on the cessation of full time education. Such pensions may, however, be fully commuted for a lump sum on the grounds of triviality at the time that such a pension becomes payable.

Where the Ex-Spouse Participant selected a guarantee not exceeding five years and the guarantee period has not expired, the remaining balance of the pension instalments can be paid as a lump sum. This lump sum can be paid to any person at the discretion of the Committee. Where the Ex-Spouse Participant selected a guarantee exceeding five years and the guarantee period has not expired, the remaining balance of the pension instalments must be paid in pension form to an individual or individuals at the discretion of the Committee.

(e) On the date the Ex-Spouse Participant's pension becomes payable (but not where the pension is paid in the form of income drawdown), part of this pension may be surrendered for the provision, on the death of the Ex-Spouse Participant, of a pension payable to a Dependant of the Ex-Spouse Participant. The amount of pension surrendered should not exceed the reduced pension that the Ex-Spouse Participant retains.

(f) Full commutation of the Pension Credit Rights on the grounds of triviality or exceptional circumstances of serious ill-health is permitted when the pension first becomes payable. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Qualifying Service as an employee, for the purposes of determining the aggregate value of the total benefits payable to the Member on the grounds of triviality, benefits from Pension Credit Rights must be included. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Qualifying Service as an employee, full commutation of the Pension Credit Rights on the grounds of triviality will only be permitted where benefits arising from Qualifying Service as an employee are simultaneously commuted.

(g) The Ex-Spouse Participant may request that the Committee arranges a transfer of his Pension Credit Rights to another scheme approved under Chapter I Part XIV

of the Act if he is already a member of that scheme or an Ex-Spouse participant in that scheme or to a scheme approved under Chapter IV Part XIV of the Act. The Ex-Spouse Participant may request that the Committee arranges a transfer of his Pension Credit Rights to any other scheme if the Board of Inland Revenue's requirements are satisfied in relation to a transfer to that scheme. The Committee must confirm to the receiving scheme or arrangement, that the transfer value consists wholly or partly of Pension Credit Rights for the benefit of an Ex-Spouse Participant.

(h) At the point the pension becomes payable, the Ex-Spouse Participant may request that the Committee arranges for the purchase of an annuity from an Insurance Company of his choice.

(i) The rights to a Pension Credit Benefit under the Scheme shall not be absolute, but shall be forfeited upon the bankruptcy of the Ex-Spouse Participant. Such benefits may then be paid to any individuals or individual as specified by the Committee, in their absolute discretion.

5. Notwithstanding any other provisions of the rules, the benefits for a Pension Debit Member are additionally subject to the following limits, subject to compliance with Social Security legislation:

(a) The pension shall not exceed the Aggregate Retirement Benefit in Appendix V less the Negative Deferred Pension in this Scheme and the Negative Deferred Pension in any Associated Scheme (as defined in Appendix V) and, furthermore in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme (as defined in Appendix V).

(b) The lump sum from this and any Associated Scheme shall not exceed:

(i) for Pension Debit Members who are Class A Members or Class B Members, an amount determined by 2.25 x the initial annual pension payable

(ii) for Pension Debit Members who are Class C Members, an amount of the greater of:

(1) 2.25 x the initial annual pension payable; or

(2) an amount determined in accordance with Appendix V as if there had been no Pension Debit, less 2.25 x the Negative Deferred Pension.

For the purposes of this Rule, the initial annual pension should be calculated on the following bases:

(iii) if the pension payable for the year changes, the initial pension payable should be taken;

(iv) it should be assumed that the Pension Debit Member will survive for a year;

(v) the effect of commutation should be ignored.

(c) On the death of the Pension Debit Member, any pension for a Dependant shall not exceed 2/3 x an amount determined in accordance with Appendix V as if there had been no Pension Debit, less the Negative Deferred Pension and the Negative

Deferred Pension in any Associated Scheme and, furthermore in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme. Where more than one pension is to be paid the total of all the pensions cannot exceed 100% of an amount determined in accordance with Appendix V as if there had been no Pension Debit, less the Negative Deferred Pension and the Negative Deferred Pension in any Associated Scheme and, furthermore in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme.

6. The Committee must give full details of the Pension Debit and a lump sum certificate specifying the maximum permissible lump sum, to the receiving scheme/arrangement where the fund underlying the benefits for a Pension Debit Member is transferred to another scheme approved under Chapter I Part XIV of the Act or a scheme approved under Chapter IV Part XIV of the Act.

7. Where the Committee accepts a transfer payment for an individual who is already a Member of the Scheme or is already an Ex-Spouse Participant in the Scheme and is informed by the transferor that the transfer value consists wholly or partly of Pension Credit Rights in the former scheme or arrangement, then the Committee must separately identify the transfer payment relating to the Pension Credit Rights or the part of the transfer payment relating to the Pension Credit Rights from other funds held for the benefit of the Member. Furthermore the Committee must comply with the requirements of Rule 3 of this Appendix VI in respect of the transferred-in Pension Credit Rights. Then the individual will acquire the status of an Ex-Spouse Participant in the Scheme in relation to his transferred-in Pension Credit Benefits. Such Pension Credit Benefits will not count towards any limit on benefits for that Member.

8. Where the Committee accepts a transfer payment and is informed by the transferor of the details of a Pension Debit relating to the transfer payment, the Committee must take account of the Pension Debit, if appropriate, in the calculation of any limit on benefits for that Member. If a transfer of the fund underlying the benefits for the Member is made to a scheme approved under Chapter I Part XIV of the Act or a scheme approved under Chapter IV Part XIV of the Act, the Committee must give full details of the Pension Debit to the receiving scheme/arrangement.

9. If the Ex-Spouse dies after a Pension Sharing Order, agreement or equivalent provision is made but before it is acted upon by the Committee, the following benefits may be paid.

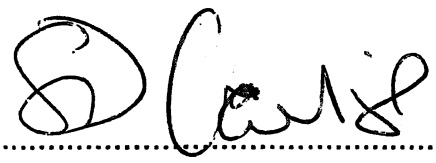
A lump sum death benefit may be paid to any person at the discretion of the Committee.

The lump sum is limited to 25% of what would have been the cash equivalent of the fund which would have provided the Pension Credit Rights for the Ex-Spouse. The balance of the fund may be used to provide a non-commutable pension to a Dependant of the Ex-Spouse.

The amount of pension payable to a Dependant is limited to a maximum of 2/3$^{rds}$ of the amount of the pension that could have been paid to the Ex-Spouse at the date of death if the whole of what would have been the cash equivalent of the fund which would have provided the Pension Credit Rights had been used to purchase an annuity at an available market rate. Where more than one pension is to be paid the total of all the pensions cannot exceed the amount of the pension that could have been paid to the Ex-Spouse.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if later, on the cessation of full time education. Such pensions may be fully commuted, however, for a lump sum on the grounds of triviality at the time such a pension becomes payable."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

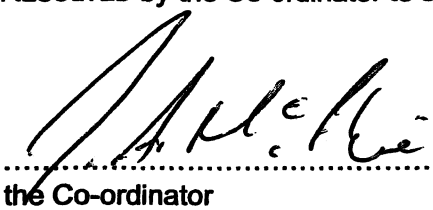


On behalf of the Committee of Management

15 April 2003

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.



On behalf of the Co-ordinator

15 April 2003

Date

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME

The Co-ordinator wishes to amend the Trust Deed and Rules in order to simplify the general meetings procedure in the manner set out below. Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. The Co-ordinator has consulted with and obtained the approval of the Trustee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

1. With effect from 15 April 2003 the following Clauses shall be amended as follows:

1.1 Clause 29 shall be deleted and replaced as follows:

"29. **Annual Meetings**

Provided that the expression of interest requirements set out in Clause 32(2) and the quorum requirements set out in Clause 34 are satisfied, an Annual General Meeting of the Members shall be held at such place and such time not later than the 30th September in every calendar year in which those two requirements are both met as the Committee shall from time to time appoint for the purpose of receiving a Report from the Committee and the Annual Statement of Accounts for the conduct of the general business of the Scheme.".

1.2 Clause 32 shall be deleted and replaced as follows:

"32. **Notice of Meetings**

(1) The Secretary when convening any Extraordinary Meeting shall give, in such manner as the Committee may determine, not less than seven days' notice to Members of the date, place and hour appointed for such Meeting and of the business to be transacted thereat.

(2) The Secretary when convening an Annual General Meeting shall give, in such manner as the Committee may determine, not less than one calendar month's notice to Members of the date, place and hour appointed for such Meeting and of the business to be transacted thereat. The notice shall request that the Member replies to the Secretary indicating whether the Member wishes to attend the Meeting and such notice shall state that unless at least 25 Members express such an interest in attending the Meeting, the Meeting shall not be held that year.

(3) The non-receipt by a Member of a notice shall not invalidate the proceedings at any Meeting or invalidate the decision not to hold an Annual General Meeting in any year. The Committee shall have full discretion in determining the manner in which notice of any meeting shall be given and (without prejudice to the generality of the foregoing) may determine that the same shall be given by the delivery (by post or otherwise) of individual notices or by advertisement or by the exhibition of notices or otherwise and may determine that such notice be given in one manner to some class or group of Members and in another manner to another class or group thereof."

1.3 Clause 34 shall be deleted and replaced as follows:

"34. **Quorum at Meetings**

Twenty-five Members shall (except as provided by the next following Clause) form a quorum at a General Meeting and no business (except the adjournment of the Meeting) shall be transacted at any such Meeting unless a quorum is present when the Meeting proceeds to business.".

1.4 Clause 35 shall be deleted and replaced as follows:

"35. **Adjournment in Absence of Quorum**

In the case of an Annual General Meeting or an Extraordinary Meeting, if within fifteen minutes from the time appointed for the holding of the meeting a quorum is not present the Meeting shall be dissolved.".

1.5 Clause 36 shall be deleted and replaced as follows:

"36. **Resolutions at General Meeting**

Every Resolution moved at a General Meeting shall have been decided in the first instance by a show of hands of the Members present and unless a poll is demanded by not less than thirteen Members present and voting, a Resolution declared by the Chairman of the Meeting to have been carried shall be deemed to be the Resolution of the Meeting.".

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

15 April 2003

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

15 April 2003

Date

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME

The Co-ordinator wishes to amend the Trust Deed and Rules so that:

(1) Interest may be payable on the late payment of benefits; and

(2) The procedure in appealing the determination of the Scheme Medical Adviser is clarified.

Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 provides that where an amendment would or might affect any entitlement or accrued right of any Member, the Trustee must approve the exercise of the amendment power by the Co-ordinator. The Co-ordinator has consulted with and obtained the approval of the Trustee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

1. With effect on and from the date of this resolution, Rule 56 shall be amended by the addition of the following as paragraph (5):

   "(5) If there should be any delay in the payment of any benefits under the Scheme the Committee may, at their discretion, pay interest on benefits at the London InterBank Offered Rate or such other rate as the Committee may from time to time agree with the Co-ordinator over such period as the Committee shall decide."

2. With effect [on and from the date of this resolution] Rule 66 shall be amended by deleting it and replacing it by the following:

   "66. **DETERMINATION OF MEDICAL QUESTIONS**

   Any person who is aggrieved by the determination of the Scheme's Medical Adviser upon any matter as to which, under the Rules, his opinion or certificate is required to be given may by notice in writing to the Committee, within 28 days of receiving such determination, require the Committee to refer the matter to an independent Medical Consultant appointed or approved by the Committee and thereupon the matter shall be so referred. If such person submits such notice to the Committee after the 28 day period but within 3 months of such person having received such determination, the matter may only be referred to an independent Medical Consultant (appointed or approved by the Committee) if the Committee in its absolute discretion so decides. Thereafter, there shall be no appeal.

   The written determination of such independent Medical Consultant upon the matter so referred shall be final and have effect as the opinion or certificate of the Scheme's Medical Adviser.

   An appeal to an independent Medical Consultant shall be subject to the requirements of any insurance company with whom the Committee have arranged the underwriting of any benefits payable under the Scheme.

   Any benefits that became payable to a Member under Rule 24(2)(a) through ill-health following the written determination of such independent Medical Consultant shall be payable as from the later of the date of the determination of the Scheme's Medical Adviser and the date the Member ceases in employment.

Any person so requiring the Committee to refer a matter to an independent Medical Consultant shall pay the costs of the reference if the determination of the Consultant upholds the determination of the Scheme's Medical Adviser.".

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

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On behalf of the Committee of Management

13/8/2003

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

29/8/2003

.....

Date

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME

## AMENDMENTS TO AND CLARIFICATION OF CLAUSE 47 OF THE TRUST DEED (INDEMNITY)

1. Pursuant to a review of the terms of the indemnity provided at clause 47 of the Trust Deed (the "Indemnity") the Co-ordinator wishes to amend clause 47 of the Trust Deed to:

   (a) further define the acts that are excluded from the Indemnity: and

   (b) enable the Committee of Management in certain circumstances to seek reimbursement after the exercise of the Indemnity and direct certain action from those seeking or benefiting from the protection of the Indemnity.

2. The Co-ordinator also wishes to clarify the position of individuals covered by the Indemnity who cease to hold the positions listed in clause 47(1) (the "Protected Positions"). Holders of Protected Positions benefit from the protection of the Indemnity. The Co-ordinator and the Committee of Management have been advised that the Indemnity, as currently drafted, continues to apply to holders of Protected Positions when they cease to hold Protected Positions in respect of acts and omissions undertaken as a holder of a Protected Position. The Co-ordinator and the Committee of Management agree with this advice and acknowledge that this is their understanding of the protection offered by the Indemnity.

   The Co-ordinator and the Committee of Management have agreed to clarify formally their understanding of the protection afforded by the Indemnity to individuals who cease to hold Protected Positions. The Co-ordinator and the Committee of Management have agreed that the clarification should be made by the addition of clarifying wording to clause 47 of the Trust Deed. Such clarification will therefore take the form of an amendment to the wording (but not the meaning) of the Indemnity. The clarifying wording shall be inserted at the end of clause 47(2) and shall read; "For the avoidance of doubt, the protection provided by this Clause shall continue to apply to persons who cease to hold or have ceased prior to the date of this resolution to hold the positions that entitled them to be persons protected by this Clause in respect of acts done or omitted by such persons whilst they held positions that entitled them to be persons protected by this Clause".

3. Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. The Co-ordinator has consulted with the Trustee about the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

4. With effect on and from [the date of this resolution] clause 47 shall be deleted and replaced as follows:

   "47. **Indemnity**

   (1) Save to the extent that they are covered by external insurance the persons protected by this Clause are:

   (a) the Trustee, the members of the Committee, and any sub-committee of the Committee;

   (b) the Secretary;

(c) any other person to whom the Committee shall have determined under paragraph (5) of this Clause that this Clause shall apply (but subject to the terms of any determination so made).

(2) Unless and except to the extent that he is otherwise covered by external insurance, every person protected by this Clause shall together with his estate and effects be indemnified and kept at all times indemnified out of the moneys of the Scheme against all actions, proceedings, claims, demands, costs, charges, losses, damages, expenses and liabilities of any nature whatsoever and however arising which he or his estate or effects shall or may incur or sustain by reason of any act done or omitted in relation to the affairs of the Scheme except as a result of an act or omission which, unless the parties agree otherwise, has been finally determined by a court of competent jurisdiction (without any right of appeal against that determination to a higher court or authority) to be a wilful or reckless act or omission by that person known by him to be a breach of trust or duty in relation to the Scheme or done or omitted by him recklessly as to whether or not it is such a breach of trust or duty. For the avoidance of doubt, the protection provided by this Clause shall continue to apply to persons who cease to hold or have ceased prior to the date of this resolution to hold the positions that entitled them to be persons protected by this Clause in respect of acts done or omitted by such persons whilst they held positions that entitled them to be persons protected by this Clause.

(2A) Once an act or omission which, unless the parties agree otherwise, has been finally determined by a court of competent jurisdiction (without any right of appeal against that determination to a higher court or authority) to be a wilful or reckless act or omission of the kind which excludes the right to an indemnity under (2) above, the Committee shall ensure as a condition of the operation of the indemnity provided under Clause 47(2) that the person concerned shall pay to the Scheme:

(a) all sums (including the legal costs and disbursements paid for out of the moneys of the Scheme in indemnifying the person) which have been paid under (2) above from the Scheme but would not have been paid had that final determination or agreement been made at the outset; plus

(b) interest on those sums at the base rate from time to time of Lloyds TSB Bank PLC or its successor in business from time to time.

(3) No person protected by this Clause shall be accountable or answerable for the acts, receipts, neglects or defaults of any other person acting in relation to the Scheme or by joining in any receipt for the sake of conformity or for the acts, receipts, neglects or defaults of any bankers or other persons with whom any moneys investments or effects belonging to the Scheme shall or may be lodged or deposited for safe custody or for the insufficiency or deficiency of any security or investment upon which any moneys of the Scheme shall or may be placed out or invested or for any loss misfortune or damage which the Scheme or any beneficiary or other person claiming under the Scheme shall or may sustain except as a result of an act or omission which, unless the parties agree otherwise, has been finally determined by a court of competent jurisdiction (without any right of appeal against that determination to a higher court or authority) to be a wilful or reckless act or omission by the protected person known by him to be a breach of trust or breach of duty in relation to the Scheme or done or omitted by him recklessly as to whether or not it is such a breach of trust or duty.

(4) No person protected by this Clause shall be answerable for any failure to recover or take steps to recover any instalment or part of an instalment of an annual payment paid after or in respect of a period after the death of the person who was or would otherwise have been entitled to such annual payment.

(4A) Solely in (4B) and (4C) below, "Relevant Person" means a person who:

(a) is protected by this Clause and is seeking that protection in relation to a particular dispute or other matter (the "Relevant Matter"); and

(b) does not have sufficient control and authority over the assets and moneys of the Scheme to be able to effect payment of sums due under the indemnity under (2) above directly from the Pension Fund.

(4B) If the Committee requests a Relevant Person to compromise or settle in whole or in part, or to make any payment in relation to, the Relevant Matter:

(a) the Relevant Person and his estate and effects shall be indemnified and kept indemnified in accordance with (2) above for the consequences of complying with that request; and

(b) if he does not comply with that request, he will lose the benefit of the indemnity under (2) in relation to sums incurred or sustained by him in relation to the Relevant Matter more than one week after the earliest date on which it can be demonstrated that he had actual written notice of that request.

The Committee may not however require the Relevant Person to admit liability and neither the Trustee nor the Committee shall indicate to any person that he has admitted liability unless he has actually done so.

(4C) If, in relation to any payment for which a Relevant Person is indemnified under (2) above, he is able to recover all or part of that payment from a third party (or would have been able to recover it were it not for that indemnity), then the Committee shall ensure as a condition of the operation of the indemnity provided under Clause 47(2) that the Relevant Person shall take all necessary steps to enable the Trustee to recover those sums instead.

(4D) No amendments to this Clause shall reduce the protection given by it to any person in relation to acts or omissions or circumstances which occur before:

(a) he has received actual formal written notice from the Co-ordinator of the amendment; and

(b) sufficient time has passed following receipt of that notice to enable him to vacate the office or position by reference to which he has until then been protected under this Clause 47.

(5) The Committee may in their discretion if they consider such action in the interests of the Scheme determine in relation to any person who is engaged to perform any functions or services for the purposes of the Scheme and is not otherwise protected by this Clause that such person shall, to such extent and on such terms as the Committee may think fit, be afforded the benefit of indemnity under paragraph (2) of this Clause."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 48 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....
On behalf of the Committee of Management

9th June 2005
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

23rd July 2005
.....
Date

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME

## AMENDMENTS TO RULE 29 OF THE TRUST DEED (SURVIVING SPOUSE'S BENEFIT)

1. The Co-ordinator wishes to amend the Trust Deed and Rules to provide that the Committee shall have discretion to pay pensions to the financial dependants of certain former contributors who die without leaving a widow. Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. The Co-ordinator has consulted with the Trustee about the amendment to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

2. With effect on and from the date of this resolution Rule 29(1)(c) shall be deleted and replaced as follows:

> "If a Contributor or former Contributor dies, without leaving a widow, the Committee may in their discretion award the pension that would have been payable to his widow if any under whichever would have been applicable of sub-paragraph (a) sub-paragraph (b) or sub-paragraph (d) of this paragraph to a person who in their opinion was financially dependent on the Contributor at the date of his death and who does not become entitled to benefit under Rule 30 by reference to the Contributor or former Contributor, and a person to whom such an award is made shall be treated as the Contributor's or former Contributor's widow for the purposes of the following provisions of this Rule and Rule 30
>
> Provided that:
>
> (i) the limitation in sub-paragraph (e)(i) of this paragraph shall not apply to any pension awarded under this sub-paragraph (c); and
>
> (ii) any such pension shall be subject to review by the Committee from time to time and following such review the Committee may in their discretion vary or extinguish any such pension."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

9 June 2005

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

22 July 2005

.....

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**AMENDMENTS PURSUANT TO THE FINANCE ACT 2004 AND THE OCCUPATIONAL PENSION SCHEMES (EMPLOYER DEBT) REGULATIONS 2005**

1. Pursuant to the coming into force of the Finance Act 2004 the Co-ordinator wishes to make certain changes to the Scheme.

1.1 The Co-ordinator and Committee of Management have agreed that the Committee of Management will resolve pursuant to the power under regulation 6 of the Occupational Pension Schemes (Modification of Schemes) Regulations 2006 (the "Amendment Regulations") to:

(a) modify the Scheme to incorporate the same effects as the modifications in regulations 3 to 8 of the Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 (the "Modification Regulations") but disregarding any limitation to the transitional period; and

(b) disapply the application of the Modification Regulations.

1.2 The Co-ordinator wishes to take advantage of changes introduced by the Finance Act 2004 to allow members of the Scheme who are entitled to benefits under the AVC Scheme (as defined in the Trust Deed and Rules) to commute part of their entitlement under the AVC Scheme and confirm that the current limit on member contributions to the Scheme will be retained.

2. In addition, the Co-ordinator and Committee of Management have agreed that the Committee of Management will resolve pursuant to the power under regulation 7 of the Amendment Regulations to comply with the requirements of the Civil Partnership Act 2004.

3. Further, the Co-ordinator wishes to ensure that the Scheme is held to be a sectionalised scheme in accordance with regulation 8 ("Regulation 8") of the Occupational Pension Schemes (Employer Debt) Regulations 2005. A review of the Trust Deed and Rules identified that amendments would be needed to clarify that the Scheme operates as a sectionalised scheme in accordance with Regulation 8. In particular amendments need to be made to the AVC Scheme and the Expenses Fund (as defined in the Trust Deed and Rules). The Co-ordinator intends to make specific changes to the Trust Deed and Rules

but whilst the matter is under consideration proposes that a generic change is made to ensure that the Scheme is run in accordance with Regulation 8.

4. The Amendment Regulations give power to the Committee of Management by resolution to make the amendments referred to in 1.1 and 2 above with effect from 6 April 2006. The Amendment Regulations provide further that the modifications described in 1.1(a) above may be further modified under a scheme amendment power subject to compliance with the requirements of section 67 of the Pensions Act 1995.

5. Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Clause 46(2) of the Trust Deed provides that the Committee of Management must approve certain amendments proposed by the Co-ordinator. Section 67 of the Pensions Act 1995 provides that where an amendment would or might affect any entitlement or accrued right of any member, the Committee of Management must approve the exercise of the amendment power by the Co-ordinator and satisfy itself that the Certification Requirements (as defined in section 67(4) Pensions Act 1995) are met. The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules that are undertaken pursuant to clause 46 of the Trust Deed and set out below (as evidenced by the Committee of Management's signature on this resolution). The Committee of Management is satisfied the Certification Requirements are met.

6. With effect on and from 6 April 2006 the Committee of Management, pursuant to the power under Regulation 6 of the Amendment Regulations HEREBY RESOLVES to modify the Scheme:

   (a) to achieve the same effect as all of the modifications in regulations 3 to 8 of the Modification Regulations but disregarding any limitation to the transitional period (as defined in regulation 1(2) of the Modification Regulations); and

   (b) to amend the Trust Deed and Rules so that the Modification Regulations no longer apply in relation to the Scheme.

7. With effect on and from 6 April 2006 the Committee of Management HEREBY RESOLVES to agree to the Co-ordinator's request to amend the Scheme so that;

   (a) a member shall not be permitted to make contributions to the Scheme in excess of:

(i) in respect of a Class A Member (as defined in the Trust Deed and Rules) the limit set down in Rule 1(c) of Part 2 of Appendix V of the Trust Deed and Rules;

(ii) in respect of a Class B Member or Class C Member (as defined in the Trust Deed and Rules) the limit set down in Rule 1(c) of Part 3 of Appendix V of the Trust Deed and Rules; and

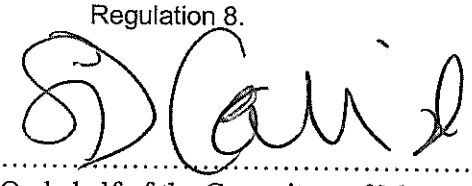
(b) the Committee of Management shall have discretion to allow a member of the AVC Scheme (as defined in the Trust Deed and Rules) on drawing their benefits under the Scheme to elect to commute up to 25% of his or her AVC Interest (as defined in the Trust Deed and Rules) for a lump sum payment on such basis as the Committee of Management directs.

8. With effect on and from 6 April the Committee of Management, pursuant to the power under Regulation 7 of the Amendment Regulations HEREBY RESOLVES to modify the Scheme so that on a member's death and to the extent necessary to satisfy the relevant requirements of the Civil Partnership Act 2004:

(a) a surviving civil partner is to be treated in the same way as a widow or widower; and

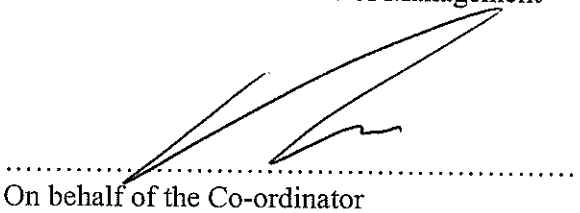
(b) the rights of any other survivor of the member are to be determined as if the surviving civil partner were a widow or widower.

9. With effect on and from Commencement Date the Committee of Management HEREBY RESOLVES to agree to the Co-ordinator's request to amend the Scheme so that the AVC Scheme and the Expenses Fund shall be amended to meet conditions A and B set out in Regulation 8.



On behalf of the Committee of Management

19/5/2006
Date



On behalf of the Co-ordinator

9/1/2007
Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

The Co-Ordinator wishes to amend the Trust Deed and Rules by the addition of provisions to level down benefits in the light of the Employment Equality (Age) Regulations 2006.

(A) Pursuant to paragraph 2 of Schedule 2 to the Employment Equality (Age) Regulations 2006 (the "**Statutory Amendment Power**") the Committee of Management may by resolution with the consent of the Co-Ordinator and subject to certain conditions make such alterations to the Scheme as may be required to secure conformity with the non-discrimination rule treated as being included in the Scheme in accordance with paragraph 2(1) of that Schedule.

(B) In exercise of the Statutory Amendment Power the Committee of Management with the consent of the Co-Ordinator wishes to resolve as set out in clauses 1 and 2 below and with effect on and from the date hereof (the "**Amendment Date**") to make certain changes to the Scheme for the purposes of complying with legislation prohibiting discrimination on grounds of age (the "**Age Discrimination Legislation**").

(C) The Actuary has confirmed to the Trustee for the purposes of regulation 42(2) of the Occupational Pension Schemes (Contracting-out) Regulations 1996 that he is satisfied that if the proposed alterations are made the Scheme will continue to satisfy the statutory standard in accordance with section 12A of the Pension Schemes Act 1993 (the "**Statutory Standard**").

(D) The Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 (the "**Consultation Regulations**") prohibit employers and trustees in certain circumstances from making prescribed changes to an occupational or personal pension scheme unless consultation has been carried out as required by those regulations. Regulation 10 of the Consultation Regulations provides that such consultation is not required where the change is made for the purposes of complying with a statutory provision.

**OPERATIVE PROVISIONS:**

1. With effect on and from the Amendment Date and pursuant to the Statutory Amendment Power the Committee of Management with the consent of the Co-Ordinator hereby resolves to alter the Rules in the manner and to the extent necessary to implement and comply with the changes set out in Schedule 1 so that the Scheme shall be administered with effect on and from the Amendment Date as if the necessary textual modifications to the Rules had been made.

2. Without prejudice to clause 1 above and pursuant to the Statutory Amendment Power the Committee of Management with the consent of the Co-Ordinator hereby resolves to alter the Rules with effect on and from the Amendment Date to insert the following new rule as rule 70 of the Rules:

"70. **Prevention of Discrimination on Grounds of Age**

70.1 Subject to clauses 70.2 to 70.10 where on or after 29 January 2007 any of the terms of the Scheme would, but for this clause, unlawfully treat a member or group of members (the "**Less Favoured Members**") less favourably than another member or group of members (the "**More Favoured Members**") on grounds of age then with effect on and from 29 January 2007 the term is modified so as to disapply the more favourable treatment in respect of the More Favoured Members to the extent required to ensure that the application of the

term to the More Favoured Members and the Less Favoured Members is not unlawful.

70.2 Clause 70.1 shall not apply to the extent that, following any modification of a term pursuant to that clause, the Scheme would cease to satisfy the Statutory Standard.

70.3 In relation to the application of clause 70.1:

(a) if the Committee of Management becomes aware that a term has or may have been modified pursuant to clause 70.1 it shall give written notice of such modification to the Co-Ordinator as soon as reasonably practicable; and

(b) if the Co-Ordinator becomes aware that a term has or may have been modified pursuant to clause 70.1 it shall give written notice of such modification to the Committee of Management as soon as reasonably practicable.

70.4 If the Committee of Management becomes aware that it has been:

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

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

where payment of those benefits constitutes or would constitute a breach of a term as that term is modified by clause 70.1 then the Committee of Management shall:

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

(d) have power to set off any overpayments of benefit made to or in respect of a member in breach of a modification of a term pursuant to clause 70.1 against any future payments of benefit to or in respect of that Member.

70.5 Without prejudice to the provisions of the Statutory Amendment Power Committee of Management may in writing direct that any term that has been amended pursuant to clause 70.1 shall be further amended to have effect (including retrospective effect) so that:

(a) the treatment of members or a group of members under the term is more favourable than it would have been but for the exercise of this power; and

(b) the application of the term does not constitute unlawful discrimination on grounds of age.

70.6 In this clause:

(a) a "member" means a Member and, in relation to admission to the Scheme, any individual not eligible to be a Member where that ineligibility constitutes unlawful treatment on grounds of age; and

(b) a "term" means a term under the Rules and any provision, criterion, action, decision or practice applied by an Employer or the Committee of Management as to the terms on which a person becomes a Member or is treated as a Member.

70.7 This clause does not have effect in relation to rights accrued or benefits payable in respect of periods of Pensionable Service prior to 29 January 2007.

70.8 Notwithstanding any other provisions in the Rules regarding the making of payments which would not be authorised payments for the purposes of the Finance Act 2004, the Committee of Management shall have power to make a payment from the assets of the Scheme that is or may be an unauthorised payment for the purposes of that Act where the payment is made in breach of a term as that term is modified by clause 70.1 and:

(a) the Committee of Management was not aware of the breach at the time the payment was made;

(b) the Committee of Management was aware of the breach at the time the payment was made but it was not reasonably practicable to prevent the payment being made; or

(c) the Co-Ordinator has consented to the payment being made.

70.9 The Committee of Management with the consent of the Co-Ordinator shall have full power to determine any matters of ambiguity or dispute arising out of the application of this clause to the terms of the Scheme."

3. The Committee of Management and the Co-Ordinator hereby agree that:

3.1 with effect on and from the Amendment Date they will each use all reasonable endeavours to ensure that the Scheme is administered as altered and modified in accordance with clauses 1 and 2 above;

3.2 definitive alterations to the Rules to reflect the amendments set out in Schedule 1 and clause 1 above will be adopted as soon as reasonably practicable by the execution of a amending resolution or resolutions and will then have effect retrospectively to the effective dates of such changes under this resolution or resolutions and, if there is any conflict or ambiguity, the provisions of the definitive resolution or resolutions will prevail;

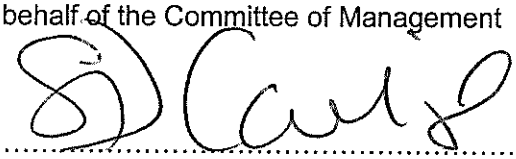
3.3 the Committee of Management with the consent of the Co-Ordinator shall have full power to determine any matters of ambiguity or dispute arising out of the alterations and modifications under clause 1 and the application of the Age Discrimination Legislation to the Scheme until such time as definitive alterations to the Rules are adopted; and

3.4 For the avoidance of doubt, if any alteration made pursuant to clauses 1 or 2 above is subsequently held not to have been required to secure conformity with the non-discrimination rule treated as being included in the Scheme in accordance with paragraph 2(1) of Schedule 2 to the Employment Equality (Age) Regulations 2006 this shall not prejudice the validity of the other provisions of this resolution and alterations made under it.

4. Words and expressions used in this resolution and the opening recitals and not defined shall so far as is consistent with the subject matter and where the context admits have the meaning attributed to them in the Rules and shall be subject to the provisions as to interpretation contained in the Rules.

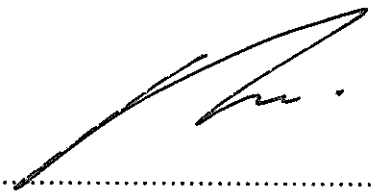
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On behalf of the Committee of Management



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Date 29.1.07



.....

On behalf of the Co-Ordinator

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Date 29.1.07

## SCHEDULE 1

Members will be entitled to continue to accrue benefits under the Scheme on attaining Pensionable Age where they remain in service and shall be eligible for the same benefits as apply to members under Pensionable Age except where it is objectively justifiable to deny members over Pensionable Age such benefits.

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that:

(a) members may receive their Interest in the AVC Scheme as a cash lump sum at retirement;

(b) members may commute a greater proportion of their pensions under the Scheme;

(c) discretionary powers under the Trust Deed and Rules exercisable by a member's Employer may be exercised, in the absence of the member's last Employer, by the current participating Employer in the member's sub-fund; and

(d) changes to the closed scheme do not adversely affect surviving spouses under the Scheme.

1.2 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTIONS**

2.1 With effect on and from the date of this Resolution, the Committee of Management has power to apply all or part of a member's interest in the AVC Scheme (as defined in rule 5(2)(a)) to provide a cash payment PROVIDED THAT:

(a) the member and Committee of Management agree that the member's interest be applied in this manner; and

(b) the provision of the cash payment would not constitute an Unauthorised Payment (as defined on the Finance Act 2004).

2.2 With effect on and from the date of this Resolution the Committee of Management may allow a member exercising the option under Rule 22(3) to commute for a lump sum payment such proportion of his pension as he elects PROVIDED THAT such lump sum payment shall not be an Unauthorised Payment (as defined in the Finance Act 2004). Rule 22(3) shall be construed accordingly.

2.3 With effect as and from the date of this Resolution, no provision in the Trust Deed and Rules shall have effect that would prevent the Committee of Management exercising the powers referred to in 2.1 and 2.2 where such provision refers to the over-riding nature of Inland Revenue Limits (including for the avoidance of doubt where such provision states that it over-rides any other provision on the Trust Deed and Rules).

2.4 With effect as of and from [the Commencement Date], in circumstances where the Trust Deed and Rules give power to an Employer to exercise a discretion in respect of a member but there is no Employer participating in the Scheme in relation to a member, the

Employer participating in the Employer's Fund applicable to the member may, with the consent of the member, exercise the discretion in respect of the member.

2.5 With effect on and from 6 April 2006, Rule 27 shall be deleted and replaced with the following:

"When a Contributor dies before Retirement, a payment shall be made to his estate equal to the greater of the following:

(a) four years' Pensionable Salary; and

(b) the amount of the refund of Normal and Added Contributions with compound interest,

such greater amount (together with any lump sum death benefits payable under Rule 9, 10, 11 or 12) being reduced by the amount of any lump sum death benefits paid in respect of the death of the Contributor from BCSSS save that there shall be no deduction in respect of a lump sum paid by the BCSSS where it results from a commutation of a dependants' pension."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

13 February 2007

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

21 February 2007

.....

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that members who have attained Normal Retiring Age may receive their benefits whilst continuing in Eligible Employment:

1.2 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution the following amendments shall be made to the Rules:

2.1 The definition of Retirement in clause 50 shall be deleted and replaced with the following:

""**Retirement**" means:

(a) the termination of all regular full time employment in an Eligible Employment otherwise than by death; or

(b) the termination of service in Eligible Employment in connection with the commencement of benefits under Rule 22A."

2.2 The definition of "Contributor" in clause 50 shall be deleted and replaced with the following:

""**Contributor**" means a Member:

(a) who is for the time being making contributions from his salary to the scheme in accordance with the Rules; or

(b) who (having made such contributions for the period of 40 years referred to in rule 4(3)(a) or having made such contributions and having attained Normal Retiring Age) has continued and for the time being remains in Eligible Employment PROVIDED THAT a Member who had made an election under Rule 22A shall not be a Contributor."

2.3 Rule 2 shall be deleted and replaced with the following:

"2. **CEASING NORMAL AND FAMILY CONTRIBUTIONS**

(1) This Rule shall override any other provisions of the Scheme and Rules which are inconsistent with it.

(2) A Member who, whilst remaining in Eligible Employment, wishes to cease to pay Normal and Family Contributions in accordance with the provisions of Rule 4 shall give notice to the Secretary. The notice required to be given for the purposes of this paragraph shall be in such form as the Committee may from time to time prescribe and may, if the Contributor is a Protected Person, contain advice as to the consequences of ceasing to be in service in Eligible Employment and Contributing Service. On the expiry of such notice his service in Eligible Employment and Contributing Service shall be deemed for the purposes of the Rules as having terminated in accordance with the provisions of Rule 24.

(3) If a Member exercises the option under Rule 22A his service in Eligible Employment and Contributing Service shall be deemed for the purposes of the Rules as having terminated on the day prior to the date on which his benefits commence. He shall further be deemed to have ceased to be a Contributor on that date."

2.4 New Rule 22A shall be inserted into the Rules as follows:

"22A **FLEXIBLE RETIREMENT**

A Member who:

(a) is in service in Eligible Employment;

(b) attains normal minimum pension age (as defined in the Finance Act 2004);

(c) elects by giving notice to the Secretary to withdraw from the Scheme and to receive benefits under this Rule 22A, (such notice shall be in such form as the Committee may from time to time prescribe and may, if the Contributor is a Protected Person contain information as to the consequences of ceasing to be in service in Eligible Employment and Contributing Service);

(d) who would have been entitled to the payment of benefits under Rule 22 if he had retired; and

(f) whose Employer consents;

may receive the benefits set out in Rule 22 despite the fact that he continues in service in the employment of an Employer.

If a Member makes an election under this Rule 22A, his service in Eligible Employment and Contributing Service shall be deemed for the purposes of the Rules as having terminated on the day prior to the date on which benefits commence. His benefit shall commence on the date selected by the Employer after consulting the Committee. For the avoidance of doubt, such a Member shall not be entitled to accrue any further benefits; shall cease to be entitled to benefits paid on death in service under the Scheme and does not have a right to be re-enter the Scheme under Rule 1."

2.5 Rule 23(6) shall be deleted and replaced by the following:

"(6) If a Contributor:

(a) has attained normal minimum pension age (as defined in the Finance Act 2004) and his Employer requests; or

(b) wishes to retire within five years of Normal Retiring Date or is retired compulsorily when his age is 50 or more and the Employer is unwilling to request the Committee to grant the full benefits under paragraph (2) of this Rule,

the Committee may if the Contributor agrees grant such benefits certified as reasonable by the Actuary for such periods and subject to such conditions as the Employer may request Provided that any benefits so granted shall include or comprise a pension at least equivalent to Equivalent Pension Benefit."

2.6 Rule 24(i)(b) shall be deleted and replaced by the following:

"24(i)(b) where benefit is payable to him immediately under Rule 22A or Rule 23; or"

2.7 Rule 24(2)(6) shall be deleted and replaced by the following:

"(b) on retirement (otherwise than through ill-health) within five years before Normal Retiring Age or at any time after ceasing to be a Contributor if the Member has attained normal minimum pension age (as defined in the Finance Act 2004), if the Member so requests and the Employer agrees, benefits actuarially equivalent at the date of retirement to those which would have been payable by virtue of sub-paragraph (a) of this paragraph, if the Member had retired at Normal Retiring Age; or".

2.8 No provision in the Trust Deed and Rules shall have effect to prevent a member exercising the option referred to in Rule 22A by reference to:

(a) the over-riding nature of limits allowed by the Board of Inland Revenue (including for the avoidance of doubt where such provision states that it over-rides any other provision on the Trust Deed and Rules); or

(b) a restriction under IR 12(2001) (known as the Occupational Pension Scheme Practice Notes) published by the former Inland Revenue Pension Scheme Office on 23rd March 2001 as is stood on 5 April 2006.

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

3rd September 2007

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

12th September 2007
.....
Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so as to clarify that Committee of Management members do not have to reveal any confidential information which has not been obtained in his or her capacity as a Committee of Management member.

1.2 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution, a new Clause 47A shall be inserted in the Trust Deed as follows:

"47A No Committee member shall be required to share any confidential information which has been obtained by him other than in his capacity as Committee member.

A Committee member who relies on this provision shall:

(a) provide as much information as possible which is relevant to the business of the Committee without breaching any duties of confidence that he owes to his employer, union or otherwise; and

(b) shall declare his interest and that he is in possession of confidential information during the discussions of the Committee of Management in relation to which the confidential information he holds is relevant."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

13 January 2008

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

2 June 2008

.....

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. By Resolution dated 9 January 2007 certain changes were made to the Scheme pursuant to the coming into force of the Finance Act 2004. The Co-ordinator and Committee of Management resolved to retain the existing limit on member contributions to the Scheme.

2. The Co-ordinator now wishes to amend the Trust Deed and Rules to remove the limit on member contributions to the AVC Scheme (as defined in the Trust Deed and Rules).

3. Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

4. The Co-ordinator has consulted with, and obtained the approval of, the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this Resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

5. With effect on and from 6 April 2008 the following amendments shall be made to the Rules:

   (a) In respect of a Class A Member (as defined in the Trust Deed and Rules) the limit on member contributions to the Scheme set down in Rule 1(c) of Part 2 of Appendix V of the Trust Deed and Rules shall be deleted.

   (b) In respect of a Class B or Class C Member (as defined in the Trust Deed and Rules) the limit on member contributions to the Scheme set down in Rule 1(c) of Part 3 of Appendix V of the Trust Deed and Rules shall be deleted.

   (c) Rule 5(4)(b) and Rule 19 shall be deleted.

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....C Kaye.....

On behalf of the Committee of Management

.....22 May 2008.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

2 June 2008

.....

Date

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

## 1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules in order to accommodate the introduction of future salary sacrifice arrangements and the Trustee is willing to consent to such alterations and amendments.

1.2 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

## 2. RESOLUTIONS

With effect on and from 1 April 2008, the Trust Deed and Rules shall be amended as set out below:

2.1 The definition of "**Contributor**" in Clause 50 shall be amended by the addition of the following paragraph at the end of that definition:

"Contributor includes any Member who participates in a Salary Sacrifice Facility."

2.2 The definition of "**Salary**" in Clause 50 shall be amended by the addition of the following paragraph at the end of that definition:

"For the period during which a Member participates in a Salary Sacrifice Facility, there shall be added to the amount as calculated above an amount as notified by the Employer to reflect any reduction in remuneration as a result of participation in a Salary Sacrifice Facility.

2.3 The definitions in Clause 50 of the Trust Deed shall be amended by the insertion of a new definition as follows:

""**Salary Sacrifice Facility**" means any salary sacrifice facility provided by an Employer and, with the consent of the Trustees, designated by the Employer as a Salary Sacrifice Facility."

2.4 Rule 4(1) shall be amended by the insertion of the words "Rule 4(4) and" after the words "the provisions of".

2.5 Rule 4(2) shall be amended by the insertion of the words "Rule 4(4) and" after the words "the provisions of".

2.6 Rule 4 shall be amended by the insertion of a new Rule 4(4):

"(4) During any period where a Member participates in a Salary Sacrifice Facility in respect of his Normal and Family Contributions, he shall not pay Normal and Family Contributions. The Committee shall treat any contributions paid in accordance with a Salary Sacrifice Facility by the relevant Employer (which would otherwise be payable by the Member as Normal and Family Contributions) as if they were Normal or Family Contributions. References in these Rules to a

Member's Normal and Family Contributions payable under Rule 4 shall be deemed to include an amount equal to the contributions he would have paid had he not been participating in a Salary Sacrifice Facility."

2.7 Rule 24(6) shall be amended by the insertion of the following wording before the full stop at the end of that Rule:

"to the extent that any such refund is an authorised payment under the Finance Act 2004. If all or part of a refund of such contributions treated as paid under a Salary Sacrifice Facility would be an unauthorised payment under the Finance Act 2004, then there shall be no entitlement to payment of that part of the refund from the Scheme and the Employer shall pay to the Member a sum equal to the part of the refund that he would have received from the Scheme had the payment not been an unauthorised payment under the Finance Act 2004. If an Employer makes a payment to a Member in accordance with this Rule 24(6) then that payment shall be deemed to be a refund of contributions for the purposes of these Rules."

2.8 Rule 32 shall be amended by the insertion of the words "to the extent that any such refund is an authorised payment under the Finance Act 2004" after the words "compound interest". Rule 32 shall further be amended by the insertion of the following paragraph at the end of the Rule:

"If any refund of Family Contributions treated as paid under a Salary Sacrifice Facility would be an unauthorised payment under the Finance Act 2004, then the Employer shall pay to the Member a sum equal to the refund of Family Contributions that he would have received from the Scheme had the payment not been an unauthorised payment under the Finance Act 2004. If an Employer makes a payment to a Member in accordance with this Rule 32 then that payment shall be deemed to be a refund of contributions for the purposes of these Rules."

2.9 A new Rule 71 shall be inserted as follows:

**"71 SALARY SACRIFICE AND LIMITATION ON BENEFITS**

Any Salary Sacrifice Facility in which a Member participates is to be disregarded when assessing whether the limits set out in Appendix V (or other relevant limits in relation to the Scheme) have been exceeded. For this purpose, a Member's remuneration and emoluments are to be deemed to be those which he would have received had he not participated in the Salary Sacrifice Facility."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management

K. Jones

.....

On behalf of the Committee of Management

.....6/03/09.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

16/03/09

.....

Date

IWCSSS 2009 291

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME ("THE SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules to remove the levelling option, which allows a member to chose a higher pension until State pension age and then take a reduction in pension from that age.

1.2 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and the Rules.

1.3 Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.4 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Rules set out below (as evidenced by the Committee of Management's signature on this Resolution). The Committee of Management is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution the following amendments shall be made to the Rules:

2.1 In Rule 22(4) the words "and calculated as if the option in paragraph (9) of Rule 23 had not been exercised" shall be deleted in their entirety.

2.2 Rule 22(5) shall be deleted in its entirety.

2.3 Rule 23(9) shall be deleted in its entirety.

2.4 Rule 24(4) shall be deleted in its entirety.

2.5 In Rule 29(6)(i) the reference to Rule 23(9) shall be deleted.

2.6 In Rule 30(3)(i) the reference to Rule 23(9) shall be deleted.

2.7 The words "or paragraph (9) of Rule 23" shall be deleted from the definition of "pension" in Rule 33(5).

It is **HEREBY RESOLVED** that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are **HEREBY APPROVED** by the Committee of Management.

K. Jones
.....
On behalf of the Committee of Management

10/9/09
.....
Date

It is **HEREBY RESOLVED** by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

22/9/09
.....
Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that where an Employer ceases to be an Employer in accordance with clause 49 of the Trust Deed, a further option is introduced allowing the exiting Employer to be replaced with a new Employer so that the relevant part of the Scheme may be continued with contributions being paid by the replacement Employer, rather than continued as a closed fund with no further contributions or wound-up.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee amend the Trust Deed and Rules and with the consent of the Committee where this is required under Clause 46(2). Clause 46(2) provides, amongst other things, that no amendment shall be made to clause 49 of the Trust Deed unless it has been approved by all members for the time being of the Committee.

1.3 The Committee is satisfied that the proposed changes do not constitute Regulated Modifications as defined in s.67 of the Pensions Act 1995.

1.4 The proposed changes introduce a new option where the termination of a part of the Scheme could be triggered under Clause 49 of the Trust Deed. Where the Committee decides not to segregate all or part of the Employer's Fund by deciding to exclude some or all of the benefits from the terminated scheme (in accordance with proviso (i) of Clause 49(8)), a new option of replacing the Terminating Employer with a new entity and continuing to run the Employer's Fund (or Associated Employer's Fund) will be available to the Committee. This will be an alternative to segregating (if relevant) and winding-up the terminated scheme in accordance with clause 49(8), an event which would otherwise be an event triggering a debt under s.75 Pensions Act 1995 (in most if not all cases), or segregating (if relevant) the part of the Scheme applicable to the Terminating Employer and continuing to run it as a closed fund with no further contributions instead of it becoming a terminated scheme in accordance with clause 49(12). It is therefore acknowledged that the "moral hazard" provisions of the Pensions Act 2004 will be a relevant consideration for the Employer companies involved, each time the exercise of this new rule is under consideration.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution the following amendments to the Trust Deed and Rules are made:

2.1 The words "or clause 49(13)" shall be inserted at the end of the definition of "the Employers" in Clause 50 of the Trust Deed.

2.2 The words "paragraph (13)" shall be deleted from the final sentence of Clause 49(1) and shall be replaced with the words "paragraph (14)".

2.3 The words "paragraph (13)" shall be deleted from clause 49(8) and shall be replaced with the words "paragraph (14)".

2.4 The current paragraph (13) shall be renumbered as paragraph (14) and a new clause (13) shall be inserted in Clause 49 of the Trust Deed as follows:

"(13)(a) If the Committee decides (in accordance with proviso (i) to paragraph (8) of this Clause) to exclude from the part of the Scheme which becomes a

terminated scheme in accordance with clause (7) above any of the benefits referred to in paragraph (9) of this Clause, the Committee may decide to retain the aforementioned excluded benefits within the Employer's Fund (or Associated Employer's Fund, if relevant) and in addition to replace the Terminating Employer with another person, body of persons or corporate body to act as Employer (the "**Replacement Employer**"), provided that the Committee is satisfied that the following conditions are met;

(i) the Replacement Employer is, in the opinion of the Committee, a person, body of persons or corporate entity of sufficient financial standing;

(ii) the Replacement Employer shall enter into a deed the form of which is satisfactory to the Co-ordinator and the Trustee by which it covenants with the Co-ordinator and the Trustee to comply with and observe the provisions of the Scheme so far as they are applicable to it as an Employer;

(iii) the participation of the Replacement Employer will not prejudice registration under the Finance Act 2004; and

(iv) any other conditions deemed appropriate by the Committee are met.

(b) the Replacement Employer shall be treated as an "Employer" under this Trust Deed and Rules in respect of all Members for whom the Terminating Employer was the Employer immediately before it ceased to be an Employer, notwithstanding the fact that Members may not have been employed and may not ever be employed by the Replacement Employer (or, if appropriate, notwithstanding the fact that Members may not be or most recently have been a member or a whole-time director of the Replacement Employer).

(c) Employees of Replacement Employers (subject to the exceptions mentioned in this sub-paragraph below) who become employed by the Replacement Employer after the Replacement Employer began to participate in the Scheme shall not be eligible for membership of the Scheme.

The following categories of new employees shall be excluded from this requirement:

(i) new employees who immediately before entering the employment of the Replacement Employer were employed by another Employer, who were Protected Employees by reference to the Scheme while in the employment of that other Employer and who have not ceased to be Protected Employees; and

(ii) new employees (not within (i) above) who at any time before entering the employment of the Employer were members of BCSSS or the Mineworkers' Scheme or IWS-MPS or members of the Scheme but only if the Replacement Employer has requested that they be eligible for membership of the Scheme and if the Committee has approved that request."

(d) In the case of an Associated Employer's Fund, the Replacement Employer will be deemed to be an Associated Employer in that Associated Employer's Fund notwithstanding the fact that the Replacement Employer may not otherwise satisfy the definition of Associated Employer in Clause 50.

3. The definition of Seceding Members contained in Clause 49(14) (as renumbered by this amending resolution, previously called Clause 49(13)) shall be deleted and replaced with the following:

**"Seceding Members"** means:

(i) those employees of the Terminating Employer on the Partial Termination Date who do not become employees of another Employer and do not continue as contributing members of the Scheme;

(ii) those former employees of the Terminating Employer who have not become employees of another Employer and have not continued as contributing members of the Scheme; and

(iii) any other employees or former employees of the Terminating Employer who the Committee determines shall be included within this definition of Seceding Members."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator of the Trust Deed are HEREBY APPROVED by all the members of the Committee of Management in accordance with Clause 46(2) of the Trust Deed.

K. Jones ..... 30/09/09 .....

On behalf of the Committee of Management Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

..... 13/10/09 .....

On behalf of the Co-ordinator Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules in order to provide the Committee with an express power to use derivative instruments and enter into securities lending or repurchase agreements.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with the Trustee regarding the amendment to the Trust Deed and Rules set out below (as evidenced by the Committee's signature on this resolution). The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution the following amendments shall be made to the rules:

2.1 Clause 14(5)(a) of the Trust Deed shall be amended by the insertion of the following words immediately after the words "may think fit":

", including but not limited to any repurchase transaction, reverse repurchase transaction, buy/sell-back transaction or securities lending transaction"

2.2 Clause 14 of the Trust Deed shall be amended by the addition of the following new sub-clause (8):

"(8) The Committee shall have power to enter into, purchase, sell, exchange and close out or otherwise cancel Derivate Instruments and apply the Scheme's assets in connection with such Derivate Instruments (including posting collateral in relation to any Derivative Instrument)."

2.3 Clause 50 of the Trust Deed shall be amended by the addition of a new definition as follows:

""**Derivative Instrument**" means any transaction that is currently, or in the future becomes, regularly entered into in the financial markets and which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, and which allow for physical and/or cash settlement."

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

K. Jones

.....

On behalf of the Committee

17/2/10

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

24/02/10

.....

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.2 In exercise of the power at Clause 46 of the Trust Deed, the Co-ordinator after consultation with the Committee, wishes to resolve as set out below and with effect from the date hereof to make certain changes to the Scheme for the purposes of complying with legislation prohibiting discrimination on the grounds of age.

1.3 The Co-ordinator has consulted with the Committee in relation to the amendments to the Scheme set out below (as evidenced by the Committee's execution of this resolution). The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

1.4 The Actuary has confirmed to the Trustee for the purposes of regulation 42(2) of the Occupational Pension Schemes (Contracting-out) Regulations 1996 that he is satisfied that if the amendments are made the Scheme will continue to satisfy the statutory standard in accordance with section 12A of the Pension Schemes Act 1993.

1.5 The Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 prohibit employers and trustees in certain circumstances from making prescribed Listed Changes (as defined in those regulations) to an occupational or personal pension scheme unless consultation has been carried out as required by those regulations. The amendments set out in this deed are not Listed Changes.

2. **RESOLUTIONS**

With effect from the date of this Resolution, the following amendments shall be made to the Trust Deed and Rules:

2.1 Clause 50 shall be amended by deleting the definition of "Contributor and replacing it with the following:

""**Contributor**" means a Member:

(a) who is for the time being making contributions from his salary to the Scheme in accordance with the Rules; or

(b) who (having made such contributions for the period of 45 years referred to in Rule 4(3)(a)) has continued and for the time being remains in Eligible Employment PROVIDED THAT a Member who had made an election under Rule 22A shall not be a Contributor."

2.2 Rule 4(3)(a) shall be amended by deleting the number "40" and replacing it with the number "45".

2.3 Rule 5(4)(a) shall be amended by the deletion of the words "prior to Normal Retiring Age".

2.4 Rule 8(1) shall be amended by the insertion of the words "(or other date as agreed with the Committee)" after the words "Normal Retiring Age".

2.5 Rule 8(4) shall be amended by deleting the words "by Normal Retiring Age up to more than 40 years" and replacing them with "up to more than 45 years".

2.6 Rule 8(5) shall be amended by the deletion of the words "at Normal Retirement Age or".

2.7 Rule 8(8) shall be amended by the addition of the words "(or until the date agreed with the Committee in accordance with Rule 8(1))" after the words "at the time of such election".

2.8 Rule 22(2) shall be amended by deleting the fraction "40/60ths" and replacing it with the fraction "45/60ths".

2.9 Rule 23(4) is amended by the deletion of the words ", provided he has at least twenty-five years' Qualifying Service to his credit (including Added Years for Normal Benefits and (if the Contributor is a Former BCSSS Member but is not a Transferred BCSSS Member) any Added Years for Normal Benefits under BCSSS)".

2.10 Rule 24(2)(e)(v) shall be deleted and replaced with the following:

"(v) where death occurs within five years before Normal Retiring Age a lump sum equal to the pension calculated under Rule 22(2) (exclusive of any portion allocated under Rule 34) and increased in accordance with paragraph (2) of Rule 33 that would have been payable to him for seven years, had he retired on the day before his death.

2.11 Rule 35(1) shall be amended by deleting the words ", proviso (iv) to Rule 24(2) and Rule 36," and replacing them with "and proviso (iv) to Rule 24(2)".

2.12 Rule 35(2) shall be amended by deleting the words "except as specified in Rule 36".

2.13 Rule 36 (Delayed Retirement) shall be deleted.

2.14 Rule 50(2)(b) shall be amended by the deleting of the reference to "forty" and replacing this with the word "forty-five".

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee.

K. Jones
.....

On behalf of the Committee

3/6/10
.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

16/6/10
.....

Date

**RESOLUTION OF THE COMMITTEE UNDER SECTION 251 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME**

## RECITALS

1. The Industry-Wide Coal Staff Superannuation Scheme (the "Scheme") is governed by a trust deed and rules dated 29 December 1994 as subsequently amended (as so amended, the "Trust Deed and Rules").

2. The Trust Deed and Rules permit the Committee of Management (the "Committee") to make payments to an Employer under the Scheme out of funds held for the purposes of the Scheme in the circumstances and subject to the conditions set out in the Trust Deed and Rules. In particular, under clause 48(8)(e) of the Trust Deed and Rules (which relates to the full or partial termination of the Scheme) the Committee may, after the other items in the priority order have been satisfied and subject to the approval of the Board of the Inland Revenue, pay the balance of an Employer's Fund to an Employer (after deduction of any tax due thereon) and the Employer or Employers may retain the whole or any part of the balance of the Pension Fund so paid.

3. The Committee wishes to exercise its power under Section 251 of the Pensions Act 2004 ("Section 251") to pass the resolution below (the "Resolution") to preserve their existing powers under the Trust Deed and Rules regarding the making of payments to an Employer so that the powers may be exercisable in the circumstances and subject to the conditions specified in the Resolution.

4. The Committee is satisfied that the exercise of their power under Section 251 to pass the Resolution is in the interests of the members of the Scheme.

5. In reaching their conclusion in Recital 4 and their decision to pass the Resolution, the Committee has taken into account that:

   - the Resolution is not a decision to pay surplus from the Scheme but instead enables a decision to pay surplus or other payments from the Scheme to be made at a later date;
   - unless the Committee passes a resolution under Section 251 before 6 April 2011, it is arguable that current legislation would prohibit payments of surplus from the Scheme, including on winding up;
   - the power to pay surplus to an Employer (even where such payment is not envisaged) may have a significant effect on the reporting of pension assets in the Employer's balance sheet;

- any payment of surplus from the Scheme to an Employer would be subject to the requirements of Section 37 of the Pensions Act 1995 where the Scheme is ongoing or to Section 76 of the 1995 Act where the Scheme is in winding up.

6. Members of the Scheme have been notified of the Committee's intention to pass the Resolution, in accordance with the requirements of Section 251.

**RESOLUTION**

The Committee hereby resolves under Section 251(3) of the Pensions Act 2004 that their powers under the Trust Deed and Rules to make payments to an Employer shall be exercisable in accordance with the provisions of the Trust Deed and Rules save that it is acknowledged that the approval of the Board of the Inland Revenue is no longer a requirement for such a payment and this does not need to be obtained in order that a payment under Clause 48(8)(e) be made.

Signed on behalf of the Committee:

K. Jones

Name: KEITH JONES

Date: 2/3/2011

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 **Background**

(a) Scientifics Limited ("**Scientifics**") is an Employer in the TES Bretby Associated Employers' Fund. On 30 April 2010 Scientifics transferred all of its assets, liabilities and employees to Environmental Scientifics Group Limited ("**ESGL**"), which is an Employer in the same Associated Employers' Fund.

(b) This caused a debt to become due from Scientifics to the Trustee of the Scheme under sections 75 and 75A of the Pensions Act 1995 (a "**Section 75 Debt**").

(c) Under the Occupational Pension Schemes (Employer Debt) Regulations 2005 (the "**Employer Debt Regulations**"), the amount of the Scientifics' Section 75 Debt will be its Liability Share as defined in the Employer Debt Regulations unless the debt is modified using one of the methods set out in Regulation 6 of the Employer Debt Regulations.

(d) Scientifics and ESGL have proposed that Scientifics' Section 75 Debt is modified by apportioning part of Scientifics' Liability Share to ESGL under a scheme apportionment arrangement as defined in the Employer Debt Regulations.

1.2 **Amendment of the Scheme**

(a) The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme in order to permit the Trustee to enter a scheme apportionment arrangement as described in 1.1 (and to enter other such arrangements if necessary in future in respect of other Section 75 Debts).

(b) The Co-ordinator also wishes to amend the Trust Deed and Rules to introduce, with retrospective effect, an express power for the Committee to offset past overpayments of benefit against future instalments. This amendment has no connection with the proposal from Scientifics and ESGL and is included in this resolution purely for administrative convenience.

(c) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules subject to restrictions which are not relevant to the amendments set out below. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

(d) The Co-ordinator has consulted with the Trustee and regarding the amendments to the Trust Deed and Rules set out in Section 2 of this resolution below (as evidenced by the Committee's signature on this resolution) and the Co-ordinator now proposes to make the amendments.

(e) The Committee is satisfied that the proposed changes do not constitute Regulated Modifications and that the change described in (b) above can be made consistently with section 91 of the Pensions Act 1995.

1.3 **Scheme apportionment arrangement in respect of Scientifics**

(a) The Committee proposes to enter into a scheme apportionment arrangement as described in 1.1(d) above, subject to:

(i) the necessary amendments to the Trust Deed and Rules taking effect; and

(ii) the requirements of the Employer Debt Regulations and any other applicable legislation.

(b) The Trustee must be satisfied that the funding test (as defined in Regulation 2(4A) of the Employer Debt Regulations) is met before entering into the scheme apportionment arrangement set out in this resolution.

(c) ESGL has consented to the arrangement set out in this resolution as required by the Employer Debt Regulations and Scientifics as also agreed, as evidenced by their respective signatures on this resolution.

(d) The Committee has taken legal and actuarial advice in relation to this and, subject to the rule amendments described in paragraph 1.2 above taken effect, is able to confirm that the Trustee is satisfied the funding test and other applicable requirements have been met and wishes to exercise its powers to enter into a scheme apportionment arrangement in respect of Scientifics' Section 75 Debt on the terms set out in section 3 of this resolution.

(e) The scheme apportionment arrangement set out in this resolution will be entered into after the event giving rise to Scientifics' Section 75 Debt. Consequently the Pensions Regulator must be notified of the Committee's decision to enter into this arrangement.

2. **AMENDMENT OF SCHEME**

2.1 With effect on and from the date of this Resolution, the Trust Deed and Rules shall be amended by inserting the follow new Clause 13A immediately after Clause 13 of the Trust Deed:

"13A. **APPORTIONMENT OF SECTION 75 DEBTS**

13A.1 For the purposes of this Clause 13A:

(a) "**Departing Employer**" means any of the Employers (or any other employer in relation to the scheme as defined in applicable legislation) in respect of which a debt is or may become due to the Trustee under sections 75 and 75A of the Pensions Act 1995.

(b) "**Employer Debt Regulations**" means the Occupational Pension Schemes (Employer Debt) Regulations 2005 as amended from time to time.

(c) "**Successor Employer**" means any of the Employers (or any employer in relation to the scheme as defined in applicable legislation) to which all or part of an amount that would otherwise have been a Departing Employer's Liability Share is apportioned under Clause 13A.

(d) The expressions "**Liability Share**" and "**Scheme Apportionment Arrangement Share**" each have the meaning given to them in the Employer Debt Regulations.

13A.2 In respect of any debt that may or has become due to the Trustee under section 75 or 75A of the Pensions Act 1995, the Trustee (acting

by the Committee) may, subject to the rest of this Clause 13A, enter into an arrangement by which the Liability Share of a Departing Employer is apportioned amongst the Departing Employer and one or more Successor Employers.

13A.3 The power to enter an arrangement under Clause 13A.2 above may only be exercised where any applicable requirements of the Employer Debt Regulations and any other applicable legislation have been met.

13A.4 Where the power under Clause 13A.2 above is exercised:

(a) the Committee will pass a resolution confirming the Trustee's entry into an arrangement under this Clause 13A, setting out in writing the terms of the arrangement, and signed by such other parties as the Committee considers necessary in order to comply with this Clause 13A;

(b) the Departing Employer will not be liable for its Liability Share but will instead be liable for its Scheme Apportionment Arrangement Share (if any);

(c) where the Departing Employer's Scheme Apportionment Arrangement Share is less than its Liability Share, all or part of the amount that would have been the Departing Employer's Liability Share shall be apportioned to one or more Successor Employers; and

(d) a Successor Employer will be required to pay any amount apportioned to it under Clause 13A.4(c) above not later than the earliest to occur of the following:

(i) an employment-cessation event (as defined in the Employer Debt Regulations) occurring in relation to that Successor Employer unless the Committee agrees to enter into an arrangement permitted by the Employer Debt Regulations or other applicable legislation the effect of which is to modify any debt arising under section 75 or 75A of the Pensions Act 1995 in respect of such employment-cessation event;

(ii) the Scheme or the part of the Scheme applicable to the Successor Employer terminating under Clause 48, 49 or otherwise;

(iii) the occurrence of an insolvency event (as defined in section 121 of the Pensions Act 2004) in relation to the Successor Employer or the passing of a resolution for the voluntary winding up of the Successor Employer where a declaration of solvency has been made under section 89 of the Insolvency Act 1986."

2.2 With effect on and from the Commencement Date (as defined in the Trust Deed), the Trust Deed and Rules will be amended by inserting the following new Rule 62A immediately after Rule 62 in the Rules:

"62A. **OVERPAYMENT OF BENEFITS**

Subject to section 91 of the Pensions Act 1995, if an amount paid to a person is greater than his entitlement under the Scheme the Trustee has a right to recover the amount overpaid either immediately or at any later date from the person to whom it was paid, including a right for the Trustee to deduct the amount overpaid from any subsequent payments due to or in respect of that person at such times and in such manner as the Trustee decides."

3. **SCHEME APPORTIONMENT ARRANGEMENT IN RESPECT OF SCIENTIFICS LIMITED**

3.1 The provisions of this section 3 of this resolution (the "**Arrangement**") will become effective immediately after the amendments inserting Clause 13A into the Trust Deed have taken effect (the "**Effective Date**").

3.2 This Arrangement is made under Clause 13A of the Trust Deed and between:

(a) **Industry-wide Coal Staff Superannuation Trustees Limited** (registered number 03004572) whose registered office is at Hussar Court, Hillsborough Barracks, Sheffield S6 2GZ in its capacity as Trustee of the Industry-wide Coal Staff Superannuation Scheme (the "**Trustee**") and acting by its Committee of Management (the "**Committee**");

(b) **Scientifics Limited** (registered number 03204613) whose registered office is at ESG House, Bretby Business Park, Ashby Road, Bretby, Burton-on-Trent DE15 0YZ (the "**Departing Employer**"); and

(c) **Environmental Scientifics Group Limited** (registered number 02880501) whose registered office is at ESG House as above (the "**Successor Employer**").

3.3 Words and expressions used but not defined in this Arrangement will, unless the context otherwise requires, have the meanings given to them in the Trust Deed and Rules as amended prior to this Arrangement becoming effective.

3.4 The Trustee confirms that it is satisfied the funding test (as defined in Regulation 2(4A) of the Employer Debt Regulations has been met.

3.5 In exercise of its powers under Clause 13A of the Trust Deed and every other relevant power, the Trustee hereby enters into a scheme apportionment arrangement under Clause 13A of the Trust Deed with the consent of the Successor Employer on the terms set out in this Arrangement.

3.6 With effect on and from the Effective Date:

(a) the Departing Employer will not be liable to pay its Liability Share but will instead be liable for the sum of £1 (the "**Scheme Apportionment Arrangement Share**"); and

(b) the remainder of the Departing Employer's Liability Share after deduction of the Scheme Apportionment Arrangement Shall will be apportioned to the Successor Employer.

3.7 The Successor Employer will be liable to pay the amount apportioned to it under 3.7(b) above upon the earliest to occur of the events listed in Clause 13A.4(d) of the Trust Deed.

3.8 The Departing Employer will pay the Scheme Apportionment Arrangement Share to the Trustee within fourteen days of this Arrangement becoming effective and the Trustee agrees that upon payment of that sum it will not make any further demand from the Departing Employer in respect of the Section 75 Debt modified by this Arrangement.

3.9 The Committee will ensure that the Pensions Regulator is notified of the decision to enter the scheme apportionment arrangement set out in this Arrangement in accordance with the Employer Debt Regulations and applicable guidance.

3.10 The parties to this Arrangement can amend it jointly at any time (including with retrospective effect) by agreement in writing.

3.11 A person who is not a party to this Arrangement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

3.12 This Arrangement is governed by the laws of England and Wales and each of the parties to it hereby submits to the exclusive jurisdiction of the courts of England and Wales.

4. **SIGNATURES AND CONFIRMATIONS**

4.1 This resolution may be executed in any number of counterparts each of which will constitute an original but all of which when taken together will constitute a single instrument.

4.2 It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out at section 2 above.

.....

On behalf of the Co-ordinator

16/12/11

.....

Date

4.3 It is HEREBY CONFIRMED AND RESOLVED by **Industry-wide Coal Staff Superannuation Scheme Trustees Limited** (the "**Trustee**") that:

(a) the Co-ordinator consulted with the Trustee in relation to the amendments set out in section 2 above in accordance with Clause 46 of the Trust Deed; and

(b) in its capacity as trustee of the Industry-wide Coal Staff Superannuation Scheme and acting by the Director Committee members whose signatures appear below, in exercise of the power at Clause 13A of the Trust Deed, the Trustee HEREBY ENTERS the Arrangement under Clause 13A of the Trust Deed set out in section 3 of this resolution.

K. Jones ..... 29 July 2011 .....

Director and Committee member Date

Keith Jones ..... 29 July 2011 .....

Director and Committee member Date

4.4 The Arrangement set out in section 3 of this resolution is HEREBY CONSENTED TO by **Scientifics Limited** acting by:

..... 16/12/11 .....

Director Date

..... 16/12/11 .....

Director / Secretary Date

4.5 The arrangement set out in section 3 of this resolution is HEREBY CONSENTED TO by **Environmental Scientifics Group Limited** acting by:

..... 16/12/11 .....

Director Date

..... 16/12/11 .....

Director / Secretary Date

**THE INDUSTRY WIDE COAL STAFF SUPERANNUATION SCHEME ("THE SCHEME")**

**The Industry Wide Coal Staff Superannuation Scheme**

**Recitals**

The Co-ordinator wishes to amend the Trust Deed and Rules in relation to the definition of Salary for certain Contributors whose benefits in the Scheme are provided through the Employer's Fund in which CPL Industries Limited and its subsidiaries participate, subject to an underpin that affected Contributors' benefits shall not be less than they would have been if they had ceased to be in Contributing Service under the Scheme on the date of this Resolution ("**Effective Date**"). For the avoidance of doubt details of the affected Contributors as at the Effective Date have been notified to the Trustee.

Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules subject to the restrictions set out in sub-Clauses 46(1)(i) to (vi).

The Co-ordinator has consulted with the Trustee in relation to the amendments to the Scheme being made by this Resolution.

The Co-ordinator is satisfied that the amendments being made by this Resolution will not adversely affect any Contributors' subsisting rights and are not regulated modifications for the purposes of section 67 of the Pensions Act 1995.

The amendments being made by this Resolution may reduce affected Contributors' prospective benefits. An Extraordinary Meeting was held on 17 June 2011 at the Habrough Hotel, 31 Station Road, Habrough, DN40 3AY, due notice of the meeting having been given to all Contributors affected by the amendment to the Trust Deed and Rules to be made by this Resolution. Of the 31 Contributors voting at the Extraordinary Meeting 26 voted for a Resolution to amend the Trust Deed and Rules as provided in this Resolution. The Co-ordinator is therefore satisfied that the requirements of sub-Clause 46(1)(iv) of the Trust Deed and Regulation 13 of the Coal Industry (Protected Persons) Pensions Regulations 1994 have been met.

**Resolutions**

With effect on and from the Effective Date the following amendments shall be made to the Trust Deed and Rules:

1. The following new definitions shall be inserted at the appropriate places in Clause 50(i):

> ""**CPL Amendment Date**" means 7 July 2011"; and
>
> "**CPL Employer's Fund**" means the Employer's Fund in which CPL Industries Limited and its subsidiaries participate."

2. The definition of "Salary" in Clause 50(i) shall be deleted in its entirety and replaced with the following:

> ""**Salary**" means:

(a) the gross salary or wages, (including Maternity Pay) plus any war or cost-of-living bonus payable and includes the commission payable to any employee remunerated wholly or in part by commission, but except in any case where the Employer otherwise directs does not include any salary, allowance, fee or gratuity in respect of any special or overtime work or duty, or any other bonus or any travelling, subsistence or similar allowance; and,

(b) if any employee receives a fluctuating salary, the fixed rate per week or per month or per annum determined by the Employer for the purposes of the Scheme as it may deem necessary

Provided that, if the gross salary or wages or fluctuating salary includes profit-related pay by virtue of the employee's membership of an approved profit-related pay scheme operated by the Employer, the Employer may determine that the employee's Salary shall be the notional amount of gross salary or wages that would apply to him if he were not a member of the profit-related pay scheme. To the extent that the inclusion of profit-related pay in this definition of Salary would cause Inland Revenue Limits to be exceeded in relation to an employee, then the benefits payable to or in respect of that employee under the Scheme shall be limited to the extent necessary to ensure compliance with Inland Revenue Limits.

And provided that for the period during which a Member participates in a Salary Sacrifice Facility, there shall be added to the amount as calculated above an amount as notified by the Employer to reflect any reduction in remuneration as a result of participation in a Salary Sacrifice Facility.

And further provided that:

(i) subject to (ii) below, a Member's Salary in respect of any period of Contributing Service in the CPL Employer's Fund on and after the CPL Amendment Date, means Salary as defined above less any Excluded Increases; and

(ii) where (i) above applies, the benefits payable to or in respect of the Memberfrom the Scheme shall not be less than the amount they would have been had that Member ceased to be in Contributing Service on the CPL Amendment Date by giving notice to the Secretary under Rule 2.

For these purposes, "**Excluded Increases**" means an amount equal to the total of those elements of increases in the employee's basic salary or wages awarded on or after the CPL Amendment Date which the Employer has informed the employee will be non-pensionable subject to the following provisions:

(1) In respect of any increase in basic salary or wages awarded to a Contributor in the CPL Employer's Fundas part of an annual pay review on or after the CPL Amendment date, at least the following part of that pay increase shall be included in Salary:

I. if the increase in basic salary or wages is 2% or less, one half of that pay increase; or

II. if the increase in basic salary or wages is more than 2%, 1% of the Contributor's basic salary or wages immediately prior to such pay increase.

(2) If a Contributor in the CPL Employer's Fund receives no pay increase as part of the annual pay review in any calendar year on or after the CPL Amendment Date but is

awarded an increase or increases in his basic salary or wages at any other time during that year (whether before, on or after the normal pay review date), the above provisions regarding minimum pensionable increases shall apply to the total of those other increases in basic salary or wages as if they had been awarded as part of the annual pay review in that calendar year and Salary shall be determined accordingly. The Trustee shall make such arrangements as it considers appropriate for the collection of any additional contributions which may become due as a result of Salary being retrospectively adjusted in such circumstances.

(3) If the basic salary or wages of a Member in the CPL Employer's Fund are reduced for any reason on or after the CPL Amendment Date (a "**Relevant Reduction**"), the amount of the Member's Excluded Increases (if any) shall be reduced with effect on and from the date of the Relevant Reduction in respect of subsequent Contributing Service. The amount of the reduction in the Member's Excluded Increases in these circumstances shall be equal to the amount of the Member's Excluded Increases immediately prior to the Relevant Reduction multiplied by a factor "**Z**" which shall be calculated as follows:

**Z** = (**B** minus **C**) divided by (**B** minus **A**), where

Amount **A** = The Member's basic salary or wages at the CPL Amendment Date;

Amount **B** = The Member's basic salary or wages immediately before the Relevant Reduction; and

Amount **C** = The greater of the Member's basic salary or wages immediately after the Relevant Reduction and amount **A**.

(4) During any period of Contributing Service after the CPL Amendment Date in which the Member's basic salary or wages are less than they were on the CPL Amendment Date, the amount of his Excluded Increases shall be deemed to be zero. If the Member's basic salary or wages subsequently increase, only those Excluded Increases awarded on or after the date of such increase shall be applied to determine his Salary."

3. The following new paragraph (f) shall be added in Rule 37.2 (Pensionable Salary):

"For the avoidance of doubt, Pensionable Salary in respect of the Contributing Service of any Member in the CPL Employer's Fund on or after the CPL Amendment Date shall be determined as Salary adjusted for any Excluded Increases in accordance with the definition of Salary in Clause 50(i)."

It is HEREBY CONFIRMED by the Committee that in relation to the amendments set out above:

(a) the Co-ordinator has consulted with the Trustee; and

(b) the requisite majority of Members present and voting has passed a Resolution approving them,

in accordance with Clause 46 of the Trust Deed and the Coal Industry (Protected Persons) Pensions Regulations 1994.

.....
On behalf of the Committee of Management

29 July 2011
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above

.....
On behalf of the Co-ordinator

30/08/11
.....
Date

IWCSSS/RAL

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 **Background**

(a) UK Coal Mining Limited ("**UKCML**") is the sole participating employer in the UK Coal Employer's Fund within the Scheme (the "**UKCML Fund**").

(b) UKCML began consulting with trade union representatives on 20 May 2011 regarding proposals (the "**Proposals**") to modify certain of the benefits provided under the UKCML Fund to Members accruing benefits in the UKCML Fund on and after 29 December 2011 (the "**Benefit Change Date**") in accordance with the terms of this Resolution. The Proposals include:

(i) changing the basis on which defined benefits will accrue in the UKCML Fund on or after the Benefit Change Date so that after the Benefit Change Date broadly Members will accrue defined benefits in a defined benefit section within the UKCML Fund (the "**DB Section**") equal to a rate determined from time to time by the Actuary that can be provided with a 9% Employer contribution (net of employer national insurance rebates granted as a result of the employments of Members accruing defined benefits in the UKCML Fund being contracted out of the additional state pension);

(ii) on the basis that the 9% Employer contribution referred to in 1.1(b)(i) above is made, providing for a Member contribution that may vary from time to time and is sufficient in respect of future accrual of benefits to enable the UKCML Fund to meet the statutory standard in section 12A of the Pension Schemes Act 1993 (while still applicable) and also (once applicable) to meet the requirements of a "qualifying scheme" for the purposes Part 1 of the Pensions Act 2008 (respectively, the "**Statutory Standard**" and the "**Qualifying Scheme Requirement**");

(iii) giving Members the option of opting out of defined benefit accrual on the modified basis described above and joining a new defined contribution section within the UKCML Fund (the "**DC Section**") on or after 6th April 2013;

(iv) providing for Members in the DB Section to move automatically into the DC Section in respect of future accrual of benefits if certain events occur, including the DB Section ceasing to meet the Statutory Standard or the Qualifying Scheme Requirement if applicable; and

(v) varying the benefit structure in relation to the treatment of certain bonuses, allowances and overtime payments in the manner referred to in (c) to (e) below.

(c) In a letter dated 29 September 2008, UK Coal Plc requested that the Trustee treat certain bonuses, allowances and overtime payments introduced or commencing around 2007 as pensionable for its employees who were Members of the Scheme. A copy of this letter is attached to this Resolution as Schedule 2 (the "**Bonus Letter**"). The changes made by the Bonus Letter were implemented in the Scheme by the exercise of the power under Rule 49(1) to grant benefits on different terms to those in the main Rules. UK Coal Plc and UKCML now wish, in exercise of the power under Rule 49(1), to disapply the Bonus Letter but only in relation to Members to whom Appendix VII of the Rules (as set out in Schedule 1

to this Resolution) will apply. This is on the basis that Appendix VII includes benefits corresponding to those previously set out in the Bonus Letter in respect of those Members. For the avoidance of doubt UK Coal Plc and UKCML wish to continue the provision of benefits under Rule 49(1) in respect of those Members covered by the Bonus Letter to whom Appendix VII of the Rules will not apply.

(d) In 2008 UK Coal introduced a bonus system for certain Members covered by a recognition agreement with the British Association of Colliery Management (**"BACM"**) known as the **"Management Staff Bonus"**. In a letter dated 25 August 2011 and attached as Schedule 3 to this Resolution, UKCML confirmed that it had agreed with BACM, with effect on and from 1 January 2011, to treat certain proportions of the annual and quarterly elements of the Management Staff Bonus as pensionable in the Scheme since their introduction and that this amounted to a valid contractual agreement between UKCML and the relevant Members. The letter confirms that this agreement became a term of relevant Members' contracts of employment. This Resolution includes amendments to the Rules reflecting this contractual agreement.

(e) UKCML has confirmed that, as at the date of this Resolution, certain overtime payments known as **"Clerical Staff Pensionable Overtime Payments"** continue to be paid to eligible clerical staff. Such payments are currently treated as an Attendance Bonus Payment for the purposes of Rule 9 of the Rules. On and from the Benefit Change Date, the Clerical Staff Pensionable Overtime Payments shall cease to be treated as Attendance Bonus Payments for the purposes of Rule 9 of the Rules but shall continue to be treated as pensionable by UKCML:

(i) where the employee receiving them was an Electing Contributor making contributions on his Attendance Bonus Payment for the purposes of Rule 11 of the Rules on the day immediately before the Benefit Change Date; or

(ii) upon first becoming employed by his Employer in a clerical grade on or after the Benefit Change Date elects to pay contributions on his Clerical Staff Pensionable Overtime Payments on the basis that they should be pensionable.

1.2 **Scheme amendments**

(a) UKCML wishes to amend the Scheme to give effect to the Proposals and other matters outlined above in Recitals 1.1(c) to (e). The Co-ordinator has agreed to amend the Trust Deed and the Rules accordingly.

(b) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee where this is required under paragraph (2) of that Clause, amend the Trust Deed and Rules, further subject to:

(i) the provisions of paragraph (3) of that Clause; and

(ii) provisos (i) to (vi) of that Clause.

(c) In particular, proviso (iv) of Clause 46(1) provides that no alteration, deletion of addition to the Trust Deed or the Rules shall be made which will have the effect of increasing the contribution of or reducing prospective benefit to any then existing Contributors unless such increase or reduction is approved by a Resolution passed by a majority of not less than two-thirds of such of the Contributors affected as shall vote on the matter either personally or by proxy, at an

Extraordinary Meeting of which due notice shall have been given specifying the intention to propose such increase or reduction.

(d) There is a broadly equivalent restriction on scheme amendments in Regulation 13 of the Coal Industry (Protected Persons) Pensions Regulations 1994 ("**Regulation 13**").

(e) The introduction of the variable accrual rate in the DB Section and the introduction of the new mechanism under which Member contributions may increase, and certain other aspects of the Proposals, are caught by proviso (iv) to Clause 46(1) of the Trust Deed and Regulation 13. A vote of two thirds of the affected Contributors as shall vote is therefore required in order for the amendments giving effect to these aspects of the Proposals to be made.

(f) An Extraordinary Meeting was held on 17 September 2011 at the AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Rotherham, S60 5WG, due notice of the meeting having been given to all Contributors of the amendments to the Trust Deed and Rules to be made by this Resolution. Of the 164 Contributors affected by the amendments and voting in person or by proxy at the Extraordinary Meeting 144 voted for a Resolution to amend the Trust Deed and Rules as provided in this Resolution. The Co-ordinator is therefore satisfied that Extraordinary meeting was quorate as required by Clause 34 of the Trust Deed and that the requirements of sub-Clause 46(1)(iv) of the Trust Deed and Regulation 13 have been met.

(g) The Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 (the "**Listed Change Regulations**") prohibit employers and trustees in certain circumstances from making prescribed Listed Changes (as defined in the Listed Change Regulations) to an occupational or personal pension scheme unless consultation has been carried out as required by the Listed Change Regulations.

(h) Certain aspects of the Proposals are Listed Changes for the purposes of the Listed Change Regulations. The consultation period in respect of the Proposals ended on 19 August 2011.

(i) By section 67 of the Pensions Act 1995, "Regulated Modifications" (as defined in section 67A of that Act) are voidable unless certain prescribed conditions are met. The Committee is satisfied that the amendments set out in this Resolution are not Regulated Modifications.

(j) The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting-out) Regulations 1996 that he is satisfied that if the amendments are made to the UKCML Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

(k) The Trustee and UKCML are satisfied that the benefit changes described in Recital 1.1(c) to (e) above are contained in the amendments set out below.

(l) The Co-ordinator has consulted with the Trustee as required by Clause 46(1) of the Trust Deed and regarding the amendments to the Trust Deed and Rules set out in Section 2 below (as evidenced by the Committee's signature on this resolution), and the Co-ordinator now proposes to make the amendments.

2. **RESOLUTIONS**

2.1 Subject to paragraph 2.7 of this Resolution, with effect from the Benefit Change Date, Clause 4 of the Trust Deed will be deleted in its entirety and replaced by the following:

"4. **NATURE OF SCHEME**

The Scheme shall be a contributory scheme providing for or in respect of each of the Contributors after qualifying periods of Contributing Service:

(i) as Normal Benefits (on payment by the Contributor of Normal Contributions) a pension for life on retirement at or after the Normal Retiring Age or earlier through ill-health or a lump sum payment on death before retirement or benefits on withdrawal; and

(ii) as Family Benefits (on payment by the Contributor of Family Contributions" pensions for the Contributor's widow or widower and Children; and

(iii) as Added Benefits (on payment by the Contributor of Added Contributions at his option) further benefits of the nature mentioned in sub-paragraphs (i) and (ii); or

(iv) such other benefits of the nature mentioned in the sub-paragraphs above as are provided for or in respect of that Contributor by the Trust Deed and the Rules and any Appendices from time to time (on payment of contributions or otherwise)."

2.2 Subject to paragraph 2.7 of this Resolution, with effect from the Benefit Change date, Clause 18 of the Trust Deed will be deleted in its entirety and replaced with the following new Clause 18:

"18. **COSTS OF ADMINISTRATION**

The costs and expenses of managing and administering the Scheme shall be payable by or with the authority of the Committee out of the Expenses Fund except that:

(a) if the Committee considers that a cost or expense relates (in whole or in part) to one or more (but not all) of the Employers such cost or expense (or such part thereof) shall be borne by the Employer's Fund which relates to that Employer (or if more than one in such proportions as the Committee considers to be equitable); and

(b) costs and expenses of the Scheme relating to the management or administration of any DC Account shall be met in accordance any specific provision of the Rules applicable to that DC Account and otherwise in accordance with this Clause 18. "

2.3 Subject to paragraph 2.7 of this Resolution, with effect from the Benefit Change Date, Clause 12.5 of the Trust Deed will be deleted in its entirety and replaced by the following:

"12(5) Contributing Service of a Member shall be determined separately by reference to each Employer of the Member and upon the Member becoming employed by another Employer a new period of Contributing Service shall commence in respect of which entitlements under the Scheme shall be calculated separately UNLESS either:

(a) an Internal Transfer Payment is credited in respect of the Member to the Employer's Fund of the later employer; or

(b) the earlier Employer and the immediately following later Employer are Employers in the same Associated Employers' Fund.

If either of these events occur, Contributing Service of the Member completed with the earlier employer shall be treated as Contributing Service with the later employer for all purposes of the Scheme and the Rules EXCEPT THAT where some or all of the benefits accrued to the Member in respect of Contributing Service with his earlier employer accrued on a basis approved by Contributors in accordance with Clause 46(1)(iv) of the Trust Deed at an Extraordinary Meeting held on or after 17 September 2011:

(i) in circumstances falling within paragraph (a) the Actuary will determine the length of Contributing Service which will be added to the actual Contributing Service of the Member with his later employer; and

(ii) in circumstances:

(1) falling within paragraph (b); and

(2) where the earlier Employer and the immediately following later Employer are (or are within) a "pension group" for the purposes of the Coal Industry (Protected Persons) Pensions Regulations 1994,

the Member's benefits will continue to accrue on the same basis as they accrued with the earlier Employer (but this will not exclude or limit subsequent modifications of those benefits made in accordance with the Trust Deed, the Rules and any applicable statutory requirements)."

2.4 Subject to paragraph 2.7 of this Resolution, with effect on and from the date of this Resolution, Clause 50 of the Trust Deed shall be amended by inserting the following definitions in the appropriate places in Clause 50(i):

""**DC Account**" means an account established within an Employer's Fund by or in respect of a Member which at any time shall consist of an amount equal to the aggregate of any contributions paid or deemed by into such account by a Member or his Employer, any transfer payment received into such account, and any investment profit or loss on the foregoing less any charges or expenses relating to such account and the value of any benefits paid from or transferred out of such account."; and

""**Defined Contribution Member**" means a member who has elected (or is treated as having elected) to accrue some or all of their benefits under the Scheme in a DC Account.""

2.5 Subject to paragraph 2.7 of this Resolution, with effect from the Benefit Change Date, Schedule 1 to this Resolution shall be and hereby is inserted as a new Appendix VII to the Rules after the existing Appendix VI.

2.6 Subject to paragraph 2.7 of this Resolution, UKCML (with the consent of UK Coal Plc as evidenced by its execution of this Resolution) hereby revokes the augmentation previously granted under Rule 49.1 of the rules in respect of the benefits described in the Bonus Letter, but only in relation to Members to whom Appendix VII of the Rules applies on or after the Benefit Change Date.

2.7 Each of the modifications or amendments made by this Resolution is distinct and severable from the others and takes effect separately in relation to each person to whom

it applies. If any of those provisions is ineffective (in whole or in part), the remaining provisions (or the same provision to any other extent) shall have effect in all other respects. If any modification or amendment is declared void because of its effective date, it shall have effect from the earliest date at which the modification or amendment would not have been voidable.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

K. Jones
.....
On behalf of the Committee

19/9/2011
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

20/9/11
.....
Date

UK Coal Mining Limited hereby confirms its revocation of its earlier exercise of the augmentation power under Rule 49 of the Rules, as set out in paragraph 2.6 above.

.....
On behalf of UK Coal Mining Limited

19/9/11
.....
Date

UK Coal Plc hereby agrees to the revocation by UK Coal Mining Limited of its revocation of its earlier exercise of the augmentation power under Rule 49 of the Rules, as set out in paragraph 2.6 above.

.....

On behalf of UK Coal Plc

19/9/11

.....

Date

## APPENDIX VII – MODIFIED UKCML FUND BENEFITS

### 1. Application of the Appendix

(1) This Appendix sets out the benefits payable to or in respect of:

(a) Members who were Contributors and employees of UKCML immediately before the Benefit Change Date;

(b) Members who were employees of UKCML and in Contributing Service for the purposes of the IWS-MPS immediately before the Benefit Change Date and who subsequently join the UKCML Fund;

(c) any person who ceased to be a Contributor to the UKCML Fund before the Benefit Change Date and who is subsequently readmitted to membership of the UKCML Fund under Rule 48 or re-enters Eligible Employment in the circumstances set out in Rule 26(1) (Short Breaks in Employment); and

in all three cases, while they remain Members of the Scheme entitled to benefits under the UKCML Fund.

(2) With effect from the Benefit Change Date, the Rules apply to the persons listed in paragraph 1(1) only to the extent provided for in this Appendix, and the benefits set out in the letter from UK Coal Plc to the Trustees of the Scheme dated 29 September 2008 shall not apply to the persons listed in paragraph 1(1).

(3) Except as provided in this paragraph (3), this Appendix shall have no application to or in respect of any person who is a Member not listed in paragraph 1(1). The benefits of such persons shall continue to be determined under the Rules on the basis that this Appendix does not apply EXCEPT THAT where such a person remains a Member of the Scheme entitled to benefits under the UKCML Fund and Rule 33 applies to him, in certifying whether such increases are sustainable, the Actuary shall also take into account increases payable under paragraph 25(3) of Part 2 of this Appendix in so far as it applies to Rule 33.

(4) The benefits payable under this Appendix form part of the benefits payable under the UKCML Fund which shall:

(a) continue to meet the conditions necessary to be a section of a segregated scheme for the purpose of the employer debt requirements of the Pensions Act 1995 (as referred to in Regulation 8 of The Occupational Pension Schemes (Employer Debt) Regulations 2005 (as amended)); and

(b) for the avoidance of doubt, fall within paragraph (iv) of Clause 4 of the Trust Deed (Nature of Scheme).

(5) Regulations 3 to 8 of The Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 (as amended) as inserted by Resolution IWCSSS/2006/RA1 disregarding any limitation as to the transitional period shall continue to apply to Parts 1, 2 and 3 of this Appendix except to the extent that they have already been relaxed or disapplied by IWCSSS/2006/RA1 and IWCSSS/2007/RA2 or further relaxed by paragraph 12 of Part 3 of this Appendix to permit partial transfers of DC Members' benefits or otherwise. Any references to

Inland Revenue Limits and Inland Revenue Approval or similar terms shall be construed accordingly.

(6) The amendments made by IWCSSS/2006/RA1 to modify the Scheme on a Member's death to the extent necessary to satisfy the relevant requirements of the Civil Partnership Act 2004 shall also continue to apply.

(7) This Appendix is divided into three parts:

(a) Part 1 (Definitions);

(b) Part 2 (DB Members) which sets out how the benefits payable under the UKCML Fund are modified in relation to DB Members on and after the Benefit Change Date; and

(c) Part 3 (DC Members) which sets out how the benefits payable under the UKCML Fund are modified in relation to DC Members on and after the Benefit Change Date.

(8) The Rules, as modified by Part 2 of this Appendix, only apply to DC Members to the extent specified in Part 3 of this Appendix.

(9) References in this Appendix to paragraphs or parts are, unless the context otherwise requires, to paragraphs in this Appendix or a relevant part of this Appendix and references to Rules or sub-Rules are, unless the context otherwise requires, references to the appropriate Rule or sub-Rule in the Rules (as amended by this Appendix, where applicable).

(10) Unless otherwise stated, all modifications or amendments made to the Rules by this Appendix shall apply on and after the Benefit Change Date.

(11) Any modification or amendment made under or pursuant to this Appendix is distinct and severable from any other such modification or amendment. If any of these modifications or amendments are ineffective or void (in whole or in part), the remaining provisions (whether or not so modified or amended) shall take effect in all other respects.

## PART 1 - DEFINITIONS

### 1. Definitions

(1) For the purposes of determining the benefits payable under this Appendix with effect from the Benefit Change Date, the definitions set out in Clause 50 of the Trust Deed shall continue to apply except where:

(a) a word or expression defined in Clause 50 of the Trust Deed has also been defined in this Appendix, in which case, the definition in this Appendix shall apply (and shall be deemed to have been substituted for the equivalent definition in Clause 50); and

(b) a word or expression has been defined in this Appendix but has not been defined in Clause 50 of the Trust Deed, in which case, the definition in the Appendix shall be deemed to be incorporated in the appropriate alphabetical place in Clause 50 of the Trust Deed.

(2) For the purposes of determining the benefits payable under this Appendix and with effect from the Benefit Change Date, wherever a defined term is used in the Trust Deed and Rules (whether in a provision modified by this Appendix or otherwise) it shall have the meaning determined by sub-paragraph (1) above.

(3) The words and expressions set out in this sub-paragraph (3) shall have the meaning assigned to them as follows:

**"Accrual Fraction"** means, subject to sub-paragraph (5), in relation to:

(a) the Calculation Period starting on the Benefit Change Date, 1/87th; and

(b) in relation to any subsequent Calculation Period, the fraction (with a numerator of one and a denominator which is a whole number) determined from time to time by the Actuary and certified by him as at the relevant Certification Date. The Actuary shall determine the fraction:

(A) on the basis that the Employer contribution is equal to the Employer DB Contribution and the Employer and Employee contributions are made at a level percentage of Contribution Salary:

(i) to fund the accrual of any benefits; and

(ii) to pay for any death benefits (that do not accrue),

for or in respect of each of the DB Contributors over the period from the Benefit Change Date until the earliest of his retirement, date of leaving Contributing Service2, or death; and

(B) with a view to ensuring that, on average, the aggregate Employer contributions and Employee DB Contributions made during that Calculation Period by or in respect of the DB Contributors, is sufficient to fund:

(i) the accrual of benefits in that Calculation Period for and in respect of the DB Contributors; and

(ii) any death benefits (that do not accrue) payable during that Calculation Period to and in respect of the DB Contributors.

For this purpose, the Actuary shall use such actuarial assumptions as are consistent with the actuarial assumptions included in the last statement of funding principles for the UKCML Fund entered into before the applicable Certification Date, updated, as the Actuary considers appropriate, for any change in circumstances in particular having regard to market conditions up to the applicable Certification Date.

**"Additional Employee DB Contribution Percentage"** means in relation to benefits derived from Part 2 of this Appendix the additional percentage of a DB Contributor's Contribution Salary (if any) determined by the Actuary in relation to any Calculation Period that is needed to ensure that the Accrual Fraction is set at a sufficient level so that the UKCML Fund can:

(a) continue to satisfy the Statutory Standard; and

(b) once applicable, to satisfy the Auto-enrolment Requirements,

on the basis that the Employer contribution is equal to the Employer DB Contribution.

**"Additional Pensionable Payment"** means such one or more of the following as are applicable in relation to a Contributor:

(a) Clerical Staff Pensionable Overtime Payments;

(b) Clerical/MPIS Recognition Awards;

(c) Management Staff Pensionable Overtime Allowance;

(d) Management Staff Bonus;

(e) Official and Assistant Engineers Pensionable Overtime Payments;

(f) Official and Assistant Engineers Pensionable Bonus.

**"Adjusted Deferred Additional Amount"** means such one or more of the following amounts which are applicable in relation to a Member, with each such amount treated separately:

(a) in relation to the Clerical/MPIS Recognition Award, an amount equal to A/B, where A is the aggregate of the sum of all Clerical/MPIS Recognition Awards paid to the Member in a calendar year increased by the percentage ratio (calculated to the nearest place of one decimal) by which the cost of living index as defined in Rule 33(5) last published before the end of that year in which the Awards are paid was exceeded by that last index published before the earliest of the date of retirement, cessation of Contributing Service or death and B is the number of years (and part years) starting on the date contributions on Clerical/MPIS Recognition Awards commenced and ending on the day before the Benefit Change Date;

(b) in relation to the Management Staff Bonus, an amount equal to A/B, where A is the aggregate of the sum of all Management Staff Bonus payments that are from time to time pensionable paid in a calendar year increased by the percentage ratio (calculated to the nearest place of one decimal) by which the

cost of living index as defined in Rule 33(5) last published before the end of that year in which the bonuses are paid was exceeded by that last index published before the earliest of the date of retirement, cessation of Contributing Service or death and B is the number of years (and part years) starting on the date contributions on Management Staff Bonuses commenced and ending on the day before the Benefit Change Date;

(c) in relation to the Management Staff Pensionable Overtime Allowance, an amount equal to the Management Staff Pensionable Overtime Allowance that is from time to time pensionable and is paid in the 12 months up to and including the day before the Benefit Change Date (provided that if the allowance is paid for a shorter period, it shall be increased to the equivalent annual rate), increased by the percentage ratio (calculated to the nearest one decimal place) by which the cost of living index as defined in Rule 33(5) last published before 28 December 2011 was exceeded by that last index published before the earliest of the date of retirement, cessation of Contributing Service or death;

(d) in relation to Official and Assistant Engineers Overtime Payments, an amount equal to A/B, where A is the aggregate of the sum of all Official and Assistant Engineers Overtime Payments that are from time to time pensionable and are paid in a calendar year increased by the percentage ratio (calculated to the nearest place of one decimal) by which the cost of living index as defined in Rule 33(5) last published before the end of that year in which the overtime payments were made was exceeded by that last index published before the earliest of the date of retirement, cessation of Contributing Service or death and B is the number of years (and part years) starting on the date contributions on Official and Assistant Engineers Overtime Payments commenced and ending on the day before the Benefit Change Date.

(e) in relation to the Official and Assistant Engineers Bonus an amount equal to A/B, where A is the aggregate of the sum of all Official and Assistant Engineers' Bonus Payments that are paid in a calendar year increased by the percentage ratio (calculated to the nearest place of one decimal) by which the cost of living index as defined in Rule 33(5) last published before the end of that year in which the overtime payments were made was exceeded by that last index published before the earliest of the date of retirement, cessation of Contributing Service or death and B is the number of years (and part years) starting on the date contributions on Official and Assistant Engineers Bonuses commenced and ending on the day before the Benefit Change Date.

For the purposes of this definition Additional Pensionable Payments made after 28 December 2011 shall be disregarded.

**"Approved Policy"** means a policy of insurance or annuity contract that secures benefits earned under the Scheme and is written by the United Kingdom office of an insurance company as defined in section 275 of the Finance Act 2004. An Approved Policy must comply with the relevant legislation so as to discharge the liability of the Trustee and the Committee for such benefits.

**"Auto-enrolment Requirements"** means the requirements for being a "qualifying scheme" under section 16 of the Pensions Act 2008, once in force, or such other requirements that are from time to time necessary to satisfy any quality threshold for pension schemes used for auto-enrolment purposes under the Pensions Act 2008 or otherwise.

**"Average NI Rebate Percentage"** means:

(a) in the Calculation Period starting on the Benefit Change Date, 2.15%; and

(b) in any subsequent Calculation Period, the same percentage as applied in the previous Calculation Period unless there has since been a change in the employer national insurance rebate percentage or the government has changed the methodology for calculating the employer national insurance rebate. If there has been such a change, it shall be calculated as set out in Step 1 in paragraph 1(1)(a) of Part 2 of this Appendix.

If employer national insurance rebates are no longer granted as a consequence of it no longer being possible to be in contracted-out employment by reference to the State Scheme or otherwise, the Average NI Rebate Percentage shall be zero.

**"Benefit Change Date"** means 29th December 2011.

**"Calculation Period"** means, in relation to a DB Contributor:

(a) the period of Contributing Service2 from the Benefit Change Date to the earliest of 5th April 2013, date of retirement, cessation of Contributing Service2 or death of the DB Contributor; and

(b) in relation to any period of Contributing Service2 falling after 5th April 2013 the period commencing in each calendar year on each 6th April and ending on:

(i) the following 5th April; or

(ii) if earlier, the earliest of date of retirement, cessation of Contributing Service2 or death of the DB Contributor,

unless the Committee, with the agreement of the Employer, determines that a different period or start or end date is appropriate for the calculation of the DB Contributor's benefits.

**"Certification Date"** means, subject as provided for in the remainder of this definition, a date falling three months before the start of each Calculation Period, or such later date falling before the start of each Calculation Period as the Employer and the Committee from time to time determine is appropriate for the certification of the Accrual Fraction and the Additional Employee DB Contribution Percentage (if any). There shall be no Certification Date in respect of the Calculation Period starting on the Benefit Change Date.

**"Clerical Staff Pensionable Overtime Payments"** means, in relation to any Contributor who is employed by his Employer in a clerical grade (designated as such by his Employer), any overtime payments paid by his Employer from time to time to such a Contributor which are pensionable. Any such overtime payments shall only be pensionable where:

(a) any such employee was an "Electing Contributor" making contributions on his Attendance Bonus for the purposes of Rule 11 on the day before the Benefit Change Date; or

(b) upon first becoming employed by his Employer in a clerical grade on or after the Benefit Change Date elects to pay contributions on his overtime payments on the basis that they should be pensionable.

Any such Contributor shall have no further opportunity to make an election at a later date if he does not elect to make contributions when first able to do so.

**"Clerical/MPIS Recognition Award"** means in relation to a Contributor who is employed by the Employer in a grade eligible for this award, the award designated by the Employer as the "Recognition Award" in respect of any period after the introduction of the award in or around 2007. The recognition award is currently assessed twice a year and is then paid for the following 6 months.

**"Consumer Prices Index"** or **"CPI"** means the consumer prices index from time to time published by the Government or such other nearest equivalent index as is agreed by the Employer and the Committee.

**"Contributing Service"** means and includes:

(a) in relation to a DB Contributor, Normal Contributing Service and Family Contributing Service Provided that any reference to a period of Contributing Service shall except where otherwise expressly provided be a reference to a period of Normal Contributing Service; and

(b) in relation to a DC Contributor, any period of DC Contributing Service.

**"Contributing Service1"** means, in relation to any DB Contributor, the number of years of Contributing Service up to and including the day before the Benefit Change Date (with the number of days which are not a complete year counting on a pro-rata basis).

**"Contributing Service2"** means, in relation to any DB Contributor, the number of years of Contributing Service on and after the Benefit Change Date up to the earliest of the DC Effective Date, the date of retirement, the date of cessation of Contributing Service or the date of death (with the number of days in a Calculation Period which is not a complete year counting on a pro rata basis).

**"Contribution Salary"** means, in relation to a Contributor and any period, his Salary2 during that period except that in respect of a Capped Member there shall be disregarded the amount in any Tax Year by which his Salary2 exceeds the amount of the Permitted Maximum for that Tax Year.

**"Contributor"** means either a DB Contributor or a DC Contributor.

**"DB Contributor"** means a DB Member:

(a) who is for the time being making Employee DB Contributions from his Contribution Salary (other than during any period of temporary absence) to the UKCML Fund for the purposes of accruing benefits under Part 2 of this Appendix; or

(b) who (having made such contributions for the period referred to in Rule 4(3)(a)), has continued and for the time being remains in Eligible Employment

PROVIDED THAT a DB Member who has made an election under Rule 22A; has ceased to be in Contributing Service2; or has opted not to pay contributions under Rule 2 shall not be a Contributor.

DB Contributor includes any DB Member who participates in a Salary Sacrifice Facility for the purposes of accruing benefits under Part 2 of this Appendix.

"**DB Member**" means a Member who has accrued benefits while in Contributing Service1 and Contributing Service2.

"**DC Contributing Service**" means the period beginning with the DC Effective Date and ending at the earliest of the dates set out in paragraph 4(3) of Part 3 of this Appendix.

"**DC Contributor**" means a DC Member.

(a) who is for the time being making Employee DC Contributions; or

(b) who would be making such contributions but for a period of temporary absence under paragraph 5 of Part 3 of this Appendix; or

(c) who, having made contributions to the Scheme for the period referred to in paragraph 4(3)(a) of Part 3 of this Appendix, has continued and for the time being remains in Eligible Employment.

DC Contributor includes any DC Member who participates in a Salary Sacrifice Facility for the purposes of accruing benefits under Part 3 of this Appendix.

"**DC Effective Date**" means the date at the beginning of a Calculation Period or otherwise on which a DB Contributor's election (or deemed election) to become a DC Contributor under paragraph 2 of Part 3 of this Appendix takes effect.

"**DC Member**" means a Member who has elected (or who has been treated as having elected) to switch to DC Contributing Service under paragraph 2 of Part 3 of this Appendix.

"**Early Retirement Reduction1**" means, in relation to any pension attributable to Contributing Service1, such reduction as the Actuary determines would produce benefits actuarially equivalent at the date of retirement to those which would have been payable at Normal Retiring Age.

"**Early Retirement Reduction2**" means, in relation to any pension attributable to Contributing Service2, such reduction as the Actuary determines would produce benefits actuarially equivalent at the date of retirement to those which would have been payable from Normal Retiring Age.

"**Employee DB Contribution**" means in relation to a DB Contributor and in relation to any pay period or part of a pay period falling within a Calculation Period, an employee contribution payable to the UKCML Fund equal to:

(a) 6%; plus

(b) 2.15%; plus

(c) the Additional Employee DB Contribution Percentage (if any); minus

(d) the Average NI Rebate Percentage,

of his Contribution Salary.

"**Employee DC Contribution**" means a contribution payable to the UKCML Fund by a DC Contributor at the rate specified in paragraph 4 or paragraph 5 of Part 3 of this Appendix, as applicable, whether by means of payroll deduction from remuneration or in accordance with a Salary Sacrifice Facility.

"**Employer DB Contribution**" means:

(a) an Employer contribution equal to 9% of the Contribution Salaries of the DB Contributors from time to time; plus

(b) an Employer contribution equal to the Average NI Rebate Percentage (if any) of the Contribution Salaries of the DB Contributors from time to time.

"**Employer DC Contribution**" means an amount equal to 10% of that person's Contribution Salary from time to time.

"**frozen pension**" means a pension which will become payable to a former Contributor by virtue of Rule 24 or 25.

"**FS Credit**" means, in relation to a Calculation Period and a DB Contributor, the applicable Accrual Fraction x Pensionable Salary2 x Contributing Service2 (if any) in that Calculation Period.

If during any Calculation Period the total sum of a DB Contributor's Contributing Service1 and Contributing Service2 is equal to 45 complete years or more it shall not be possible to accrue an FS Credit for that Calculation Period. In the first Calculation Period (if any) where this limit is reached, a part FS Credit shall be accrued in respect of the period of Contributing Service2 from the start of the Calculation Period to the date of reaching the limit.

"**Late Retirement Uplift1**" means, in relation to any pension attributable to Contributing Service1, such uplift as the Actuary determines would produce benefits at the date of retirement actuarially equivalent to the benefits which would have been payable from Normal Retiring Age (or date of cessation of Contributing Service2 if later).

"**Late Retirement Uplift2**" means, in relation to any pension attributable to Contributing Service2, such uplift as the Actuary determines would produce benefits at the date of retirement actuarially equivalent to the benefits which would have been payable from Normal Retiring Age (or date of cessation of Contributing Service2 if later).

"**Life Assurance Salary**" means, in relation to a Contributor, an amount equal to the Contributor's Salary2 in the twelve months before the date of death. This amount may not, in the case of a Capped Member, exceed the Permitted Maximum. For this purpose, Salary shall include the earnings and/or increases that would otherwise be excluded by sub-paragraph (iv) of the Salary2 definition.

"**Management Staff Bonus**" means, in relation to a manager, a bonus designated as such by his Employer as a result of being covered by the BACM recognition agreement, and in relation to:

(a) the period from the introduction of this bonus in or around 2008 to 31 December 2010, 100% of the quarterly (but not the annual) bonuses paid to such a manager;

(b) the period from 1 January 2011 to and including 31 December 2011, 60% of the sum of the quarterly and annual bonus paid to such management employees during that period; and

(c) for each calendar year commencing on or after 1st January 2012, the percentage of any such quarterly and/or annual bonuses and/or any other bonus which are in either case from time to time designated as pensionable for the relevant calendar year by the Employer.

The Employer shall notify the Committee of any management employee who is from time to time entitled to such a pensionable bonus and the proportion of the quarterly and/or annual bonuses that are pensionable in any period.

**"Management Staff Pensionable Overtime Allowance"** means, in relation to line managers of the Employer (designated as such by the Employer), the allowance designated by the Employer as the "colliery overtime allowance" which is paid in 12 monthly instalments and when originally introduced in or around 2007 initially amounted to £5150 per annum where such allowance is pensionable. Any such allowance shall only be pensionable for the purposes of this definition where:

(a) any such line manager previously elected to pay contributions on his Attendance Bonus Payments; or

(b) in the case of any such line manager who had not previously had the opportunity to make such an election, he has made or makes such an election on first being given the opportunity to make such an election when the colliery overtime allowance for line managers was introduced or on later being promoted to the grade of line manager.

Any such Contributor shall have no further opportunity to make an election at a later date if he does not elect to make contributions when first able to do so.

**"Minimum DC Contribution Rate"** means, in relation to a DC Contributor, a contribution of £1 a year.

**"Normal Benefits"** means the benefits set out in Rules 22 to 28 inclusive as modified by this Appendix.

**"Normal Family Benefits"** and **"Family Benefits"** means benefits under Rules 29 and 30 as modified by this Appendix.

**"Normal Retiring Age"** means, in relation to a Member, age 60.

**"Officials and Assistant Engineers Pensionable Overtime Payments"** means any overtime payments payable after such overtime payments were reintroduced in or around 2007 to officials and assistant engineers (designated as such by the Employer) who are Contributors to the UKCML Fund where such overtime payments are pensionable. Any such overtime payments shall be pensionable for the purposes of this definition where:

(a) any such official or assistant engineer previously elected to pay contributions on any Attendance Bonus Payments; or

(b) in the case of any official or assistant engineer who had not previously elected to pay contributions on any Attendance Bonus Payments, he has made or makes such an election on first being given the opportunity to make such an election when overtime payments were re-introduced for such employees in or around 2007 or on becoming an official or assistant engineer for the first time.

Any such Contributor shall have no further opportunity to make an election at a later date if he does not elect to make contributions when first able to do so.

**"Official and Assistant Engineers Pensionable Bonus"** means, in relation to any official or assistant engineer (designated as such by the Employer) the bonus first introduced in or around 2007 of up to 3% per month of the average annual colliery grade 1 mineworker's earnings. The Employer shall notify the Committee of Members who are from time to time entitled to such a bonus.

**"Pensionable Salary1"** means, in relation to a DB Contributor, the lower of:

(a) Pensionable Salary calculated on the earliest of (i) the date of commencement of his pension, (ii) the date of cessation of Contributing Service2 and (iii) the date of death; and

(b) Salary Cap1.

**"Pensionable Salary2"** means, in relation to a DB Contributor, the lower of:

(a) the average annual rate of his Salary2 over the last three complete Tax Years falling before the earliest of (i) the date of commencement of his pension, (ii) the date of cessation of his Contributing Service2 and (iii) the date of his death; and

(b) Salary Cap2.

If the DB Contributor is a Capped Member, Pensionable Salary2 under this definition shall not exceed the Permitted Maximum.

**"Permitted Maximum"**, in relation to any Tax Year ending:

(a) before 6 April 2006, has the same meaning as in section 590C(2) of the Taxes Act as it was then in force; and

(b) after 5 April 2006, means the amount which would have been the permitted maximum for the purposes of section 590C(2) of the Taxes Act if the section had continued in force and the Treasury had continued to make the applicable orders under that section.

**"Retirement Account"** shall have the meaning given to it in paragraph 6 of Part 3 of this Appendix.

**"Revaluation Increase1"** means, in relation to any part of a frozen pension attributable to Contributing Service1 (in excess of Guaranteed Minimum Pension and Equivalent Pension Benefit), the increases which would be applied to a frozen pension under Rule 33 (or the statutory revaluation requirements of Chapter II of Part IV of the 1993 Act if higher) until the earliest of Normal Retiring Age, date of

commencement of pension or death. Guaranteed Minimum Pensions shall be revalued in accordance with Appendix IV.

"**Revaluation Increase2**" means, in relation to any part of a frozen pension attributable to Contributing Service2, the statutory increases applicable under the revaluation requirements of Chapter II of Part IV of the 1993 Act until the earliest of Normal Retiring Age, date of commencement of pension or death.

"**Salary**" means, unless the Rules specifically provide otherwise or the context otherwise requires, in relation to:

(a) the calculation of benefits that accrue in periods before the Benefit Change Date and the calculation of any contributions payable before the Benefit Change Date, Salary1; and

(b) in relation to the calculation of benefits that accrue in periods on or after the Benefit Change Date and the calculation of any contributions payable on or after the Benefit Change Date, Salary2.

"**Salary1**" means:

(a) the gross salary or wages, (including Maternity Pay and excluding any Additional Pensionable Payments) plus any war or cost-of-living bonus payable and includes the commission payable to any employee remunerated wholly or in part by commission; and

(b) if any employee receives a fluctuating salary, the fixed rate per day, per week, per month or per annum determined by the Employer for the purposes of the UKCML Fund as it may deem necessary,

but except in any case where the Employer otherwise directs, in either case, does not include:

(i) any salary, allowance, fee or gratuity in respect of any special or overtime work or duty;

(ii) any other bonus or any travelling, subsistence or similar allowance;

(iii) any bonus, allowance or profit-related payment introduced on or after the Benefit Change Date on the basis it should not be pensionable nor count for contribution purposes; and

(iv) the whole or part of any promotional salary or wage increase granted by the Employer on or after the Benefit Change Date where it has been agreed by the Employer and Member that this should not be pensionable nor count for contribution purposes.

Provided that, if the gross salary or wages or fluctuating salary includes profit-related pay by virtue of the employee's membership of an approved profit-related pay scheme operated by the Employer, the Employer may determine that the employee's Salary shall be the notional amount of gross salary or wages that would apply to him if he were not a member of the profit-related pay scheme. To the extent that the inclusion of profit-related pay in this definition of Salary would cause Inland Revenue Limits to be exceeded in relation to an employee, then the benefits payable to or in

respect of that employee under the UKCML Fund shall be limited to the extent necessary to ensure compliance with Inland Revenue Limits.

For the period during which a Member participates in a Salary Sacrifice Facility, there shall be added to the amount as calculated above an amount as notified by the Employer to reflect any reduction in remuneration as a result of participation in a Salary Sacrifice Facility.

"**Salary2**" means:

(a) the gross salary or wages, (including Maternity Pay and any Additional Pensionable Payments) plus any war or cost-of-living bonus payable and includes the commission payable to any employee remunerated wholly or in part by commission; and

(b) if any employee receives a fluctuating salary, the fixed rate per day, per week, per month or per annum determined by the Employer for the purposes of the UKCML Fund as it may deem necessary,

but except in any case where the Employer otherwise directs, in either case, does not include:

(i) any salary, allowance, fee or gratuity in respect of any special or overtime work or duty (that does not fall within the definition of Additional Pensionable Payment);

(ii) any other bonus or any travelling, subsistence or similar allowance;

(iii) any bonus, allowance or profit-related payment introduced on or after the Benefit Change Date on the basis it should not count as Salary2; and

(iv) the whole or part of any promotional salary or wage increase granted by the Employer on or after the Benefit Change Date where it has been agreed by the Employer and Member that this should not be pensionable nor count for contribution purposes (however it will count for the purposes of calculating Life Assurance Salary).

Provided that, if the gross salary or wages or fluctuating salary includes profit-related pay by virtue of the employee's membership of an approved profit-related pay scheme operated by the Employer, the Employer may determine that the employee's Salary shall be the notional amount of gross salary or wages that would apply to him if he were not a member of the profit-related pay scheme. To the extent that the inclusion of profit-related pay in this definition of Salary would cause Inland Revenue Limits to be exceeded in relation to an employee, then the benefits payable to or in respect of that employee under the UKCML Fund shall be limited to the extent necessary to ensure compliance with Inland Revenue Limits.

For the period during which a Member participates in a Salary Sacrifice Facility, there shall be added to the amount as calculated above an amount as notified by the Employer to reflect any reduction in remuneration as a result of participation in a Salary Sacrifice Facility.

**"Salary Cap1"** means, in relation to a DB Contributor, an amount equal to his Pensionable Salary calculated on the day before the Benefit Change Date, increased on each subsequent 28th December. The rate of increase shall be the percentage

ratio (calculated to the nearest one place of decimals) by which the cost of living index (as defined in Rule 33(5)) for the month of November in the current calendar year exceeds the cost of living index for that month in the year before Provided that if in any year such percentage exceeds 5 per cent, the excess increase over 5 per cent shall not, without the consent of the Employer, exceed such amount as the Actuary shall have declared to be the maximum sustainable in respect of such year by the funds of the Scheme without any additional deficiency contribution or other additional payment being made by the Employer.

"**Salary Cap2**" means, in relation to a DB Contributor, an amount equal to his Contribution Salary in the 12 months ending on 31 December 2011, increased over the period from 1 January 2012 to the date of cessation of Contributing Service2 by the lower of:

(a) 5% compound each year (with whole months being pro-rated); and

(b) the percentage increase in the Consumer Prices Index.

For this purpose the increase in the Consumer Prices Index shall be measured using the reference period beginning with the Consumer Prices Index figure published for September 2011 and ending with the Consumer Prices Index figure for the calendar month falling three months before the date of cessation of Contributing Service2, or such other CPI reference period as the Committee with the agreement of the Employer consider from time to time to be appropriate.

"**Scale Pension1**" means, in relation to a DB Contributor, an annual pension of an amount equal to the sum of:

(a) 1/60$^{th}$ of Pensionable Salary1 x Contributing Service1, save that for the purposes of this definition, the maximum period of Contributing Service1 shall not exceed 45 complete years; and

(b) in relation to each Adjusted Deferred Additional Amount, 1/60$^{th}$ of the Adjusted Deferred Additional Amount for each year (and fraction of a year) during which the applicable Adjusted Deferred Additional Amount was paid.

"**Scale Pension2**" means, in relation to a DB Contributor, an annual pension of an amount equal to the sum of the FS Credits accrued in each Calculation Period on and after the Benefit Change Date.

"**State Scheme**" means the additional state pension under the Social Security Contributions and Benefits Act 1992.

"**Statutory Standard**" means, in any period it is still possible to be in employment that is contracted-out of the State Scheme on a salary-related basis, the statutory standard referred to in Section 12A of the 1993 Act (while still applicable).

"**UKCML**" means UK Coal Mining Limited (incorporated and registered in England and Wales under company registration number 02997374), the registered office of which is at Harworth Park, Blyth Road, Harworth, Doncaster, South Yorkshire DN11 8DB.

"**UKCML Fund**" means the Employer's Fund relating to employees and former employees of UKCML (or of any Associated Employers of UKCML admitted from time

to time to participation in the UKCML Fund if at any time it becomes an Associated Employers' Fund).

"**Underpin Pension**" means, in relation to a person who is or was a Contributor on the day before the Benefit Change Date, the amount that would have been his frozen pension (excluding any additional pension payable under Rules 9-13) if he had ceased to be a Contributor on the day before the Benefit Change Date on the assumption that Rule 35 (Fractions of Years) applies if he does not have a number of complete years of Contributing Service on that date, increased by applying Revaluation Increase1 from the Benefit Change Date to the earlier of his Normal Retiring Age, date of retirement or death.

"**Underpin Reduction**" means in relation to any person who is or was a Contributor on the day before the Benefit Change Date and who retires before his Normal Retiring Age, such reduction as the Actuary determines would produce benefits actuarially equivalent at his date of retirement to those which would have been payable if a pension equal to his Underpin Pension had come into payment at Normal Retiring Age.

"**Underpin Uplift**" means, in relation to any person who is or was a Contributor on the day before the Benefit Change Date, who retires after his Normal Retiring Age, such uplift as the Actuary determines would produce benefits actuarially equivalent at his date of retirement to those which would have been payable if a pension equal to his Underpin Pension had come into payment at Normal Retiring Age.

(4) In this Appendix whenever there is a reference to a particular Rule continuing to apply, or continuing to apply with modifications, after the Benefit Change Date but the Rule or modifications to the Rule are not set out in full, for the purposes of determining Member's benefits, the Rule shall be treated as having been set out in full with any applicable modifications. If Rule 33 is subsequently rectified by a Court, then any reference to Rule 33 in this Appendix shall take effect by reference to Rule 33 as rectified.

(5) The actuarial method used in the definition of "Accrual Fraction" is intended to reflect what, at the date this Appendix VII was first adopted, was commonly known in the actuarial profession as the "entry age method" using the age at the Benefit Change Date as the date of entry and the definition of "Accrual Fraction" shall be interpreted accordingly.

## PART 2 – DB MEMBERS

**1. Determination of Accrual Fraction and Additional Employee Contribution.**

(1) The Actuary shall on each Certification Date falling on or after 31 December 2012 (or as soon as reasonably practicable after the relevant Certification Date but in any event before the start of the next Calculation Period falling after the applicable Certification Date), make the following calculations, determinations and certifications in relation to the next Calculation Period:

(a) Step 1 – the Actuary shall determine whether there has been a change in the employer national insurance rebate percentage or the methodology for calculating employer national insurance rebates since the date the Average NI Rebate Percentage was last fixed or certified. If the Actuary determines that there has been such a change the Actuary shall recalculate and certify the Average NI Rebate Percentage. Where there has been such a change, the Average NI Rebate Percentage shall mean the sum of the employer national insurance rebates (if any) which it is estimated will be received as a result of the DB Contributors being in contracted-out employment in the Calculation Period, expressed as a percentage of estimated Contribution Salary in that Calculation Period. For the avoidance of doubt, any normal change in band earnings shall not be considered a change in methodology;

(b) Step 2 – the Actuary shall calculate what the Accrual Fraction would be on the basis that there is no change to the Additional Employee DB Contribution Percentage;

(c) Step 3 – the Actuary shall determine whether the benefits provided in respect of the DB Contributors will, on the Accrual Fraction calculated under Step 2 and the current Additional Employee DB Contribution Percentage (if any), (i) continue to satisfy the Statutory Standard and (ii) continue to satisfy the Auto-enrolment Requirements;

(d) Step 4 – if the Actuary has determined under Step 3 that it is possible for the benefits provided in respect of the DB Contributors to continue to satisfy the Statutory Standard and to continue to satisfy the Auto-enrolment Requirements on the Accrual Fraction calculated under Step 2 and the current Additional Employee DB Contribution Percentage (if any), the Actuary shall then certify the Accrual Fraction under Step 2. That Accrual Fraction and the Additional Employee DB Contribution Percentage (if any) shall be, respectively, the Accrual Fraction and Additional Employee DB Contribution Percentage (if any) applicable during the next Calculation Period;

(e) Step 5 – if the Actuary determines under Step 3 that it is not possible for the benefits provided in respect of the DB Contributors to continue to meet the Statutory Standard and to continue to satisfy the Auto-enrolment Requirements, the Actuary shall (i) certify the minimum Accrual Fraction necessary to enable to those benefits to do so and (ii) calculate the Additional Employee DB Contribution Percentage necessary to produce this Accrual Fraction and those amounts shall be, respectively, the Accrual Fraction and the Additional Employee DB Contribution applicable during the next Calculation Period unless Step 6 below applies;

(f) Step 6 – if Step 1 or Step 5 produces an Additional Employee DB Contribution Percentage which will result in an Employee DB Contribution exceeding any

applicable statutory maximum employee contribution then all DB Contributors shall (unless the Employer and the Committee otherwise agree) be treated as having elected to switch to DC Contributing Service on the first day of the next Calculation Period under paragraph 2(1) of Part 3. The Actuary shall notify the Employers and the Committee and the Committee shall then notify the DB Contributors.

(2) Unless paragraph 2(1) of Part 3 has applied under Step 6, the Actuary shall then notify the Employers then participating in the UKCML Fund and the Committee of the Accrual Fraction and the Additional Employee DB Contribution Percentage (if any) that will be applicable in the next Calculation Period. The Committee shall then notify the DB Contributors of the Accrual Fraction and Employee DB Contribution that will be applicable in the following Calculation Period.

**2. Eligibility and Admission to Membership – Rule 1**

(1) Rule 1 (Eligibility and Admission to Membership) shall continue to apply on and after the Benefit Change Date except that no person who has elected (or who has been treated as having elected) to accrue benefits as a DC Contributor pursuant to paragraph 2 of Part 3 or otherwise may be admitted as a DB Contributor and accrue benefits as a DB Contributor.

**3. Ceasing Normal and Family Contributions – Rule 2**

(1) Rule 2 (Ceasing Normal and Family Contributions) shall continue to apply on and after the Benefit Change Date.

**4. Actual Date of Entry – Rule 3**

(1) Rule 3 (Actual Date of Entry) shall continue to apply on and after the Benefit Change Date.

**5. Normal and Family Contributions – Rule 4**

(1) The following rule is substituted for the existing Rule 4 with effect from the Benefit Change Date:

"4 **NORMAL AND FAMILY CONTRIBUTIONS**

4(1) Subject to Rules 2, 4(3) and 4(4), DB Contributors shall make contributions on and after the Benefit Change Date equal to the applicable Employee DB Contribution from time to time. The part of the Employee DB Contribution in excess of the Family Contribution under Rule 4(2) shall be treated as being made for the purposes of securing Normal Benefits in relation to such a DB Contributor.

4(2) One per cent of the Contribution Salary shall be treated as a Family Contribution.

4(3) Employee DB Contributions payable by a DB Contributor under paragraphs (1) and (2) of this Rule shall continue to be payable by him:

(a) for a period of 45 years from the date of commencement of Normal Contributions to the Scheme, reduced by the aggregate of any Back Service Credit for Normal Benefits; or

(b) subject to Rule 25(2), until he ceases to be in an Eligible Employment in a grade eligible for membership of the UKCML Fund; or

(c) until he ceases to be a DB Contributor under any other provision of the Rules,

whichever is the shortest period.

4(4) During any period where a DB Contributor participates in a Salary Sacrifice Facility, he shall not pay Employee DB Contributions. The Committee shall treat any contributions paid in accordance with the Salary Sacrifice Facility by the relevant Employer (which would otherwise be paid by the Member as Employee DB Contributions) as if they were Employee DB Contributions. References in these Rules to Normal and Family Contributions and Employee DB Contributions payable under Rule 4 shall be deemed to include an amount equal to the contributions he would have paid had he not been participating in a Salary Sacrifice Facility."

6. **Additional Voluntary Contributions by Members – Rule 5**

(1) Contributors shall not be able to make any further additional voluntary contributions under Rule 5 on or after the Benefit Change Date and Rule 5 shall only apply to the Member in relation to contributions paid to the AVC Scheme before the Benefit Change Date.

7. **Purchase of Further Years of Family Contributing Service and Evidence of Health – Rules 6 and 7**

(1) A Contributor shall not be able to pay any further contributions under Rule 6 to purchase Further Years of Family Contributing Service on and after the Benefit Change Date. The Committee, on the advice of the Actuary, shall determine how many Further Years of Family Contributing Service have been purchased by a Member up to the Benefit Change Date as a result of any additional contributions made under Rule 6 before the Benefit Change Date and Rule 6 shall only apply to the Member in relation to those Further Years of Family Contributing Service.

(2) Rule 7 (Evidence of Health) shall no longer apply on or after the Benefit Change Date.

8. **Purchase of Added Years by Contributors – Rule 8**

(1) A Contributor shall not be able to pay any further contributions under Rule 8 to purchase Added Years for Normal Benefits on or after the Benefit Change Date. The Committee, on the advice of the Actuary, shall determine how many Added Years for Normal Benefits have been purchased by a Member up to the Benefit Change Date as a result of any additional contributions made under Rule 8 before the Benefit Change Date and Rule 8 shall only apply to the Member in relation to those Added Years for Normal Benefits.

9. **Contributions on Attendance Bonus Payments – Rules 9, 10, 11, 12 and 13**

(1) A person to whom Rule 9 applied before the Benefit Change Date shall not be able to pay any further contributions under Rule 9 on his Attendance Bonus Payments on or after the Benefit Change Date and no further benefits shall accrue by reference to his Additional Pensionable Salary or otherwise under Rule 9.

(2) A person to whom Rule 10 applied before the Benefit Change Date shall not be able to pay any further contributions under Rule 10 on his Attendance Bonus Payments on or after the Benefit Change Date and no further benefits shall accrue by reference to his Additional Pensionable Salary or otherwise under Rule 10.

(3) A person to whom Rule 11 applied before the Benefit Change Date shall not be able to pay any further contributions under Rule 11 on his Attendance Bonus Payments on or after the Benefit Change Date and no further benefits shall accrue by reference to his Additional Pensionable Salary or otherwise under Rule 11.

(4) A person to whom Rule 12 applied before the Benefit Change Date shall not be able to pay any further contributions under Rule 12 on his Attendance Bonus Payments on or after the Benefit Change Date and no further benefits shall accrue by reference to his Additional Pensionable Salary or otherwise under Rule 12.

(5) Rule 13 shall no longer apply on or after the Benefit Change Date and any person who is paying contributions on his Attendance Bonus Payments by virtue of Rule 13 shall cease to do so and no further benefits shall accrue by reference to his Additional Pensionable Salary or otherwise.

(6) With effect from the Benefit Change Date Rules 9, 10, 11, 12 and 13 shall only apply to the Member in relation to benefits accrued under those Rules before the Benefit Change Date and those benefits shall be payable in addition to the other benefits payable under this Appendix.

**10. Deductions of Contributions from Salary and Excess Contributions - Rules 14 and 15**

(1) Rules 14 (Deductions of Contributions from Salary) and 15 (Excess Contributions) shall continue to apply on or after the Benefit Change Date.

**11. Final Contributions by Contributors (in connection with Datum period) – Rule 16**

(1) The option under Rule 16 (Final Contributions by Contributors) shall no longer apply on or after the Benefit Change Date.

**12. Waiver of Qualifying Periods and Payment of Spread Forward Contributions – Rules 17 and 18**

(1) Rules 17 (Waiver of Qualifying Periods) and 18 (Payment of Spread Forward Contributions) shall continue to apply on and after the Benefit Change Date but only to the extent applicable (if any) under the Rules to Members covered by this Appendix.

**13. Maximum Contributions – Rule 19**

(1) Rule 19 (Maximum Contributions) has already been deleted and is not used in this Appendix.

**14. Equivalent Pension Benefit and Contracting out – Rules 20 and 21**

(1) Rule 20 (Equivalent Pension Benefit) and Rule 21 (Contracting-out) shall continue to apply on and after the Benefit Change Date.

**15. Retirement from Eligible Employment at or after Normal Retiring Age – Rule 22**

(1) The following Rule shall be substituted for existing Rule 22 with effect from the Benefit Change Date:

"22 **TO CONTRIBUTORS WHO ARE MEMBERS ON RETIREMENT FROM ELIGIBLE EMPLOYMENT AT OR AFTER NORMAL RETIRING AGE**

22(1) This Rule shall apply where a DB Contributor's Retirement takes place at or after Normal Retiring Age.

22(2) Subject as provided in the remainder of this Rule 22, a pension shall be payable at the date of Retirement known as the "**Retirement Pension**" which shall be calculated as follows:

"**Retirement Pension**" is an annual pension of an amount equal to the aggregate of Scale Pension1 (adjusted where applicable as set out below) and Scale Pension2.

Scale Pension1 shall be adjusted if necessary to ensure that the minimum pension payable under this Rule shall be at the rate of £104 per annum.

Scale Pension1 shall then be further increased, if necessary, to ensure that the total pension payable at date of Retirement is not less than the Underpin Pension uplifted by the Underpin Uplift if Retirement is after Normal Retiring Age.

22(3) A Member may, subject as mentioned in the remainder of this Rule, at any time prior to his pension becoming payable elect to commute within Inland Revenue Limits such part of his pension as he may request for a lump sum payment on the date on which his pension becomes payable on the basis of £9 for each £1 of pension commuted. Any such commutation shall be subject to the following restrictions:

(a) A Member may not exchange such an amount of pension as would be likely to make the pension remaining to him less than the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension.

(b) If a Member elects to commute part of his pension to provide a lump sum payment, the part of his pension attributable to Contributing Service1 and the part of his pension attributable to Contributing Service2 shall be commuted in the same ratio as the initial monetary amount of the pension attributable to Contributing Service1 is to the initial monetary amount of the pension attributable to Contributing Service2 except to the extent that the part of his pension attributable to Contributing Service1 would otherwise be reduced below the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension when extra pension attributable to Contributing Service2 may be commuted to the extent it would not otherwise be possible to commute pension in the ratio set out in this Rule.

(c) A Member may not exchange such an amount of pension where the payment cannot be treated as a pension commencement lump sum (within the meaning of the Finance Act 2004).

22(4) If a person who has taken his retirement benefits under this Rule 22 dies within five years of retirement, his estate shall be entitled to receive the payment of a sum equal to the difference between the pension payable to him under Rule 22(2) (exclusive of any proportion allocated under Rule 34) and after taking account of any commutation under Rule 22(3) in respect of the period from his retirement to his death and five times such annual pension (exclusive as aforesaid)."

**16. Flexible Retirement – Rule 22A**

The following new Rule 22A (Flexible Retirement) shall apply in substitution for the existing provisions of Rule 22A with effect from the Benefit Change Date.

**"22A FLEXIBLE RETIREMENT**

(1) A DB Member:

(a) who is in service in Eligible Employment;

(b) who attains normal minimum pension age (as defined in the Finance Act 2004);

(c) who elects by giving notice to the Secretary to withdraw from the UKCML Fund and to receive benefits under this Rule 22A, (such notice shall be in such form as the Committee may from time to time prescribe and may, if the Contributor is a Protected Person, contain information as to the consequences of ceasing to be in service in Eligible Employment and Contributing Service);

(d) who would have been entitled to the payment of benefits under Rule 22 if he had retired; and

(e) whose Employer consents;

may receive the benefits set out in paragraph (2) of this Rule despite the fact that he continues in service in the employment of an Employer.

(2) The pension payable under this Rule 22A shall be known as the **"Flexible Retirement Pension"** and shall be calculated as follows:

**"Flexible Retirement Pension"** is an annual pension of an amount equal to the aggregate of **"A"** and **"B"** where:

**"A"** = Scale Pension1 reduced by Early Retirement Reduction1 if and to the extent the pension commences to be paid before Normal Retiring Age and adjusted where applicable as set out below; plus

**"B"**= Scale Pension2 reduced by an Early Retirement Reduction2 if and to the extent the pension commences to be paid before Normal Retiring Age.

**"A"** shall then be increased, if necessary, to ensure that the total pension payable at date of commencement is not less than:

(a) the Underpin Pension if the date of commencement is Normal Retiring Age;

(b) the Underpin Pension reduced by the Underpin Reduction if the date of commencement is before Normal Retiring Age; and

(c) the Underpin Pension uplifted by the Underpin Uplift if the date of commencement is after Normal Retiring Age.

(3) On the death of a Member entitled to a Flexible Retirement Pension under this Rule attaching death in retirement benefits shall be calculated in the same way as for Retirement Pensions under Rule 22 except that they shall be calculated by reference to the amount of Retirement Pension payable under this Rule. A Member may commute part of his "**Flexible Retirement Pension**" to provide a lump sum on the basis set out in Rule 22(3).

(4) If a DB Member makes an election under this Rule 22A, his service in Eligible Employment and Contributing Service shall be deemed for the purposes of the Rules as having terminated on the day prior to the date on which benefits commence. His benefit shall commence on the date selected by the Employer after consulting the Committee. For the avoidance of doubt, such a DB Member shall not be entitled to accrue any further benefits; shall cease to be entitled to benefits paid on death in service under the Scheme and does not have a right to re-enter the Scheme under Rule 1 or otherwise.

**17. Retirement from Eligible Employment before Normal Retiring Age through Ill-health, Compulsory by the Employer or by Agreement – Rule 23**

(1) The following new Rule 23 shall apply in substitution for the existing provisions of Rule 23 with effect from the Benefit Change Date:

"23 **TO CONTRIBUTORS ON RETIREMENT FROM ELIGIBLE EMPLOYMENT BEFORE NORMAL RETIRING AGE THROUGH ILL-HEALTH, COMPULSORY BY THE EMPLOYER OR BY AGREEMENT**

23(1) This Rule shall apply where a Contributor's Retirement takes place before Normal Retiring Age, subject to the following provisions of this Rule.

23(2) A Contributor who is awarded the benefits under this paragraph under the provisions of paragraph (4) or (5) of this Rule shall be entitled to an annual pension equal to the aggregate of "**A**" and "**B**" where:

"**A**" = Scale Pension1 adjusted where applicable as set out below; and

"**B**"= Scale Pension2.

Scale Pension1 shall be adjusted where necessary to ensure that the minimum pension payable under this Rule shall be at the rate of £104 per annum.

Scale Pension1 shall then be further increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension reduced by the Underpin Reduction.

23(3) Subject to a DB Contributor producing evidence satisfactory to the Scheme's Medical Adviser that through bodily or mental incapacity or physical infirmity he is unlikely to be able to carry on any duties which his Employer may reasonably assign to him, and the Trustee is satisfied on the basis of advice

from the Scheme's Medical Adviser that the DB Contributor satisfies the ill-health condition (as defined in the Finance Act 2004), he shall be entitled to an immediate pension to be known as the "**Ill-Health Pension**" calculated as follows:

"**Ill-Health Pension**" is an annual pension of an amount equal to the aggregate of "**A**" and "**B**" where:

"**A**" = Scale Pension1 adjusted where applicable as set out below; and

"**B**" = Scale Pension2 calculated by reference to his FS Credits accrued up to his date of Retirement plus the FS Credits that would have accrued in future Calculation Periods from Retirement to Normal Retiring Age on the following assumptions:

(a) the applicable Accrual Fraction for the Calculation Period in which he retires will continue to apply for all future Calculation Periods;

(b) the DB Contributor's Pensionable Salary2 at the date of Retirement will remain unchanged until Normal Retiring Age; and

(c) the DB Contributor will accrue the following percentages of the prospective Contributing Service2 to Normal Retiring Age determined on the date an application (that has subsequently been accepted under this Rule 23(3)) was first made in writing to the Trustee in accordance with the following table:

| Date of Application | Percentage of prospective Contributing Service2 |
|---|---|
| Benefit Change Date to 31 December 2012 | 50% |
| 1 January 2013 to 31 December 2013 | 40% |
| 1 January 2014 to 31 December 2014 | 30% |
| 1 January 2015 to 31 December 2015 | 20% |
| 1 January 2016 to 31 December 2016 | 10% |
| 1 January 2017 onwards | 0% |

For the purposes of calculating **"A"**:

Scale Pension1 shall then be increased, if necessary, to ensure that the minimum pension payable under this Rule shall be at the rate of £104 per annum.

Scale Pension1 shall then be further increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension.

23(4) The Committee, at the Employer's request, may grant the same benefits as under paragraph (2) of this Rule to any Contributor who wishes to retire, on attaining age 55 or over.

23(5) If a Contributor is retired compulsorily when his age is not less than 50 the Committee, when the Employer in special circumstances requests, may award the same benefits as under paragraph (2) of this Rule.

23(6) If a DB Contributor:

(a) has attained normal minimum pension age (as defined in the Finance Act 2004) and his Employer requests; or

(b) wishes to retire within five years of Normal Retiring Age or is retired compulsorily when his age is more than his normal minimum pension age (as defined in the Finance Act 2004).

the Committee may if the DB Contributor agrees and subject to such conditions as the Employer may request, grant a pension to be known as the **"Early Retirement Pension"** calculated as follows:

**"Early Retirement Pension"** is an annual pension of an amount equal to the aggregate of **"A"** and **"B"** where:

**"A"** = Scale Pension1 reduced by Early Retirement Reduction1 to the extent the pension comes into payment before Normal Retiring Age and adjusted where applicable as set out below; and

**"B"** = Scale Pension2 reduced by Early Retirement Reduction2 if and to the extent the pension comes into payment before Normal Retiring Age.

**"A"** shall then be increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension reduced by the Underpin Reduction.

**"A"** shall then be further increased, if necessary, to ensure that the benefits so granted shall include or comprise a pension at least equal to the Equivalent Pension Benefit.

23(7) If a DB Contributor retires under paragraph (3) of this Rule, Rule 22(4) shall not apply but if he dies before the total benefits paid under this Rule (including any proportion allocated under Rule 34) when aggregated (if the DB Contributor is a Former BCSSS Member but is not a Transferred BCSSS Member) with the total benefits under BCSSS (including any proportion

allocated under BCSSS) equal three years' Pensionable Salary1, the difference shall be paid to his estate.

23(8) If a DB Contributor to whom on his retirement benefits have been granted under paragraph (6) of this Rule dies within five years from the date of his retirement there shall be paid to his estate a lump sum equal to the difference between the amount of pension already paid to him under this Rule and the amount which, had he lived so long, would have been paid to him under this Rule in respect of the five years from the date of his retirement, account being taken of any portion allocated under Rule 34 and of the provisions of Rule 50.

23(9) If a DB Contributor retires under paragraph (3) or (6) of this Rule, he may commute part of his pension to provide a lump sum on the basis set out in Rule 22(3).

**18. Withdrawal Before Retirement or Death – General Provisions – Rule 24**

(1) The following Rule shall be substituted for existing Rule 24 with effect from the Benefit Change Date:

"24 **WITHDRAWAL BEFORE RETIREMENT OR DEATH – GENERAL PROVISIONS**

24(1) Subject to Rule 45, this Rule shall apply where a Member ceases to be a DB Contributor before Normal Retiring Age except:

(a) on death; or

(b) where benefit is payable to him immediately on Retirement under Rule 22, 22A or Rule 23;

(c) where Rule 25 applies to him and he does not continue to pay contributions.

24(2) On ceasing to be a DB Contributor the Member shall, if he has at least two years' service in contracted-out employment (within the meaning of paragraph (5) of this Rule) or he has at least two years' Qualifying Service, receive benefits under this paragraph or in any other case he may at his option (to be exercised in writing within one month of ceasing to be a DB Contributor) receive benefits under this paragraph in lieu of any other benefits under the UKCML Fund as a DB Contributor. The benefits are:

(a) on the Member (having ceased to be in Eligible Employment before Normal Retiring Age) having to retire at a later date before Normal Retiring Age through ill-health where the Committee is satisfied on the basis of advice from the Scheme's Medical Adviser that the Member satisfies the ill-health condition (as defined in the Finance Act 2004) a pension known as the "**Deferred Ill-Health Pension**" which shall be calculated as follows:

"**Deferred Ill-Health Pension**" is an annual pension of an amount equal to the aggregate of "**A**" and "**B**" where:

"**A**" = Scale Pension1 increased from date of ceasing to be in Contributing Service2 until retirement by Revaluation Increase1 and adjusted, where applicable, as set out below; and

"**B**" = Scale Pension2 increased from date of ceasing to be in Contributing Service2 until retirement by Revaluation Increase2 and then reduced by Early Retirement Reduction2 to the extent the pension comes into payment before Normal Retiring Age.

"**A**" shall then be increased, if necessary, to ensure that the total pension payable at commencement is not less than the actuarial equivalent of a pension of £104 per annum payable at Normal Retiring Age.

"**A**" shall then be further increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension.

A Member may commute part of the "**Deferred Ill-Health Pension**" to provide a lump sum on the basis set out in Rule 22(3).

(aa) on the Member reaching Normal Retiring Age, having previously ceased to be in Eligible Employment, a pension known as the "**Deferred Pension**" shall be payable which shall be calculated as follows:

"**Deferred Pension**" is an annual pension of an amount equal to the aggregate of "**A**" and "**B**" where:

"**A**" = Scale Pension1 increased from date of ceasing to be in Contributing Service2 by Revaluation Increase1 and adjusted, where applicable, as set out below; and

"**B**" = Scale Pension2 increased from date of ceasing to be in Contributing Service2 by Revaluation Increase2.

"**A**" shall then be increased, if necessary, to ensure that the total pension payable at commencement is not less than a pension of £104 per annum.

"**A**" shall then be further increased, if necessary, to ensure that the total pension payable at date of commencement is not less than the Underpin Pension.

A Member may commute part of the "**Deferred Pension**" to provide a lump sum on the basis set out in Rule 22(3).

(b) on retirement (otherwise than through ill-health) after leaving service:

(i) within five years before reaching Normal Retiring Age; or

(ii) at any time after ceasing to be a DB Contributor if the Member has attained normal minimum pension age (as defined in the Finance Act 2004),

if the Member so requests and the Employer agrees a pension known as the "**Deferred Early Retirement Pension**" calculated as follows:

"**Deferred Early Retirement Pension**" is an annual pension of an amount equal to the aggregate of "**A**" and "**B**" where:

"**A**" = Scale Pension1 increased from date of ceasing to be in Contributing Service2 by Revaluation Increase1 and then reduced by Early Retirement Reduction1 (adjusted as set out below); and

"**B**" = Scale Pension2 increased from date of ceasing to be in Contributing Service2 by Revaluation Increase2 and then reduced by Early Retirement Reduction2.

"**A**" shall then be increased, if necessary, to ensure that the total pension payable at retirement is not less than the actuarial equivalent of a pension of £104 per annum payable at Normal Retiring Age.

"**A**" shall then be further increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension reduced by the Underpin Reduction.

A Member may commute part of the "**Deferred Early Retirement Pension**" to provide a lump sum on the basis set out in Rule 22(3).

(c) subject as provided in sub-paragraph (d) of this paragraph, if the Member dies within five years after a benefit becomes payable under sub-paragraph (a), (aa) or (b) of this paragraph, his estate shall be entitled to receive an amount equal to the difference between five years' payments of the pension initially paid to the Member and the aggregate of the pension payments (ignoring any increases made subsequent to the initial payment of pension) actually paid prior to the date of death.

(d) If the Member retires through ill-health under paragraph (a) before reaching Normal Retiring Age and subsequently dies before the aggregate benefits paid under this Rule 24 (including any proportion allocated under Rule 34 but ignoring increases made subsequent to the initial payment of pension) equal the appropriate amount specified in sub-paragraph (e) of this paragraph (but for this purpose substituting the date of retirement through ill-health for the date of death) the difference shall be paid to his estate and sub-paragraph (c) of this paragraph shall not apply; or

(e) If the Member dies before a benefit becomes payable under sub-paragraph (a), (aa) or (b) of this paragraph a payment to his estate of an amount equal to the greatest of:

(I) a refund of his Normal and Added Contributions to the UKCML Fund with compound interest to the date of death;

(II) 3/80ths of his Pensionable Salary (calculated on the day before the Benefit Change Date) multiplied by the number of years of his Contributing Service1; or

(III) one tenth of his Pensionable Salary (calculated on the day before the Benefit Change Date) multiplied by the number of years of his Contributing Service1 but so that such amount shall not exceed four years' Pensionable Salary (calculated at the Benefit Change Date);

or, if he has not less than 10 years' Contributing Service in respect of which Normal Contributions have been paid or have deemed to have been paid the greatest of the following amounts:

(i) one year's Pensionable Salary (calculated on the day before the Benefit Change Date) and reduced by the amount of any benefit paid or payable under the provisions of BCSSS which correspond to this sub-paragraph;

(ii) 3/80ths of his Pensionable Salary (calculated on the day before the Benefit Change Date) multiplied by the number of years of his Contributing Service1;

(iii) a refund of Normal and Added Contributions to the UKCML Fund with compound interest to the date of death;

(iv) one-tenth of his Pensionable Salary (calculated on the day before the Benefit Change Date) multiplied by the number of years of his Contributing Service1 but so that such amount shall not exceed four years' Pensionable Salary (calculated on the day before the Benefit Change Date);

(v) where death occurs within five years before his Normal Retiring Age a lump sum equal to seven times the annual amount of the part of the pension calculated under Rule 22(2) (exclusive of any portion allocated under Rule 34) that would have been payable to him had he retired on the day before his death and is attributable to his Contributing Service1 calculated using his Pensionable Salary on the day before the Benefit Change Date.

The lump sum death benefit payable under this sub-paragraph (e) cannot be less than the lump sum death benefit which would have been payable under this Rule (as it was in force immediately before the Benefit Change Date) if the Contributor had ceased to be in Contributing Service immediately before the Benefit Change Date and Rule 35 (Fractions of Years) had applied;

(f) on the death whenever it occurs, if the Member has paid Family Contributions, such of the benefits specified in Rules 29 and 30 as may be appropriate;

Provided that:

(i) if the Member retires on account of ill-health he shall produce evidence satisfactory to the Scheme's Medical Adviser that he is obliged to so retire;

(ii) the benefits payable under this paragraph shall be reduced to take account of any spread-forward contributions for Added Years, Back Service Credit or waiver of qualifying periods remaining unpaid at the date on which the Member ceases to be a Contributor, such reduction not to exceed an amount which would reduce the benefits to the minimum level required by section 75 of the Social Security Act 1973;

(iii) in the application of Rule 30 by virtue of this paragraph "child" shall not include any child born more than twelve months after the date on which the Member ceased to be a Contributor; and

(iv) if the Member has less than two years' service in contracted-out employment or has less than two years' qualifying service (as defined in the 1993 Act) the benefits payable under this paragraph shall be calculated excluding the minimum pension provisions of this Rule and Rule 29.

24(3) The benefits payable under paragraph (2) of this Rule at Normal Retiring Age to a Member who ceased to be a DB Contributor on leaving the service of his Employer because of redundancy may be paid at the discretion of the Employer with effect from such earlier date, not being before the Member's 50th birthday, as the Employer may determine (whether at the time he ceases to be a Contributor or subsequently), and in relation to a Member to whom benefits so paid the five years mentioned in sub-paragraph (c) of paragraph (2) of this Rule shall start on the day so determined.

24(4) This paragraph is not used.

24(5) For the purposes of paragraph (2) of this Rule **"service in contracted-out employment"** means service in contracted-out employment within the meaning of the 1993 Act by reference to the UKCML Fund, or where a Back Service Credit has been granted in respect of the Contributor's accrued rights under another scheme, any service in contracted-out employment within the meaning of the 1993 Act by reference to that scheme.

24(6) Where the Member is not entitled to or has not elected to receive benefits by virtue of paragraph (2) of this Rule then subject to Rules 57 and 58 he shall be entitled to a refund of his Normal and Added Contributions to the UKCML Fund with compound interest to the extent that any such refund is an authorised member payment under the Finance Act 2004. If all or part of the refund of such contributions treated as paid under a Salary Sacrifice Facility would be an unauthorised member payment under the Finance Act 2004, then there shall be no entitlement to payment of that part of the refund from the UKCML Fund and the Employer shall pay to the Member a sum equal to the part of the refund that he would have received from the UKCML Fund had the payment not been an unauthorised member payment under the Finance Act 2004. If an Employer makes a payment to the Member in accordance

with Rule 24(6) then that payment shall be deemed to be a refund of contributions for the purposes of these Rules.

24(7) If the Member re-enters Eligible Employment after an interval not exceeding one month he shall not be regarded as having withdrawn from Eligible Employment and no benefit shall be payable under this Rule provided that the period between leaving and re-entering Eligible Employment shall not be regarded as Contributing Service for any purpose."

**19. Members who Cease to be Employed in an Eligible Grade – Rule 25**

(1) Rule 25 (Members who Cease to be Employed in an Eligible Grade) shall continue to apply on and after the Benefit Change Date.

**20. Short Breaks in Employment – Rule 26**

(1) Rule 26 (Short Breaks in Employment) shall continue to apply on and after the Benefit Change Date with the modifications set out below.

(2) If a person listed in paragraph 1(1) of this Appendix (Application of this Appendix) who was a DB Contributor on leaving employment re-enters employment that is Eligible Employment by reference to the UKCML Fund on or after the Benefit Change Date as a DB Contributor in the circumstances specified in sub-paragraphs (a) or (b) of Rule 26(1) (a "**Returning DB Contributor**"), the remainder of Rule 26 shall not apply to him and instead that Returning DB Contributor shall:

(a) pay contributions and accrue benefits in respect of Contributing Service2 on and after the date of his re-entry into Eligible Employment at the applicable rates then prevailing under the Rules;

(b) pay contributions in respect of the period between his leaving and re-entering Eligible Employment at the contribution rates applicable under the Rules in for that period either:

(i) as a lump sum; or

(ii) at his option, provided he is more than five years under Normal Retiring Age, spread-forward to a date five years before Normal Retiring Age.

On payment of such contributions the Returning DB Contributor will be granted additional Contributing Service1 or Contributing Service2 (as appropriate) in respect of the period between his leaving and re-entering Eligible Employment and any employer contribution paid in respect of Contributing Service credited under this sub-paragraph shall be treated as a deficiency contribution under Clause 5(3) of the Trust Deed; and

(c) not be permitted to resume payment of Added Contributions for Normal Benefits or contributions for Further Years of Family Contributing Service if he was paying these immediately before he left Eligible Employment.

(3) If a person listed in paragraph 1(1) of this Appendix (Application of this Appendix) who was a DB Contributor on leaving employment re-enters employment that is Eligible Employment by reference to the UKCML Fund after paragraph 2(2) of Part 3 applies, he shall be treated as re-entering Eligible Employment by reference to the

UKCML Fund as a DC Contributor and paragraph 5(6) of Part 3 shall apply to him accordingly.

**21. Death before Retirement – Rule 27**

(1) The following Rule shall be substituted for existing Rule 27 (Death Before Retirement) with effect from the Benefit Change Date:

"27 **DEATH BEFORE RETIREMENT**

When a DB Contributor dies before Retirement, a payment shall be made to his estate equal to the greater of:

(a) four times his Life Assurance Salary at the date of his death; and

(b) the amount of the refund of Normal and Added Contributions with compound interest;

such greater amount (together with any lump sum death benefits payable under Rule 9, 10, 11 or 12) being reduced by the amount of any lump sum death benefits paid in respect of the death of the DB Contributor from BCSSS save that there shall be no deduction in respect of a lump sum paid by the BCSSS where it results from a commutation of a dependant's pension."

**22. Alternative Application of Death Benefits – Rule 28**

Rule 28 (Alternative Application of Death Benefits) shall continue to apply on and after the Benefit Change Date.

**23. Surviving Spouse's Benefits and Children's Benefits – Rules 29 and 30**

Rules 29 and 30 shall be replaced with the following Rules with effect from the Benefit Change Date:

"29 **SURVIVING SPOUSE'S BENEFITS**

29(1) Subject as hereinafter provided:

(a) The widow of a DB Contributor who dies after retirement shall be entitled to a pension for life equal to two-thirds of the DB Contributor's pension (after taking into account any commutation under Rule 22(3)) at the time of his retirement payable in respect of Normal Benefits.

(b) The widow of a DB Contributor who dies while in service shall be entitled to a pension for life equal to two-thirds of the pension to which the DB Contributor would have been entitled to:

(i) under Rule 22(2) (Retirement at or after Normal Retiring Age) if on the day before his death the DB Contributor, having attained or passed Normal Retiring Age had retired with a "Retirement Pension" under Rule 22; or

(ii) not having attained Normal Retiring Age, had retired under Rule 23(3) (Ill-Health) on the day before his death on the assumption that he had made an application for an "Ill-Health Pension"

under Rule 23(3) on the day before his death and it had been granted on the same day.

(c) If a DB Contributor or former DB Contributor dies, without leaving a widow, the Committee may in their discretion award the pension that would have been payable to his widow if any under whichever would have been applicable of sub-paragraph (a) sub-paragraph (b) or sub-paragraph (d) of this paragraph to a person who in their opinion was financially dependent on the DB Contributor or former DB Contributor at the date of his death and who does not become entitled to benefit under Rule 30 by reference to the DB Contributor or former DB Contributor, and a person to whom such an award is made shall be treated as a DB Contributor's or former DB Contributor's widow for the purposes of the following provisions of this Rule and Rule 30.

Provided that:

(i) the limitation in sub-paragraph (e)(i) of this paragraph shall not apply to any pension awarded under this sub-paragraph (c); and

(ii) any such pension shall be subject to review by the Committee from time to time and following such review the Committee may in their discretion vary or extinguish any such pension.

(d) The widow of a former DB Contributor who has paid Family Contributions and who is entitled to a deferred benefit under Rule 24(2) and who dies shall be entitled to a pension for life equal to two-thirds of the pension which the deceased former DB Contributor would have received if on the day before his death his deferred pension had become payable Provided that in the case of a female former DB Contributor who is a Transferred BCSSS Member and who did not opt to contribute for Family Benefits under BCSSS in accordance with the provisions of Rule 14 of BCSSS and who dies her widower shall be entitled to a pension limited to two-thirds of the pension which is attributable to Family Contributory Service after 5th April 1993.

(e) (i) Notwithstanding anything in sub-paragraphs (a) and (b) of this paragraph, the pension payable under this Rule to the widow of a Member shall not be less than 1/160$^{th}$ of his Pensionable Salary1 for each year of Contributing Service1 in contracted-out employment and 1/160$^{th}$ of his Pensionable Salary2 for each year of Contributing Service2 in contracted-out employment.

(ii) For the purposes of sub-paragraph (e)(i) of this paragraph **"service in contracted-out employment"** means service in contracted-out employment within the meaning of the 1993 Act by reference to the UKCML Fund or, where a Back Service Credit has been granted in respect of the Member's accrued rights under another scheme, any service in contracted-out employment within the meaning of the 1993 Act by reference to that scheme.

(iii) Notwithstanding the provisions of sub-paragraph (b) of this paragraph, in the case of a widow of a Member who for the purposes of BCSSS was a Contributor and in Eligible

Employment on 19th June 1987, and who subsequently dies while in service, her pension when aggregated (if the member was a former BCSSS Member) with any pension payable to her under BCSSS shall not be less than that which would have been payable under the Rules of BCSSS as they had effect immediately prior to 19th June 1987 disregarding any prospective element of the pension which would have been payable under BCSSS.

29(2) If, apart from this paragraph, any woman would be entitled to more than one pension under this Rule by virtue of being the widow of more than one DB Contributor she shall be entitled to such one of those pensions as is the larger or largest, taking into account any increase under Rule 33 or such greater pension as the Committee may in their discretion determine.

29(3) If a DB Contributor has been granted immediate benefits actuarially equivalent to the Normal Benefits payable under Rule 47(1)(a) of BCSSS as it had effect on 31st December 1963 any pension payable to his widow under this Rule shall be calculated, if he dies after Normal Retiring Age, by reference to the pension that would have been payable to him under Rule 47(1)(a) of BCSSS as it had effect on 31st December 1963 on attaining Normal Retiring Age, or, if he dies before attaining Normal Retiring Age, by reference to the pension which would have been payable to him under that Rule if he had retired through ill-health the day before death disregarding any prospective element of the pension which would have been payable under BCSSS.

29(4) If a Member has been granted benefits under Rule 24(2)(b) any pension payable to his widow that is attributable to Contributing Service1 and Contributing Service2 shall nevertheless be calculated by reference to the pension that would have been payable to him had he retired at Normal Retiring Age and not by reference to the actuarial equivalent payable on earlier retirement.

29(5) The minimum rate of the widow's benefit payable under this Rule shall be £78 per annum. Any increase to the widow's benefit made to comply with this minimum rate shall be made to that part of the benefit that relates to Contributing Service1.

29(6) For the purpose of calculating a widow's pension under this Rule, in the calculation of the pension which was payable or would have been payable to a Contributor:

(i) any variation in pension resulting from the effect, either directly or upon the exercise of an option, of any of the following: Rule 34, Rule 50 and paragraph (d) of Rule 53 shall be disregarded; and

(ii) his period of Normal Contributing Service shall be treated as if it was of the same length as his period of Family Contributing Service.

29(7) For the purposes of the interpretation of this Rule in the case of a female Contributor the words "**widow**", "**woman**", and "**husband**" shall be replaced in all places where they occur respectively by the words "**widower**", "**man**" and "**wife**". In this Rule, references to "Contributor" shall unless the context

otherwise requires, be construed as including references to a Member who was formerly a Contributor.

**30. CHILDREN'S BENEFITS**

30(1) Subject as hereinafter provided, Children's benefits shall be:

(a) (i) £915.12 per annum in respect of each eligible Child for the time being of a deceased DB Contributor or if the DB Contributor has left no widow or widower or no benefit is in the course of payment under Rule 21 or Rule 29, £1,372.56 per annum in respect of each eligible Child;

(ii) The rates of benefit provided for by sub-paragraph (a)(i) whenever becoming payable in relation to any Child shall be increased on 1st January 1995 and on 1st January in each subsequent year by the same percentage as any percentage increase taking effect on the same date under Rule 33 (on the basis that the benefit under sub-paragraph (a)(i) is all attributable to Contributing Service1) and the amount of benefit payable in relation to any Child shall be calculated accordingly,

Provided that:

(I) the amount applicable in respect of any Child under this sub-paragraph shall be reduced by an amount (if any) equal to that applicable in respect of that Child for the purposes of sub-paragraph (a) of Rule 30(1) of BCSSS when the benefit falls to be calculated;

(II) the amount payable in respect of any Child under this sub-paragraph shall be reduced by the amount of any pension payable from the Mineworkers' Scheme or IWS-MPS (or either or both of them) in respect of such Child in respect of the same period but the amount of such reduction shall not result in the rate of benefit payable being less than £100 per annum in respect of the first or only eligible Child of the deceased Contributor and £95 per annum in respect of each younger eligible Child together with an additional £40 per Child per annum if the DB Contributor has left no widow or widower or no benefit is in the course of payment under Rule 29; and

(III) if subsequently a payment is made under Rule 29 for a period in respect of which an increase at the rate of £400.00 per annum (increased or reduced in accordance with either or both sub-paragraph (a)(ii) or proviso (II) above) has been paid in respect of any Child, the amount so paid may be deducted from any arrears of benefit under Rule 29.

(b) The following benefits, if greater than those provided by the last preceding sub-paragraph and in lieu thereof:

(i) where the DB Contributor died leaving no widow or widower, or where his widow or widower has died or where no benefit is in course of payment under Rule 21 or Rule 29, a pension in respect of the DB Contributor's eligible Children of an amount equal, while there is one eligible Child, to forty per cent, and while there are two

or more eligible Children, to eighty per cent of the pension which the DB Contributor either:

(I) having retired, was receiving at the time of his death; or

(II) having ceased to be a DB Contributor and being entitled to benefits under Rule 24, would have received if on the day before his death his deferred pension had become payable under whichever is applicable of paragraph (aa) or (b) of Rule 24(2); or

(III) not having retired and not having attained Normal Retiring Age, would have been entitled to if on the day before his death he had retired through ill-health under Rule 23(3) on the assumption that he had made an application for an ill-health pension under Rule 23(3) on the day before his death and it had been granted on the same day; or

(IV) not having retired but having attained Normal Retiring Age, would have been entitled to if on the day before his death he had retired under Rule 22.

(ii) Where a DB Contributor dies leaving a widow or widower, a pension during her lifetime or, during such period as a pension is in course of payment under Rule 21 or Rule 29, in respect of the DB Contributor's eligible Children of an amount equal, while there is one eligible Child, to twenty per cent, and while there are two or more eligible Children to forty per cent of the pension which the DB Contributor either:

(I) having retired, was receiving at the time of his death; or

(II) having ceased to be a DB Contributor and being entitled to benefits under Rule 24, would have received if on the day before his death his deferred pension had become payable under whichever is applicable of paragraph (aa) or (b) of Rule 24(2); or

(III) not having retired and not having attained Normal Retiring Age, would have been entitled to if on the day before his death he had retired through ill-health under Rule 23(3) on the assumption that he had made an application for an ill-health pension under Rule 23(3) on the day before his death and it had been granted on the same day; or

(IV) not having retired but having attained Normal Retiring Age, would have been entitled to if on the day before his death, he had retired under Rule 22.

(iii) The benefits payable under sub-paragraphs (b)(i) or (ii):

(I) that are attributable to Contributing Service1, shall be increased once in payment on 1st January in each subsequent year by the same percentage as any percentage increase taking effect on the same date under

Rule 33 except that where benefits have not been payable for the complete year immediately preceding 1st January in any year the increase taking effect on that 1st January shall be one twelfth of the said percentage increase for each Month (any part of a Month being regarded as a complete Month) in respect of which the benefits were payable in that year. In the event of a Child becoming entitled to benefit or of his entitlement re-commencing on a date after the Contributor's death or if earlier the day after he left Eligible Employment the rate of such benefit shall include such increases as would have taken effect if the benefit had become payable on that date and had continued to be payable at all times thereafter;

(II) that are attributable to Contributing Service2, shall be increased after they come into payment on 1st January and in each subsequent year by the amount that they would have been increased in accordance with statutory requirements if a pension had been payable to a widow. For the avoidance of doubt, the first increase shall be pro-rated.

(iv) in the case of a Member who for the purposes of BCSSS was a Contributor and in Eligible Employment on 19th June 1987 and who subsequently dies, the benefits payable under sub-paragraphs (b)(i) or (ii) when aggregated (if the Member was a Former BCSSS Member) with any Children's benefits under BCSSS shall not be less than those which would have been payable under the Rules of BCSSS as they had effect immediately prior to 19th June 1987 disregarding any prospective element of the Children's pension that would have payable under the Rules of the BCSSS.

Provided that in the case of a Former BCSSS Member who is not a Transferred BCSSS Member, the amount payable under this sub-paragraph (b) shall be adjusted (to the extent necessary) so that it is equal to an amount found by calculating the amount which would be payable in respect of the DB Contributor if he were a Transferred BCSSS Member in accordance with this sub-paragraph (b) but reduced by an amount equal to that which is payable in respect of the DB Contributor under the corresponding provisions of BCSSS.

30(2) If a Member has been granted benefits under Rule 24(2)(b) any pension payable in respect of his Children under sub-paragraph (1)(b) shall nevertheless be calculated by reference to the pension that would have been payable to him had he retired at Normal Retiring Age and not by reference to the actuarial equivalent payable on earlier retirement.

30(3) For the purposes of calculating a pension under sub-paragraph (1)(b) of this Rule in the calculation of the pension which was payable or would have been payable to a Contributor:

(i) any variation in pension resulting from the effect, either directly or upon the exercise of an option, of any of the following: Rule 34, Rule 50 and paragraph (d) of Rule 53 shall be disregarded; and

(ii) if the DB Contributor's Actual Date of Entry is before 6th April 1978 there shall be taken into account Added Years for Normal Benefits to the extent that the DB Contributor has opted for Added Years for Normal Family Benefits under Rule 6, but no part of the DB Contributor's pension attributable to any years of Contributing Service included in a Back Service Credit and not granted to him for Normal Family Benefits; and

(iii) his period of Normal Contributing Service shall be treated as if it was of the same length as his period of Family Contributing Service.

30(4) In this Rule "**eligible child**" means:

(a) a Child under the age of 18 years;

(b) a Child who has not, in the opinion of the Committee, completed his education and, as to whom, if he has attained the age of 21, there are good reasons why his education should be further prolonged; and

(c) a Disabled Child,

Provided that a Child shall not be an eligible Child during any period of service with the Armed Forces under the National Service Act 1948 or other similar enactment.

30(5) In this Rule:

(a) "**education**" means:

(i) full-time instruction at any university, school or other educational establishment; or

(ii) if the Child is the Child of a Contributor whose Actual Date of Entry is before 5th June 1980 training by any person for any trade, profession or vocation in such circumstances that the Child is required to devote the whole of his time to the training for a period of not less than two years; or

(iii) a course of the kind commonly known as a college-based sandwich course comprising alternative periods of instruction and practical training.

(b) "**Disabled Child**" means:

(i) a Child for whose maintenance the deceased DB Contributor was financially responsible at the date of his death and who was certified by the Scheme's Medical Adviser at that date, or, if later, the date of the Child's ceasing to be an eligible Child by virtue of paragraph (4)(a) or (b) of this Rule, to be, and who is for the time being as so certified from time to time, totally (or, in the case in which the Committee in their discretion so decide, partially) and permanently incapable of self-support;

(ii) at the discretion of the Committee a Child who would have been a Disabled Child by virtue of sub-paragraph (i) above had the deceased Contributor been financially responsible for his maintenance at the date of his death, if the Committee are satisfied that the Contributor had previously been, but had, at the date of death, ceased only temporarily, to be responsible for the maintenance of the Child.

(c) References to **"DB Contributor"** or **"Contributor"** shall, unless the context otherwise requires, be construed as including references to a Member who was formerly a DB Contributor or Contributor.

30(6) Benefits payable under sub-paragraph (1)(a) of this Rule and, where there is only one eligible Child, under sub-paragraph (1)(b) of this Rule may be paid at the discretion of the Committee to the Child in respect of whom they are payable or to any other person for the benefit of such Child. Benefits payable under sub-paragraph (1)(b) of this Rule shall be paid where there is more than one eligible Child, to such person as the Committee may from time to time direct, being a person from whom the Committee have received an undertaking in writing to apply the sums paid to him, without distinction, for the benefit of all the persons in respect of whom the benefits are for the time being payable. The receipt of any person to whom benefits are paid as aforesaid shall be sufficient discharge for the payment of such benefits."

**24. Maximum Family Benefits and Refund of Family Contributions – Rules 31 and 32**

Rule 31 (Maximum Family Benefits) and Rule 32 (Refunds of Family Contributions) shall continue to apply on and after the Benefit Change Date on the basis that Salary in Rule 31(1)(a) shall not exceed the Permitted Maximum.

**25. Provisions for Annual Increases – Rule 33**

(1) Rule 33 (Provisions for Annual Increases) shall apply to all pensions and frozen pensions except those attributable to Contributing Service2 which shall only increase in deferment and in payment in accordance with any applicable statutory requirements in force from time to time.

(2) Any increases granted to any part of the pension in payment attributable to Contributing Service2 shall be granted on 1 January each year or such other date as is agreed by the Committee and the Employer from time to time. For the avoidance of doubt the first increase on 1 January or otherwise after the pension comes into payment shall be pro-rated.

(3) In determining whether increases are sustainable for all Members of the UKCML Fund, account shall be taken of the impact of such increases on Salary Cap1.

**26. Allocation of Pension to Widow, Widower or Dependants – Rule 34**

Rule 34 (Allocation of Pension to Widow, Widower or Dependants) shall continue to apply on and after the Benefit Change Date.

**27. Fractions of Years – Rule 35 and Delayed Retirement – Rule 36**

Rule 35 (Fractions of Years) shall cease to apply on and after the Benefit Change Date except to the extent it is used for determining the Underpin Pension under this Appendix and where it is used in Rule 24(2)(e).

Rule 36 has already been deleted and is not used in this Appendix.

**28. Pensionable Salary – Rule 37**

The Pensionable Salary definition shall continue to be used on and after the Benefit Change Date in the definition of Pensionable Salary1. Rule 37(2)(d) shall also apply for the purposes of determining how Salary applies in Rule 31(1)(a).

**29. Contribution Equivalent Premiums Paid Under the 1993 Act – Rule 38**

Rule 38 (Contributions Equivalent Premiums Paid Under the 1993 Act) shall continue to apply on and after the Benefit Change Date.

**30. Entrants from Other Employment with Transfer Value Payments - Rule 39**

Rule 39 shall continue to apply on and after the Benefit Change Date.

**31. Entrants from IWS- MPS – Rule 40**

The following Rule 40 shall be substituted for the existing Rule 40 with effect from the Benefit Change Date:

**"40 Entrants from IWS-MPS**

40(1) Where a Member who was a contributor to or entitled to benefits under IWS-MPS having entered Eligible Employment in a grade eligible for membership of the UKCML Fund, is admitted to membership of the UKCML Fund as a DB Contributor and the Committee of Management of the IWS-MPS make to the UKCML Fund a transfer payment in respect of his accrued benefits under IWS-MPS, he shall be granted a Back Service Credit for Normal and Family Benefits actuarially equivalent in value to such transfer payment of such amount as is calculated by the Actuary on the basis that the pension credit so granted relates to benefits in the form of benefits provided under the UKCML Fund on and after the Benefit Change Date. For the purpose of calculating how the Salary Cap2 applies to any benefits so credited (but for no other purpose) the Salary Cap2 shall be calculated by reference to the Contribution Salary of the Member in the IWS-MPS in the 12 months up to the Benefit Change Date increased on the assumption that he had been a Contributor to the UKCML Fund in the Scheme from the Benefit Change Date to the date of cessation of Contributing Service2.

40(2) Where a DB Contributor whose Actual Date of Entry is before 6th April 1978:

(a) ceases to be employed in a grade eligible for membership of the UKCML Fund and is not allowed to continue as a DB Contributor under Rule 25(2) (or before Transfer Day but after 5th April 1978 ceased to be employed in a grade eligible for membership of BCSSS and was not allowed to continue as a Contributor for the purposes of BCSSS under Rule 24(2) of BCSSS); and

(b) became a Transferred MPS Member under IWS-MPS in a case in which the cessation under (a) above was before Transfer Day; and

(c) subsequently re-enters an eligible grade without having left service of the Employer,

the value of any Back Service Credit granted to him under paragraph (1) of this Rule shall not be less than the actuarial equivalent as determined by the Actuary of the value of the pension which would have been attributable to his periods of Normal and, if applicable, Family Contributing Service at the date when he was downgraded.

40(3) If on or after the date when a Member who is also entitled to benefits under IWS-MPS retires or withdraws from Eligible Employment the Committee of Management of the IWS-MPS make to the UKCML Fund a transfer payment in respect of his accrued benefits under IWS-MPS, the Committee shall pay under the UKCML Fund the benefits which would, if that transfer payment had not been made, have been payable to or by reference to him under IWS-MPS, and the provisions of Rules 54 to 61 of the UKCML Fund shall apply to any benefits so payable.

**32. Application of Rules 41 to 47**

Rules 41 to 47 shall continue to apply on and after the Benefit Change Date.

**33. Re-admission of Retired Contributors – Rule 48**

Rule 48 (Readmission of Retired Contributors) shall continue to apply (other than Rules 48(6) and 48(7)) on and after the Benefit Change Date.

**34. Application of Rules 49 to 71**

Rules 49 to 71 shall continue to apply on and after the Benefit Change Date.

**35. Application of Appendices I and II (Tables for Rule 8 Added Years)**

Appendices I and II shall no longer apply on or after the Benefit Change Date following the withdrawal of the added years options except to the extent that they are relevant for the purposes of determining Added Years granted before the Benefit Change Date.

**36. Appendix III (National Insurance Adjustments – Rule 50) and Appendix IV – Contracting out**

Appendix III shall continue to apply on and after the Benefit Change Date.

Appendix IV shall continue to apply on and after the Benefit Change Date to the extent applicable in relation to any period of contracted-out employment.

37. **Application of Appendix V – Inland Revenue Limits and Appendix VI – Rules for Pension Sharing on Divorce**

Appendix V (Inland Revenue Limits) shall continue to apply on and after the Benefit Change Date except to the extent they have been relaxed or disapplied as referred to in paragraph 1(5) (Application of this Appendix) of this Appendix.

Appendix VI (Rules for Pension Sharing on Divorce) shall continue to apply on and after the Benefit Change Date.

## PART 3 - DC MEMBERS

### 1. Applicable Provisions

The following provisions shall apply when determining the benefits payable to DC Members under this Appendix.

### 2. Right to Opt to Become a DC Member

(1) A DB Contributor may elect at any time by giving not less than one month's notice prior to the next Calculation Period (or such shorter notice period as the Committee agrees to accept) in writing to the Committee, to switch to DC Contributing Service. Any such election shall take effect from the commencement of the next Calculation Period beginning on or after 6th April 2013 or from such other date as the Committee and the Employer may allow.

(2) All DB Contributors shall (unless the Employer and the Committee agree otherwise) be treated as having elected under paragraph 2(1) to switch to DC Contributing Service with effect from the first day of the next Calculation Period if at any time prior to that Calculation Period:

(a) the standard contribution payable by the Employers of DB Members in the UKCML Fund under Clause 5(1) of the Trust Deed exceeds the Employer DB Contribution; or

(b) for any reason the UKCML Fund ceases to:

(i) satisfy the Statutory Standard or other statutory requirements in order to contract out of the State Scheme in respect of benefits accruing to or in respect of DB Contributors; and

(ii) satisfy the Auto-enrolment Requirements in respect of benefits accruing to DB Contributors.

(3) A DB Contributor who has made an election or is treated as having elected under paragraph 2(1) or is treated as having had so elected under paragraph 2(2):

(a) shall be a DC Contributor from the DC Effective Date;

(b) shall not cease to be in pensionable service under the UKCML Fund for the purposes of the 1993 Act or cease to be a Protected Employee in respect of past and future benefits by virtue of actions or treated as having taken under paragraph 2(1);

(c) shall cease to be a DB Contributor for the purposes of the Rules on the date he makes (or is treated as having made) such election; and

(d) cannot later become a DB Contributor in the UKCML Fund.

(4) The benefits of a DB Contributor who has made an election or is treated as having so elected under paragraph 2(1) shall be calculated in accordance with paragraph 3 of Part 3 of this Appendix.

**3. Effect on Part 2 Benefits on opting to become a DC Member**

(1) Subject to sub-paragraphs 3(2) and 3(3), a DC Member's benefits under Part 2 of this Appendix shall be calculated in accordance with Rule 24(2) as if he had ceased to be a DB Contributor under Rule 24(1) immediately before the DC Effective Date. All attaching spouses, dependants and children's pensions and attaching lump sum death benefits in respect of his period of Contributing Service prior to the DC Effective Date shall be calculated by reference to the provisions of this Appendix which apply to a DB Member entitled to benefits under Rule 24(2).

(2) Subject to sub-paragraph 3(3), if a DC Contributor produces evidence satisfactory to the Scheme's Medical Adviser that through bodily or mental incapacity or physical infirmity he is unlikely to be able to carry on any duties which his Employer may reasonably assign to him, and the Trustee is satisfied on the basis of advice from the Scheme's Medical Adviser that he satisfies the ill-health condition (as defined in the Finance Act 2004), he shall be entitled to an immediate pension in respect of his Contributing Service prior to the DC Effective Date to be known as the **"DC Contributor Ill-Health Pension"** calculated as follows:

**"DC Contributor Ill-Health Pension"** is an annual pension of an amount equal to the aggregate of **"A"** and **"B"** where:

**"A"** = Scale Pension1 adjusted where applicable as set out below; and

**"B"** = Scale Pension2 calculated by reference to his FS Credits accrued up to the DC Effective Date.

For the purposes of calculating **"A"**:

**"A"** shall be increased, if necessary, to ensure that the minimum pension payable under this sub-paragraph shall be at the rate of £104 per annum.

**"A"** shall then be further increased, if necessary, to ensure that the total pension payable at date of retirement is not less than the Underpin Pension.

Where a DC Member receives a pension in accordance with this sub-paragraph, no further pension shall be payable to him under Rule 24(2). All attaching spouses, dependants and children's pensions and attaching lump sum death benefits in respect of his period of Contributing Service prior to the DC Effective Date shall be calculated in the same way as if the DC Contributor Ill-Health Pension (instead of the Ill-Health Pension) had been payable under Rule 23(3) and, for the avoidance of doubt, no amount shall be payable by reference to prospective Contributing Service2.

(3) If Chapter III of Part IV of the 1993 Act applies so that the Scheme must provide a minimum pension in respect of benefits attributable to a DC Member's Contributing Service prior to the DC Effective Date (an **"anti-franking minimum"**):

(a) his "earnings" for the purposes of section 90(3) of the 1993 Act shall be his Pensionable Salary2 at the relevant time; and

(b) the anti-franking minimum will only increase the DC Member's benefits attributable to Contributing Service prior to the DC Effective Date to the extent that the application of Chapter III of Part IV of the 1993 Act results in an increase to those benefits exceeding the increase attributable to

revaluation provided under paragraph 3(1) above between the DC Effective Date and the date of cessation of the Member's DC Contributing Service.

(4) The Member must put his benefits under Parts 2 and 3 of this Appendix into payment at the same time, and must be eligible to do so at that time. Where a DC Member has the right to take benefits in respect of Contributing Service prior to the DC Effective Date he shall also be entitled to bring benefits in respect of DC Contributing Service into payment at the same time.

**4. Employee and Employer Contributions in Part 3 of this Appendix**

(1) Subject to paragraph 4(3), a DB Contributor who will become a DC Contributor under paragraph 2 shall make contributions to the UKCML Fund with effect from the DC Effective Date. The contribution shall be made at the Minimum DC Contribution Rate unless the DC Contributor notifies the Committee that he wishes to make contributions at a higher rate, expressed as a whole number percentage of his Contribution Salary. Any such notification shall be in such form as is from time to time prescribed by the Committee.

(2) A DC Contributor may change the rate at which he makes Employee DC Contributions to his Retirement Account by notifying the Committee. Any such notification shall be in such form as is from time to time prescribed by the Committee. The change shall take effect from the beginning of the next Calculation Period or from such other date as the Committee determines.

(3) A DC Contributor shall, subject to paragraph 4(5), make Employee DC Contributions:

(a) until the day on which his period of Contributing Service (including Contributing Service under the BCSSS) totals 45 complete years unless the Employer agrees that Employee DC Contributions can continue after that date;

(b) until he gives the Committee notice in such form as the Committee may require that he wishes to cease to be a DC Contributor and the notice period established by the Committee for such notices expires;

(c) until the date of making an election to put his Retirement Account into payment under paragraph 8(2); or

(d) until the date on which he ceases to be in Eligible Employment,

whichever first occurs.

A DC Member who has given notice in accordance with paragraph 4(3)(b) above may not subsequently resume payment of Employee DC Contributions.

(4) The Employer shall deduct the Employee DC Contributions from the DC Contributor's Contribution Salary and remit them to the Committee. During any period in which a DC Contributor participates in a Salary Sacrifice Facility, the Committee shall treat any contributions from the Employer paid in lieu of Employee DC Contributions as if they were Employee DC Contributions, so long as such treatment would not result in an unauthorised payment for the purposes of the Finance Act 2004.

(5) The Employer shall pay to the UKCML Fund in respect of each DC Contributor who is making Employee DC Contributions an amount equal the Employer DC Contributions.

The Employer shall also pay the amount the Committee determines is necessary to fund the lump sum life assurance benefit under paragraph 9.

(6) All contributions shall be remitted by the Employer within the time specified in the schedule of contributions in force from time to time under the Pensions Act 1995.

**5. DC Contributions during periods of absence**

(1) During any period of ordinary or paid maternity leave, ordinary or paid paternity leave, ordinary or paid adoption leave or parental leave, where this is required by statute, Employer DC Contributions shall continue to be made by the Employer by reference to the amount which the DC Member would have received by way of Contribution Salary if he had not been absent during that period. During any period of additional maternity leave, additional paternity leave or additional adoption leave or parental leave where an Employer DC Contribution is not required by statute, Employer DC Contributions shall be made by reference to the salary or earnings actually paid to the DC Member (if any) during that period unless his Employer agrees to pay Employer DC Contributions at a higher rate.

(2) A DC Contributor shall only be required to continue to contribute during any period of ordinary maternity leave, paid maternity leave, ordinary adoption leave or paid adoption leave, ordinary paternity leave and paid paternity leave on the basis of the Contribution Salary he actually receives.

(3) During any period of maternity leave, paternity leave, adoption leave or parental leave life assurance benefits shall continue to be provided under paragraph 9 of Part 3 of this Appendix calculated by reference to the Life Assurance Salary which the Employer determines would have been applicable in the 12 months before the date of death if the member had not been absent.

(4) During any period of other temporary absence (a) Employer DC Contributions shall be made on the Contribution Salary actually paid to the DC Contributor during that period unless the Employer otherwise agrees to pay at a higher rate; and (b) Employee DC Contributions shall be made on the Contribution Salary actually paid to the DC Contributor. Life assurance benefits under paragraph 9 of Part 3 of this Appendix shall be paid by reference to the Life Assurance Salary which the Employer determines would have been applicable in the 12 months up to date of death if the DC Contributor had not been absent.

(5) In this paragraph the expressions ordinary or paid maternity leave, ordinary or paid paternity leave, ordinary or paid adoption leave, parental leave, additional maternity leave, additional paternity leave or additional adoption leave shall have the meanings assigned to them by the applicable statutory provisions in which they are used.

(6) Rule 26 (Short Breaks in Employment) shall apply on and after the Benefit Change Date to DC Members with the following modifications:

(a) A person to whom paragraph 20(3) of Part 2 applies or a person listed in paragraph 1(1) of this Appendix who was a DC Contributor on leaving employment and who re-enters employment that is Eligible Employment by reference to the UKCML Fund after his DC Effective Date in the circumstances set out in paragraphs (a) or (b) of Rule 26(1) ( in each case, a **"Returning DC Contributor"**) shall pay Employee DC Contributions to his Retirement Account at the applicable rates prevailing under the Rules in respect of DC Contributing Service on and after his re-entry into Eligible

Employment and his Employer shall pay the corresponding Employer DC Contributions;

(b) where sub-paragraph (a) above applies, the Returning DC Contributor may at his option pay Employee DC Contributions in respect of the period between his leaving and re-entering Eligible Employment by reference to the amount which the Employer estimates would have been the Returning DC Contributor's Contribution Salary during that period either as

(i) a lump sum; or

(ii) at his option, by instalments over such period as agreed by the Committee,

and on receipt of such Employee DC Contributions, the Employer shall pay corresponding Employer DC Contributions on the same basis; and

(c) Where contributions are paid under (b) above the Returning DC Contributor shall be treated as not having ceased to be a Contributor on his leaving employment and no benefit shall be payable under the Scheme to or by reference to him.

**6. Retirement Account**

(1) The Committee shall maintain a Retirement Account in respect of each DC Member the value of which at any time shall consist of a notional amount equal to the aggregate of:

(a) Employee DC Contributions made by or in respect of the DC Member;

(b) Employer DC Contributions paid in respect of the DC Member;

(c) any transfer payment received by the Trustee in respect of the DC Member excluding any transfers made while they were a DB Member which resulted in them being granted defined benefits in the UKCML Fund;

(d) any other payments made to the UKCML Fund by or on behalf of the DC Member for the purposes of adding to his Retirement Account; and

(e) any investment return or loss on the amounts paid under paragraphs (a), (b) (c) or (d);

less

(i) any charges or expenses relating to the Retirement Account (through the notional unit price or as otherwise agreed by the Employer and the Trustee); and

(ii) the value of any benefits or paid from or transferred out of the Retirement Account.

(2) If all or part of the Retirement Account cannot be applied in respect of a DC Member, because Inland Revenue Limits would be exceeded or because all or any part of the Retirement Account cannot be treated as an authorised payment for the purpose of the Finance Act 2004, any assets that cannot be paid shall be available for the general purposes of the UKCML Fund.

**7. Investment of Retirement Account**

(1) The Committee shall consider at appropriate intervals, having taken proper advice in accordance with applicable statutory requirements, the investment options that are made available to DC Members under the UKCML Fund. A default option shall be offered for DC Members who do not choose an investment option.

(2) A DC Member will be invited to choose in such manner and at such times as the Committee prescribes from among the investment options offered. If the DC Member fails to choose an investment option, funds referable to his Retirement Account shall be invested in the default fund or funds from time to time made available.

(3) The Committee may from time to time withdraw an investment option. In such circumstances the Committee may direct that funds referable to Retirement Accounts be moved to alternative investments. The DC Members shall be notified and given an opportunity to choose alternative investments before such a direction takes effect.

(4) Where this paragraph 7 applies, Clause 14 of the Trust Deed (Investment) is modified to the extent necessary to enable the Committee to give effect to the preceding provisions of this paragraph.

**8. Retirement Benefits**

(1) A DC Member who is no longer in Eligible Employment:

(a) shall on his Normal Retiring Age, if he has ceased to be in service before that date, or on ceasing to be in service if he ceases to be in service after Normal Retiring Age; or

(b) may with the consent of his Employer at any time on or after Normal Minimum Pension Age or an earlier date where the Ill-health Condition is satisfied

put his Retirement Account and any benefits under Part 3 of this Appendix into payment.

(2) A DC Member who is in Eligible Employment may put his Retirement Account into payment where the Employer gives his consent and the DC Member has agreed that he will no longer be a Protected Employee.

(3) Where a DC Member who is no longer in Eligible Employment and reaches Normal Retiring Age or leaves service after Normal Retiring Age, but has not notified the Committee regarding the manner in which he wishes his Retirement Account to be applied (having been given such reasonable time as determined by the Committee to do so), the Committee may apply the Retirement Account to provide benefits at its discretion.

(4) All or part of DC Member's Retirement Account may be used to purchase a Lifetime Annuity or Scheme Pension with or without provision for a dependant continuing on death and having such other features as the DC Member notifies the Committee or is chosen by the Committee under paragraph 8(3). The DC Member must consent to the purchase of a Lifetime Annuity. Any Lifetime Annuity or Scheme Pension must be secured by an Approved Policy. The DC Member's Retirement Account may also be used to pay a lump sum in accordance with paragraph 8(5) or 8(6).

(5) The DC Member who has sufficient available Lifetime Allowance may apply up to 25% of his Retirement Account (unless the Employer agrees that a higher amount may be applied) to provide a Pension Commencement Lump Sum.

(6) All of the DC Member's Retirement Account may be paid as a lump sum which is not a Pension Commencement Lump Sum where this would be an Authorised Payment.

(7) Unless the Employer otherwise agrees, once a DC Member's Retirement Account is applied to provide benefits he will no longer be entitled to accrue further benefits in the UKCML Fund.

(8) If the Member's Retirement Account is applied to secure benefits for or in respect of the DC Member by means of an Approved Policy in the name of the DC Member or another beneficiary (and not in the name of the Trustee) the Trustee and the Committee shall have no further liability in relation to the provision of any benefits so secured.

(9) In this paragraph the expressions Authorised Payment, Ill-health Condition, Lifetime Annuity, Lifetime Allowance, Normal Minimum Pension Age, Pension Commencement Lump Sum and Scheme Pension shall have the same meanings as in the Finance Act 2004.

**9. Life Assurance Benefits**

(1) Subject to paragraph 9(2) and any election under Rule 28 (Alternative Application of Death Benefits), on the death of a DC Contributor, the Committee shall pay a lump sum equal to four times his Life Assurance Salary at date of death plus the value of his Retirement Account, less the amount of any lump sum death benefits payable under Part 2 of this Appendix and the BCSSS to the DC Member's estate.

(2) The payment of the death benefit of up to four times Life Assurance Salary at the date of death is subject to the terms of the insurance under which it is insured and is subject to the availability of insurance at reasonable rates.

(3) Subject to any election under Rule 28 (Alternative Application of Death Benefits), if a DC Member who is not a DC Contributor or as at the date of death dies while his Retirement Account is retained in the UKCML Fund, the value of his Retirement Account shall be paid to his estate.

(4) Benefits earned as a DB Member while in Contributing Service1 or Contributing Service2 shall be paid in accordance with the applicable provisions of Rule 29 or 30.

**10. Part 3 Benefits on leaving DC Contributing Service**

If a DC Member ceases to be a DC Contributor, his Retirement Account shall be retained in the UKCML Fund until it is transferred under Rule 45 or otherwise or paid in accordance with paragraph 8 or 9(3).

**11. Death in Retirement**

After the DC Member's Retirement Account has been put into payment under paragraph 8, his benefits built up as a result of Employee and Employer DC Contributions made during his period of DC Contributing Service, shall be governed by the terms of the Approved Policy taken out in respect of the DC Member's benefit.

**12. Partial Transfer Option**

(1) In addition to any right under Rule 45 or otherwise to transfer all a DC Member's benefits, a DC Member may, if he has ceased to be in DC Contributing Service, but has not yet brought his pension into payment and the Committee consents, transfer the value of his Retirement Account and the AVC Scheme to another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme as long as any such transfer can be treated as a Recognised Transfer for the purposes of the Finance Act 2004. The DC Member's pension attributable to Contributing Service1 and Contributing Service2 will continue to be payable under Rule 24. On such a partial transfer being made the Committee and the Trustee shall be discharged from any further liability to provide benefits to or in respect of the DC Member in relation to his Retirement Account and AVC Scheme.

(2) Inland Revenue Limits are relaxed and disapplied to the extent necessary to permit a partial transfer to be made.

(3) In this paragraph the expressions Registered Pension Scheme, Qualifying Recognised Overseas Pension Scheme and Recognised Transfer shall have the same meanings as in the Finance Act 2004.

**13. Application of the remainder of the Rules to DC Members**

(1) The following Rules shall also continue to apply to DC Members:

(a) Alternative Application of Death Benefits (Rule 28);

(b) Transfers and Buy-outs (Rule 45);

(c) General Discretion of Employer and Committee (Rule 49);

(d) National Insurance (Rule 50);

(e) Liability for Taxes on Death (Rule 51);

(f) Method of Calculating Interest (Rule 52);

(g) Contributions accumulated as a Loan Against Normal Benefits (Rule 53);

(h) Evidence of Life of a Pensioner (Rule 54);

(i) Address of a Pensioner (Rule 55);

(j) Payments of Superannuation Benefits (Rule 56);

(k) Deduction in Respect of Income Tax from Refunds of Contributions (Rule 57);

(l) Fraudulent Contributors' Rights to Benefits (Rule 58);

(m) Superannuation Benefits Not Assignable (Rule 59);

(n) Mental Incapacity of Pensioner (Rule 60);

(o) Payment to Personal Representatives or Dependants (Rule 61);

(p) Payments to Nominees of Contributors who Die Before Retirement (Rule 62);

(q) Copies of Trust Deed and Rules and Explanatory Literature (Rule 63);

(r) Notices (Rule 64);

(s) Forms (Rule 65);

(t) Determination of Medical Questions (Rule 66);

(u) Limitation on Benefits (Rule 67);

(v) Supply of Information to BCSSS (Rule 68);

(w) Pension Sharing on Divorce (Rule 69);

(x) Prevention of Discrimination on Grounds of Age (Rule 70);

(y) Salary Sacrifice and Limitation on Benefits (Rule 71);

(z) Appendix I and II – to the extent applicable before the Benefit Change Date;

(aa) Appendix III (National Insurance Adjustments – Rule 50) – to the extent applicable to the benefits accrued as a DB Member;

(bb) Appendix IV – (Contracting out) to the extent applicable in relation to any period of contracted-out employment as a DB Member;

(cc) Appendix V (Inland Revenue Limits); and

(dd) Appendix VI (Rules for Pension Sharing on Divorce).

## SCHEDULE 2

## LETTER FROM UKCML TO THE TRUSTEE REGARDING PENSIONABLE BONUSES

**UK COAL PLC**
Harworth Park, Blyth Road, Harworth
Doncaster, South Yorkshire DN11 8DB
Tel: 01302 751751 Fax: 01302 752420
www.ukcoal.com

29 September 2008

The Trustees of the Industry-Wide
Coal Staff Superannuation Scheme
C/O John Haigh
Coal Pension Trustees Services Limited
Hussar Court
Hillsborough Barracks
Sheffield
S6 2GZ

RECEIVED
01 OCT 2008
Coal Pension Trustees

Dear Trustees

INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME ("IWCSSS") - UK COAL

UK Coal has introduced new benefits for some of its employees in the form of overtime allowances and bonuses (the "Payments"). The Payments have been introduced over the past 12 months and UK Coal would like these Payments to be pensionable under the IWCSSS in respect of the period after these Payments start to be paid. The employees have already started to pay contributions on these Payments, which are paid over to Aon in the usual manner.

UK Coal has been informed by Lovells that the Payments cannot be pensioned for this limited period simply by using the employer's discretion to include them in the definition of Pensionable Salary. An amendment to the Rules will, therefore, be required. UK Coal anticipates that the new rule will operate in a similar way to Rule 9 (contributions on attendance bonus payments).

In the meantime, UK Coal would like to exercise its power under Rule 49 to grant additional benefits to those members who are paying contributions on the Payments. Under Rule 49 UK Coal is required to pay to the Scheme the additional cost of these benefits in such manner as the Trustees decide after consulting the actuary. We propose to pay contributions in respect of these benefits at the same rate as the cost of accrual of ongoing benefits as assessed by the actuary in the last signed valuation.

Set out below are details of the different Payments that have been introduced and the pension benefits UK Coal wishes to grant in respect of those Payments.

1. Management Staff - Overtime

   A Colliery Overtime Allowance (the "Allowance") of £5150.50 per annum has been introduced for line management. It is paid in 12 equal monthly instalments and will be increased in line with RPI from the 1st January each year.

The Allowance is only pensionable for:

(a) line managers who have previously elected to pay contributions on any attendance bonus payments; and

(b) line managers who did not previously have an opportunity to make such an election and who have made such an election.

A member shall be granted a pension of 1/60th of the Allowance paid in the last year of Service for each year and fraction of a year in which the member paid contributions on the Allowance.

2. Officials and Assistant Engineers - Overtime

Overtime payments were re-introduced for these employees in 2007. The Overtime is calculated on different reference periods depending on the colliery at which the member works.

Overtime is only pensionable for:

(a) officials and assistant engineers who have previously elected to pay contributions on any attendance bonus payments; and

(b) officials and assistant engineers who did not previously have an opportunity to make such an election and who have made such an election.

The member shall be granted pension in respect of the Overtime calculated in the following way. The member's Average Overtime payments will be calculated by increasing Overtime payments paid in years prior to the year of retirement to reflect the increase in the Retail Price Index since the Overtime payments were made. All the Overtime payments (increased to reflect inflation) will be aggregated. The sum of the aggregated Overtime payments will be divided by the number of years and fraction of a year in the period starting with the date on which contributions on Overtime commenced and ending on the earliest of the date the member retired, died, left service, or withdrew from the Scheme (the "Relevant Period"). Members are granted 1/60th of the Average Overtime for each year and fraction of a year in the Relevant Period.

If a member paid contributions on overtime payments prior to 2007 any pension benefits accruing in relation to this earlier period will be calculated separately from the benefits arising from Overtime payments (in accordance with the current IWCSSS Rules).

3. Management Staff Bonus (the "Staff Bonus")

In 2008 UK Coal introduced a bonus system for management under which participants are eligible for bonuses on a quarterly and annual basis. The quarterly bonuses are pensionable but the annual bonus is not. It is automatically pensionable for all employees (i.e. they must pay contributions on it).

The member shall be granted pension in respect of the Staff Bonus calculated in the following way. The member's Average Staff Bonus payments will be calculated by increasing Staff Bonus payments paid in years prior to the year of retirement to reflect the increase in the Retail Price Index since the Staff Bonus payments were made. All the Staff

Bonus payments (increased to reflect inflation) will be aggregated. The sum of the aggregated Staff Bonus payments will be divided by the number of years and fraction of a year in the period starting with the date on which contributions on Staff Bonus commenced and ending on the earliest of the date the member retired, died, left service or withdrew from the Scheme (the "Relevant Period"). Members are granted 1/60th of the Average Staff Bonus for each year and fraction of a year in the Relevant Period.

4. Officials and Assistant Engineers - Bonus

The Bonus pays a maximum of 3% per month of the average annual Colliery Grade 1 mineworker. An employee's eligibility to receive a Bonus payment is assessed quarterly against set criteria. The Bonus, however, is paid monthly and is automatically pensionable for all employees.

The pension granted to a member in respect of the Bonus is calculated in the same way as in 3 above and the member is granted 1/60th of the Average Bonus for each year and fraction of a year in the Relevant Period.

5. Clerical/MPIS Recognition Award

The Recognition Award is assessed twice a year and then paid for the following 6 months i.e. it is fixed on a 6 monthly basis. This benefit is automatically pensionable for all employees.

The pension granted to a member in respect of the Recognition Award is calculated in the same way as in 3 above and the member is granted 1/60th of the Average Recognition Award for each year and fraction of a year in the Relevant Period.

In each of the above cases the calculation of the pension benefit will be separate and additional to the calculation of any other pension benefits under the Rules. UK Coal will liaise with Aon regarding the data required by Aon to calculate these benefits.

Please contact myself or Norman Haslam if you have any questions regarding the Payments and how pension benefits accrue. We should be grateful for your confirmation that UK Coal's proposal regarding the funding of these benefits is acceptable to the Trustees.

Yours sincerely

D Brocksom
FINANCE DIRECTOR

## SCHEDULE 3

## LETTER FROM UKCML TO THE TRUSTEE REGARDING CONTRACTUAL AGREEMENT AS TO TREATMENT OF MANAGEMENT STAFF BONUS

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme in order to remove the requirement to consult the Co-ordinator in relation to the determination of the amounts of Internal Transfer Payments.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with the Trustee regarding the amendment to the Trust Deed and Rules set out below (as evidenced by the Committee's signature on this resolution). The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

2. **RESOLUTION**

With effect on and from the date of this Resolution, the Trust Deed and Rules shall be amended by deleting the words "the Co-ordinator," from Clause 12(2)(ii) of the Trust Deed.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

.....
On behalf of the Committee

.....30/12/12.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

.....6/3/12.....
Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 **Background**

(a) UK Coal Mining Limited ("**UKCML**") is the sole participating employer in the UK Coal Employer's Fund within the Scheme (the "**UKCML Fund**").

(b) Benefits for service in the UKCML Fund on and after 29 December 2011 (the "**Benefit Change Date**") were modified pursuant to resolution IWCSSS/RA/4 and, in particular, in accordance with the terms set out in Appendix VII to the Rules as introduced by that resolution. These modifications included the introduction of an underpin pension calculated for a relevant Member as if he had ceased to be a Contributor on the day before the Benefit Change Date, and revalued between the Benefit Change Date and the earlier of the Member's Normal Retiring Age, date of retirement or death.

(c) The Trustee and UKCML wish to amend the Rules with effect on and from the Benefit Change Date so that the applicable rate of revaluation on the underpin pension described above will be the greater of Revaluation Increase1 (as defined in the Rules) or the rate that applied under Rule 33.4 as that Rule applied immediately before the Benefit Change Date.

1.2 **Amendments**

(a) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and the Rules subject to certain restrictions which are not relevant to the amendments set out below.

(b) Clause 46 of the Trust Deed permits amendments to take effect from a past date if the Co-ordinator so determines.

(c) Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

(d) The Co-ordinator and the Committee are satisfied that the proposed amendments do not constitute Regulated Modifications.

(e) The Co-ordinator has agreed to make the amendment as set out below and has consulted with the Trustee about them (as evidenced by the Co-ordinator and Committees' signatures on this resolution).

2. **RESOLUTION**

With effect on and from the Benefit Change Date the defined term "Underpin Pension" in paragraph 1(3) of part 1 (Definitions) of Appendix VII of the Rules will be deleted in its entirety and replaced by the following new defined term "Underpin Pension":

""**Underpin Pension**" means, in relation to a person who is or was a Contributor on the day before the Benefit Change Date, the amount that would have been his frozen pension (excluding any additional pension payable under Rules 9 to 13) if he had ceased to be a Contributor on the day before the Benefit Change Date on the assumption that Rule 35 (Fractions of Years) applies if he does not have a number of complete years of Contributing Service on that date, increased by applying Revaluation Increase1 or

revaluation under Rule 33.4 as it applied immediately prior the Benefit Change Date, whichever is the greater, from the Benefit Change Date to the earlier of his Normal Retiring Age, date of retirement, or death."

It is HEREBY CONFIRMED by the Committee that the Co-ordinator has consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

K. Jones
.....
On behalf of the Committee

12/6/2012
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

25/7/12
.....
Date

WE HEREBY CERTIFY THAT THIS IS
A TRUE COPY OF THE ORIGINAL
Hogan Lovells International LLP

HOGAN LOVELLS
INTERNATIONAL LLP
ATLANTIC HOUSE
HOLBORN VIADUCT
LONDON EC1A 2FG

18/12/

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 **Background**

(a) UK Coal Mining Limited ("**UKCML**") is the sole participating employer in the UK Coal Employer's Fund within the Scheme (the "**UKCML Fund**").

(b) Benefits for service in the UKCML Fund on and after 29 December 2011 (the "**Benefit Change Date**") were modified pursuant to resolution IWCSSS/2011/RA4. These modifications included the introduction of specific rules relating to additional benefits in respect of certain bonuses, allowances and overtime payments. Prior to the Benefit Change Date these additional benefits were provided for relevant Members under a direction under Rule 49(1) and a letter dated 29 September 2008. The modifications of the rules replaced that direction in so far as it applied to relevant Members.

(c) The Trustee and UKCML now wish to amend the Rules relating to these additional benefits with effect on and from the Benefit Change Date, in order to clarify the calculation methods in respect of the Underpin Uplift and Management Staff Pensionable Overtime Allowance within the Adjusted Deferred Additional Amount included in Scale Pension1. The Trustee and UKCML also wish to reintroduce flexibility to pay an unreduced spouse's pension where a Member has taken flexible retirement under Rule 22A and to amend the way in which Ex Spouse Participants' pensions are increased in deferment and in payment.

1.2 **Amendments**

(a) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and the Rules subject to certain restrictions which are not relevant to the amendments set out below.

(b) Clause 46 of the Trust Deed permits amendments to take effect from a past date if the Co-ordinator so determines.

(c) Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

(d) The Co-ordinator and the Committee are satisfied that the proposed amendments do not constitute Regulated Modifications.

(e) The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting-out) Regulations 1996 that he is satisfied that if the amendments are made to the UKCML Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

(f) The Co-ordinator has agreed to make the amendment as set out below and has consulted with the Trustee about them (as evidenced by the Co-ordinator and Committees' signatures on this resolution).

2. **RESOLUTION**

2.1 With effect on and from the Benefit Change Date, Appendix VII of the Rules will be amended by:

(a) deleting paragraph (c) of the defined term "Adjusted Deferred Additional Amount" in paragraph 1(3) of Part 1 (Definitions) of that Appendix in its entirety and replacing it with the following new paragraph (c) of that defined term:

"(c) in relation to the Management Staff Pensionable Overtime Allowance, an amount equal to A/B, where A is the aggregate of the sum of all Management Staff Pensionable Overtime Allowances that are from time to time pensionable and are paid in a calendar year increased by the percentage ratio (calculated to the nearest place of one decimal) by which the cost of living index as defined in Rule 33(5) last published before the end of that year in which the overtime payments were made was exceeded by the last index published before the earliest of the date of retirement, cessation of Contributing Service or death and B is the number of years (and part years) starting on the date contributions on Management Staff Pensionable Overtime Allowance commenced and ending on the day before the Benefit Change Date."

(b) deleting the defined term "Underpin Uplift" in paragraph 1(3) of Part 1 (Definitions) of that Appendix in its entirety and replacing it with the following new defined term "Underpin Uplift":

"**Underpin Uplift**" means, in relation to any person who is or was a Contributor on the day before the Benefit Change Date, who retires after his Normal Retiring Age, such uplift as the Actuary determines would produce benefits actuarially equivalent at his date of retirement to those which would have been payable if a pension equal to his Underpin Pension had come into payment at Normal Retiring Age or the Benefit Change Date if later."

(c) deleting paragraph (3) of Rule 22A of Part 2 (DB Members) of that Appendix and replacing it with the following new paragraph (3):

"(3) On the death of a Member entitled to a Flexible Retirement Pension under this Rule attaching death in retirement benefits shall be calculated in the same way as for Retirement Pensions under Rule 22 Provided that where the Member retired before his Normal Retiring Age the Early Retirement Reduction1 and 2 applied to his pension may, if the Member obtains the agreement of the Committee, either be calculated on the basis that the attaching death in retirement benefits would be based on his unreduced pension or on his reduced pension. A Member may commute part of his "**Flexible Retirement Pension**" to provide a lump sum on the basis set out in Rule 22(3), but having regard to whether or not any attaching death in service benefits would be based on a reduced or unreduced pension."

(d) deleting paragraph 34 of Part 2 (DB Members) of that Appendix and replacing it with the following new paragraph 34:

"34. **Application of Rules 49 to 68**

Rules 49 to 68 shall continue to apply after the Benefit Change Date."

2.2 With effect from the date of this resolution, Appendix VII of the Rules will be amended by:

(a) inserting the following new paragraph 34A between paragraphs 34 and 35 in Part 2 (DB Members) of that Appendix:

"34A – **Pension Sharing on Divorce – Rule 69**

(1) Rule 69(1) to (4) shall continue to apply after the Benefit Change Date.

(2) Any pension payable to an Ex-Spouse Participant from the Scheme shall be increased:

i. where that pension was granted before the date of this resolution, each year in accordance with Rule 33; or

ii. where that pension was granted on or after the date of this resolution, in deferment and in payment in accordance with any applicable statutory requirements in force from time to time.

(3) Rule 69(6)-(9) shall continue to apply after the Benefit Change Date.

(b) Inserting the following new paragraph 34B between new paragraph 34A (as inserted above) and paragraph 35 in Part 2 (DB Members) of that Appendix:

**"34B Application of Rules 70 to 71**

Rules 70 to 71 shall continue to apply after the Benefit Change Date."

2.3 This resolution may be executed in any number of counterparts each of which is an original but all of which when taken together shall constitute a single instrument.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator has consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

K. Jones
.....
On behalf of the Committee

6th December 2012
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

.....
Date

(a) inserting the following new paragraph 34A between paragraphs 34 and 35 in Part 2 (DB Members) of that Appendix:

"34A – **Pension Sharing on Divorce – Rule 69**

(1) Rule 69(1) to (4) shall continue to apply after the Benefit Change Date.

(2) Any pension payable to an Ex-Spouse Participant from the Scheme shall be increased:

i. where that pension was granted before the date of this resolution, each year in accordance with Rule 33; or

ii. where that pension was granted on or after the date of this resolution, in deferment and in payment in accordance with any applicable statutory requirements in force from time to time.

(3) Rule 69(6)-(9) shall continue to apply after the Benefit Change Date.

(b) Inserting the following new paragraph 34B between new paragraph 34A (as inserted above) and paragraph 35 in Part 2 (DB Members) of that Appendix:

**"34B Application of Rules 70 to 71**

Rules 70 to 71 shall continue to apply after the Benefit Change Date."

2.3 This resolution may be executed in any number of counterparts each of which is an original but all of which when taken together shall constitute a single instrument.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator has consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

.....
On behalf of the Committee

.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

6th December 2012
Date

HEREBY CERTIFY THAT T
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Hogan Lovells International LL
HOGAN LOVELLS
INTERNATIONAL LL
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ON EC1A 2FG
14/12/20

**RESOLUTION UNDER SECTION 229 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

This Resolution is made on 7 December 2012

1. **RECITALS**

(A) UK Coal Mining Limited (**"UKCML"**) is the sole participating employer in the UK Coal Employer's Fund of the Scheme (the **"UKCML Section"**). Benefits for service in the UKCML Section on and after 29 December 2011 were modified in accordance with the terms set out in Appendix VII to the Scheme's Trust Deed and Rules (the **"Modified Basis"**).

(B) The UK Coal plc group is undergoing a restructuring, under the terms of which all of the Contributors in the UKCML Section (the **"Transferring Employees"**) transferred to the employment of UK Coal Operations Limited (the **"Employer"**) by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (the **"Transfer"**) on 8 December 2012 (the **"Transfer Date"**).

(C) As a result, a new Single Employer's Fund was established in the Scheme (the **"UKC Operations Section"**) by deed of adherence dated 8 December 2012. All of the Transferring Employees transferred to the UKC Operations Section of the Scheme in respect of benefits accrued on and from the Transfer Date.

(D) The Trustees consider that there is an argument that the Modified Basis of accrual will no longer apply to the Transferring Employees on and from the Transfer Date and that the basis of accrual applicable to the Transferring Employees before 29 December 2011 (the **"Old Basis"**) may apply instead. This is because the Transferring Employees are all Protected Persons under the Coal Industry (Protected Persons) Pensions Regulations 1994 (the **"Protected Persons Regulations"**) which provide protection in the event of a change of employer and the operation of the Protected Persons Regulations in that event is unclear.

(E) The Trustees have prepared a Schedule of Contributions in respect of the contributions due in respect of the Old Basis. A copy of the Trustees' letter is appended to this Resolution at Schedule 1.

(F) The Employer has refused to agree to sign a Schedule of Contributions prepared on the Old Basis. The Employer has sent a letter to the Trustees to this effect in the form appended to this Resolution at Schedule 2.

(G) The Trustees consider that it is not possible within the prescribed time to obtain the Employer's agreement to contribute at a rate which is sufficient to fund accrual in the UKC Operations Section on the Old Basis. The Trustees therefore wish to exercise the power afforded to them under section 229(2) of the Pensions Act 2004. This permits the Trustees, with the Employer's agreement (as evidenced by its execution of this Resolution) by resolution to modify the Scheme as regards the future accrual of benefits such that accrual in the UKC Operations Section will be calculated on the Modified Basis.

(H) As required by section 229(5) of the Pensions Act 2004, the Trustees will report the failure to agree to the Pensions Regulator.

(I) The Employer has notified the Trustees that it has been unable to consult with active members on this matter as it is required to do under section 259 of the Pensions Act 2004 due to the short timescales involved in the restructuring. Although the Pensions Regulator has not formally dispensed with this consultation requirement, it has notified the Trustees

that it accepts the view that the urgent timescale of the restructuring means the consultation requirements cannot be satisfied in these circumstances. The Trustees are satisfied that they have taken all reasonable steps to secure compliance and that the Employer has provided as much information as possible to those affected in the time available. A copy of the correspondence between the Trustees and the Pensions Regulator is appended to this Resolution at Schedule 3.

(J) The parties are satisfied that, on taking effect, the modifications being made by this Resolution will not adversely affect the subsisting rights of any member of the Scheme or of any survivor of a member of the Scheme for the purposes of section 67A of the Pensions Act 1995 and section 229(3) of the Pensions Act 2004.

(K) The Actuary has confirmed to the Trustees for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the UKC Operations Section, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

2. **RESOLUTION**

2.1 With effect on and from the date of this Resolution, the Trustees (in exercise of their powers under 229(2) of the Pensions Act 2004) hereby resolve to modify accrual in the UKC Operations Section so that it will be provided on the basis set out in Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

.....

For and on behalf of the Trustees

.....

Date 7 December 2012

.....

For and on behalf of UKC Operations Limited

.....

Date 7 December 2012

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed to modify the procedures for convening and holding meetings of Members, and in particular to:

(a) facilitate easier voting by proxy by providing that votes will be conducted by poll vote unless the Committee determines otherwise; and

(b) provide that valid proxies will count towards the quorum of Extraordinary Meetings.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules subject to certain restrictions which are not relevant to the amendments made by this resolution. Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed set out below (as evidenced by the Committee's signature on this resolution). The Committee is satisfied that the proposed amendments do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this Resolution, the Trust Deed will be amended as set out in the Schedule to this Resolution.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.



.....

On behalf of the Committee

1/6/2013

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.



.....

On behalf of the Co-ordinator

30.01.2013.

.....

Date

## SCHEDULE

## RULE AMENDMENTS

1. Clause 22 of the Trust Deed will be deleted in its entirety and replaced by the following new clause 22:

"22. **COMMITTEE TO PRODUCE ACCOUNTS AT ANNUAL MEETING OR UPON REQUEST**

The Committee shall cause the most recent Statement of Accounts and the Auditors' Report thereon, together with the Committee's Report on the working of the Scheme, for the period covered by those Accounts, to be produced to the Members assembled at the next following Annual Meeting (if any) or handed or sent to any Member who is entitled to disclosure of these under regulations made under section 113 of the 1993 Act or section 41 of the Pensions Act 1995.".

2. Clauses 29 to 43 inclusive of the Trust Deed will be deleted in their entirety and replaced with the following new clauses 29 to 43 inclusive:

"29. **ANNUAL MEETINGS**

At least once per calendar year the Committee will invite Members to express a wish to attend an Annual Meeting. If:

(a) at least 25 Members express a wish to attend an Annual Meeting in response to that invitation; and

(b) the quorum requirements set out in clause 34 are satisfied when the Meeting proceeds to business,

the Committee shall convene and hold an Annual Meeting in accordance with clause 32 below, which shall be held at such place and such time and for such purposes as the Committee determines from time to time including without limitation receiving a Report from the Committee and the Annual Statement of Accounts. Non-receipt by one or more Members of the Committee's request for them to express a view under (a) above will not invalidate a decision that an Annual Meeting is not required under this Clause. An Annual Meeting will constitute a General Meeting of the Members for the purposes of the Scheme.

30. **NOTICE OF RESOLUTION**

A Member may propose a Resolution at an Annual Meeting provided that he applies in writing to the Secretary setting out the proposed Resolution at least two weeks before the anticipated date of that Meeting (or within a shorter period before that Meeting if the Committee permits).

31. **EXTRAORDINARY MEETINGS**

(1) An Extraordinary Meeting:

(a) may be convened at any time by the Committee; and

(b) must be convened within 21 days if the Secretary receives a requisition, stating the purpose for which the Meeting is desired,

signed by not less than 10 Members whose benefits are provided under the same Employer's Fund within the Scheme. If there are less than 10 Members in relation to a particular Employer's Fund, a requisition will be valid for the purposes of this Clause if signed by a simple majority by number of the Members whose benefits are provided under that Employer's Fund.

(2) An Extraordinary Meeting shall be held at such place and time as the Committee shall appoint. It will constitute a General Meeting of the Members for the purposes of the Scheme.

(3) No business shall be transacted at an Extraordinary Meeting unless the general nature of that business has been described in a notice under clause 32.

32. **NOTICE OF AND ENTITLEMENT TO ATTEND GENERAL MEETINGS**

(1) The following people will be entitled to notice of, and to attend, a General Meeting:

(a) in the case of an Annual Meeting, all Members;

(b) in the case of an Extraordinary Meeting, those Members who will, in the opinion of the Committee, be affected by the Resolutions to be proposed at that Meeting;

(c) each member of the Committee (whether a Member or not); and

(d) any other person that the Committee in its discretion decides.

(2) The Secretary shall give the following notice, in such manner as the Committee may determine from time to time, but in accordance with clause 32(3):

(a) not less than one calendar month's notice of an Annual Meeting; and

(b) not less than seven days' notice of an Extraordinary Meeting.

(3) Any notice under this clause must specify the date, place and hour appointed for the General Meeting, the general nature of the business to be transacted at that Meeting, and the manner in which the Committee has determined voting will be conducted under clause 37(4) (and in particular whether poll voting will not be allowed).

(4) The non-receipt by a Member of notice of any General Meeting shall not invalidate the proceedings at that Meeting.

(5) Except for the requirements of clauses 32(2) and 32(3), the Committee shall have full discretion in determining the manner in which notice of any General Meeting or any resolution proposed by a Member under clause 30 shall be given and (without prejudice to the generality of the foregoing) may determine that the same shall be given by the delivery (by post, electronic communication or otherwise) of individual notices or by advertisement or by the exhibition of notices in printed or electronic form

or otherwise and may determine that such notice be given in one manner to some class or group of Members and in another manner to another class or group of Members.

33. **CHAIRMAN OF MEETINGS**

The Chairman of the Committee or, if he be not present, the Deputy Chairman, or failing him a Co-ordinator's Committee-member selected by the Committee, shall be the Chairman of every General Meeting.

34. **QUORUM AT MEETINGS**

(1) The quorum for a General Meeting will be:

(a) in the case of an Annual Meeting, not less than 25 Members who are present in person; and

(b) in the case of an Extraordinary Meeting, not less than 10 per cent by number of the total number of Members who were entitled to notice of that Meeting under clause 32(1) and who are present either in person or by proxy under clauses 39 and 40.

(2) No business (except the adjournment of the Meeting) shall be transacted at any General Meeting unless a quorum is present when the Meeting proceeds to business.

35. **ADJOURNMENT IN ABSENCE OF QUORUM**

If within thirty minutes from the time appointed for the holding of a General Meeting a quorum is not present that Meeting shall be dissolved.

36. **RESOLUTIONS AT MEETINGS**

The result of a vote or the carrying of a Resolution as declared by the Chairman of a General Meeting shall be deemed to be the result of the vote or a Resolution (as appropriate) of that Meeting. If the Committee establishes that a person voting in a particular capacity has cast a vote held in that capacity more than once, only one of those votes will be counted towards the result.

37. **VOTES AT MEETINGS**

(1) Each Member who is entitled to be given notice of and attend a General Meeting will have one vote on any Resolutions proposed at that Meeting.

(2) Each Co-ordinator's Committee-member will have one vote at a General Meeting.

(3) In case of an equality of votes the Chairman of the Meeting shall have a second or casting vote.

(4) Votes may be cast in person, by post or by proxy. Each Resolution proposed at a General Meeting will be decided by a poll vote unless the Committee determines otherwise and has given notice of that determination in the notice of the Meeting under Clause 32(2). The Committee may allow more than one method of voting in relation to a

Resolution, but this shall not entitle a person voting in a particular capacity to cast any vote held in that capacity more than once.

38. **POLL VOTES – HOW TO BE CONDUCTED**

A poll vote will be conducted as a secret ballot unless the Committee determines otherwise and gives prior notice to the Members entitled to vote at that General Meeting.

39. **PROXIES**

(1) A Member may appoint a proxy to vote on his behalf at a General Meeting. Such appointment shall be in such form as shall be prescribed or approved from time to time by the Committee and shall be signed by the Member appointing the proxy and addressed to the Secretary at the Scheme's normal address for correspondence or such other address as the Committee may specify from time to time. Any instrument of proxy reaching the specified address less than 24 hours before the time appointed for holding the Meeting will be invalid. The instrument of proxy may, but need not, allow the Member to instruct the proxy how the Member's vote must be cast.

(2) The Chairman of the General Meeting will be the Member's proxy under this clause, unless in his instrument of proxy, the Member has specified another person to act as his proxy and that person attends the relevant Meeting.

(3) A person who is a proxy under this clause will, on a poll vote, have one vote for each Member for whom he is proxy. A Member or Committee member who is present and is proxy for one or more other Members will (if entitled to vote) have one vote for himself and one vote for each Member for whom he is proxy. Votes cast votes in the capacity of proxy shall only be counted on a poll vote.

(4) In the case of an Extraordinary Meeting, any person who is a proxy under this clause will count towards the quorum of that Meeting as if each appointing Member for whom he is proxy were himself present and counting towards the quorum at that Meeting.

40. **REVOCATION OF PROXY**

An appointment of a proxy under clause 39 shall be valid unless it is either:

(i) permanently revoked or temporarily suspended by a notice in writing from the appointing Member and addressed to, and received by, the Secretary; or

(ii) temporarily suspended by the attendance of the appointing Member at a General Meeting.

41. **ADJOURNMENT OF MEETINGS**

The Chairman of a General Meeting at which a quorum is present may, with the consent of the Meeting, adjourn the Meeting to any hour of the same or to a later

day. Whenever a General Meeting is adjourned for 10 days or more, notice of the adjourned Meeting shall be given in such manner as the Committee determines, to include at least the date, place and time at which the adjourned Meeting will take place. No business shall be transacted at an adjourned Meeting other than the business which might have been transacted at the Meeting from which the adjournment took place.

42. **MINUTES OF MEETINGS**

Minutes of the proceedings of every General Meeting shall be recorded by the Secretary in a book or other appropriate record kept for that purpose and such minutes shall be signed by the Chairman of such Meeting or failing him, by two other members of the Committee present at the General Meeting and such minutes when so recorded and signed shall, in the absence of proof of error, be conclusive evidence of such proceedings.

43. **POWERS OF MEETINGS**

The Members in General Meeting shall have no powers except such as are conferred upon them expressly or by implication by the Scheme."

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**RESOLUTION UNDER SECTION 229 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

This Resolution is made on 9 July 2013

1. **RECITALS**

(A) UK Coal Operations Limited (**"UKCOL"**) is the sole participating employer in the UK Coal Operations Limited Employer's Fund of the Scheme (the **"UKCOL Fund"**).

(B) The UKCOL Fund was established by a deed of adherence dated 8 December 2012 during a restructuring of the UK Coal group known as "Project Juniper", under which the employment of all the Contributors in the UK Coal Mining Limited Employer's Fund (the **"UKCML Fund"**) transferred to UKCOL on 7 December 2012 by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (**"TUPE"**). In line with that transfer of employment, the transferring employees transferred to the UKCOL Fund of the Scheme in respect of benefits accrued on and from 7 December 2012. In addition, the past service liabilities of these employees also transferred to the UKCOL Fund.

(C) While members of the UKCML Fund of the Scheme, the transferring employees' benefits for service in that Fund on and after 29 December 2011 had been modified in accordance with the terms set out in Appendix VII to the Scheme's Trust Deed and Rules (the **"Modified Basis"**). By way of a section 229 resolution dated 7 December 2012, which followed a period of disagreement between UKCOL and the trustees of the UKCOL Fund regarding the contributions payable in respect of future benefit accrual under the UKCOL Fund, the trustees resolved (with UKCOL's agreement) to modify benefit accrual in the UKCOL Fund so that it would be provided on the Modified Basis.

(D) The UK Coal group is now undergoing a further restructuring, under which the employment of certain of the Contributors in the UKCOL Fund (the **"Transferring Employees"**) transferred to UK Coal Surface Mines Limited (the **"Employer"**) by operation of TUPE (the **"Transfer"**) on 9 July 2013 (the **"Transfer Date"**).

(E) As a result, a new Single Employer's Fund was established in the Scheme (the **"Surface Mines Fund"**) by a deed of adherence dated 9 July 2013. All of the Transferring Employees transferred to the Surface Mines Fund of the Scheme in respect of benefits accrued on and from the Transfer Date.

(F) The Trustees consider that there is an argument (not accepted by the Employer) that the Modified Basis of accrual will no longer apply to the Transferring Employees on and from the Transfer Date and that the basis of accrual applicable to the Transferring Employees before 29 December 2011 and since the Scheme was established (the **"Old Basis"**) may apply instead. This is because the Transferring Employees are all Protected Persons under the Coal Industry (Protected Persons) Pensions Regulations 1994 (the **"Protected Persons Regulations"**) which provide protection in the event of a change of employer and the operation of the Protected Persons Regulations in that event is unclear.

(G) The Trustees have prepared a Schedule of Contributions in respect of the contributions due in respect of the Old Basis. A copy of the Trustees' letter is appended to this Resolution at Schedule 1.

(H) The Employer has refused to agree to sign a Schedule of Contributions prepared on the Old Basis. The Employer has sent a letter to the Trustees to this effect in the form appended to this Resolution at Schedule 2.

(I) The Trustees consider that it is not possible within the prescribed time to obtain the Employer's agreement to contribute at a rate which is sufficient to fund accrual in the Surface Mines Fund on the Old Basis. The Trustees therefore wish to exercise the power afforded to them under section 229(2) of the Pensions Act 2004. This permits the Trustees, with the Employer's agreement (as evidenced by its execution of this Resolution) by resolution to modify the Scheme as regards the future accrual of benefits such that accrual in the Surface Mines Fund will be calculated on the Modified Basis.

(J) As required by section 229(5) of the Pensions Act 2004, the Trustees will report the failure to agree to the Pensions Regulator.

(K) The Employer has notified the Trustees that it has been unable to consult with active members on this matter as it is required to do under section 259 of the Pensions Act 2004 due to the short timescales involved in the restructuring. Although the Pensions Regulator has not formally dispensed with this consultation requirement, it has notified the Employer that it accepts the view that the unusual circumstances surrounding and the urgent timescale of the restructuring means the consultation requirements cannot be satisfied in these circumstances. The Employer is satisfied that it has taken all reasonable steps to secure compliance and that it has provided as much information as possible to those affected members in the time available. A copy of the correspondence between the Employer and the Pensions Regulator is appended to this Resolution at Schedule 3.

(L) The parties are satisfied that, on taking effect, the modifications being made by this Resolution will not adversely affect the subsisting rights of any member of the Scheme or of any survivor of a member of the Scheme for the purposes of section 67A of the Pensions Act 1995 and section 229(3) of the Pensions Act 2004.

(M) The Actuary has confirmed to the Trustees for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the Surface Mines Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it. This is on the basis that the modifications being made by this Resolution include an underpin so that benefits for or in respect of members of the Surface Mines Fund will be increased on ceasing to be a DB Contributor if this is necessary for the Surface Mines Fund to continue to meet that statutory standard. The Trustees have received advice that the Surface Mines Fund would not continue to satisfy the statutory standard if the other amendments in this Resolution were made in the absence of such underpin. The Employer has agreed to the inclusion of the underpin on the basis that: (i) this will involve no additional immediate funding contribution from the Employer over and above the existing standard contributions; and (ii) the underpin will not apply to any benefits attributable to accrual in the Surface Mines Fund on and from the start of the next Calculation Period (as defined in Rule 1(1) of Part 1 to Appendix VII of the Scheme's Trust Deed and Rules) immediately following execution of this Resolution.

2. **RESOLUTION**

2.1 With effect on and from the date of this Resolution the Trustees:

(a) in exercise of their powers under section 229(2) of the Pensions Act 2004, hereby resolve to modify accrual in the Surface Mines Fund so that

(i) it will be provided on the basis set out in Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution; and

(ii) benefits attributable to accrual in the Surface Mines Fund before 6 April 2014 (being the start of the next Calculation Period immediately following execution of this Resolution) will, if necessary, be increased on ceasing to be a DB Contributor (but no earlier) so that the total benefits attributable to accrual in the Surface Mines Fund up until 6 April 2014 payable to or in respect of the relevant member will not be less than is required for the Surface Mines Fund to continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993, as determined by the Trustees on the advice of the Actuary;

(b) agree that the Accrual Fraction and the Additional Employee DB Contribution (if any) that applied to DB Contributors of the UKCOL Fund immediately before the Transfer Date shall apply to DB Contributors of the Surface Mines Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the Surface Mines Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

K. Jones KEITH JONES

.....

For and on behalf of the Trustees

Date: 9 July 2013

.....

For and on behalf of UK Coal Surface Mines Limited

Date: 9 July 2013

**RESOLUTION UNDER SECTION 229 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

This Resolution is made on 9 July 2013

1. **RECITALS**

(A) UK Coal Operations Limited (**"UKCOL"**) is the sole participating employer in the UK Coal Operations Limited Employer's Fund of the Scheme (the **"UKCOL Fund"**).

(B) The UKCOL Fund was established by a deed of adherence dated 8 December 2012 during a restructuring of the UK Coal group known as "Project Juniper", under which the employment of all the Contributors in the UK Coal Mining Limited Employer's Fund (the **"UKCML Fund"**) transferred to UKCOL on 7 December 2012 by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (**"TUPE"**). In line with that transfer of employment, the transferring employees transferred to the UKCOL Fund of the Scheme in respect of benefits accrued on and from 7 December 2012. In addition, the past service liabilities of these employees also transferred to the UKCOL Fund.

(C) While members of the UKCML Fund of the Scheme, the transferring employees' benefits for service in that section on and after 29 December 2011 had been modified in accordance with the terms set out in Appendix VII to the Scheme's Trust Deed and Rules (the **"Modified Basis"**). By way of a section 229 resolution dated 7 December 2012, which followed a period of disagreement between UKCOL and the trustees of the UKCOL Fund regarding the contributions payable in respect of future benefit accrual under the UKCOL Fund, the trustees resolved (with UKCOL's agreement) to modify benefit accrual in the UKCOL Fund so that it would be provided on the Modified Basis.

(D) The UK Coal group is now undergoing a further restructuring, under which the employment of certain of the Contributors in the UKCOL Fund (the **"Transferring Employees"**) transferred to UK Coal Thoresby Limited (the **"Employer"**) by operation of TUPE (the **"Transfer"**) on 9 July 2013 (the **"Transfer Date"**).

(E) As a result, a new Single Employer's Fund was established in the Scheme (the **"Thoresby Fund"**) by a deed of adherence dated 9 July 2013. All of the Transferring Employees transferred to the Thoresby Fund of the Scheme in respect of benefits accrued on and from the Transfer Date.

(F) The Trustees consider that there is an argument (not accepted by the Employer) that the Modified Basis of accrual will no longer apply to the Transferring Employees on and from the Transfer Date and that the basis of accrual applicable to the Transferring Employees before 29 December 2011 and since the Scheme was established (the **"Old Basis"**) may apply instead. This is because the Transferring Employees are all Protected Persons under the Coal Industry (Protected Persons) Pensions Regulations 1994 (the **"Protected Persons Regulations"**) which provide protection in the event of a change of employer and the operation of the Protected Persons Regulations in that event is unclear.

(G) The Trustees have prepared a Schedule of Contributions in respect of the contributions due in respect of the Old Basis. A copy of the Trustees' letter is appended to this Resolution at Schedule 1.

(H) The Employer has refused to agree to sign a Schedule of Contributions prepared on the Old Basis. The Employer has sent a letter to the Trustees to this effect in the form appended to this Resolution at Schedule 2.

(I) The Trustees consider that it is not possible within the prescribed time to obtain the Employer's agreement to contribute at a rate which is sufficient to fund accrual in the Thoresby Fund on the Old Basis. The Trustees therefore wish to exercise the power afforded to them under section 229(2) of the Pensions Act 2004. This permits the Trustees, with the Employer's agreement (as evidenced by its execution of this Resolution) by resolution to modify the Scheme as regards the future accrual of benefits such that accrual in the Thoresby Fund will be calculated on the Modified Basis.

(J) As required by section 229(5) of the Pensions Act 2004, the Trustees will report the failure to agree to the Pensions Regulator.

(K) The Employer has notified the Trustees that it has been unable to consult with active members on this matter as it is required to do under section 259 of the Pensions Act 2004 due to the short timescales involved in the restructuring. Although the Pensions Regulator has not formally dispensed with this consultation requirement, it has notified the Employer that it accepts the view that the unusual circumstances surrounding and the urgent timescale of the restructuring means the consultation requirements cannot be satisfied in these circumstances. The Employer is satisfied that it has taken all reasonable steps to secure compliance and that it has provided as much information as possible to those affected members in the time available. A copy of the correspondence between the Employer and the Pensions Regulator is appended to this Resolution at Schedule 3.

(L) The parties are satisfied that, on taking effect, the modifications being made by this Resolution will not adversely affect the subsisting rights of any member of the Scheme or of any survivor of a member of the Scheme for the purposes of section 67A of the Pensions Act 1995 and section 229(3) of the Pensions Act 2004.

(M) The Actuary has confirmed to the Trustees for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the Thoresby Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

## 2. RESOLUTION

2.1 With effect on and from the date of this Resolution, the Trustees in exercise of their powers under section 229(2) of the Pensions Act 2004:

(a) hereby resolve to modify accrual in the Thoresby Fund so that it will be provided on the basis set out in Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution; and

(b) agree that the Accrual Fraction and the Additional Employee DB Contribution (if any) that applied to DB Contributors of the UKCOL Fund immediately before the Transfer

Date shall apply to DB Contributors of the Thoresby Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the Thoresby Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

K. Jones KEITH JONES
.....
For and on behalf of the Trustees

Date: 9 July 2013

.....

For and on behalf of UK Coal Thoresby Limited

Date:

Date shall apply to DB Contributors of the Thoresby Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the Thoresby Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

.....
For and on behalf of the Trustees

Date:

.....

For and on behalf of UK Coal Thoresby Limited

Date: 9 July 2013

**RESOLUTION UNDER SECTION 229 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

This Resolution is made on 9 July 2013

1. **RECITALS**

(A) UK Coal Operations Limited (**"UKCOL"**) is the sole participating employer in the UK Coal Operations Limited Employer's Fund of the Scheme (the **"UKCOL Fund"**).

(B) The UKCOL Fund was established by a deed of adherence dated 8 December 2012 during a restructuring of the UK Coal group known as "Project Juniper", under which the employment of all the Contributors in the UK Coal Mining Limited Employer's Fund (the **"UKCML Fund"**) transferred to UKCOL on 7 December 2012 by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (**"TUPE"**). In line with that transfer of employment, the transferring employees transferred to the UKCOL Fund of the Scheme in respect of benefits accrued on and from 7 December 2012. In addition, the past service liabilities of these employees also transferred to the UKCOL Fund.

(C) While members of the UKCML Fund of the Scheme, the transferring employees' benefits for service in that Fund on and after 29 December 2011 had been modified in accordance with the terms set out in Appendix VII to the Scheme's Trust Deed and Rules (the **"Modified Basis"**). By way of a section 229 resolution dated 7 December 2012, which followed a period of disagreement between UKCOL and the trustees of the UKCOL Fund regarding the contributions payable in respect of future benefit accrual under the UKCOL Fund, the trustees resolved (with UKCOL's agreement) to modify benefit accrual in the UKCOL Fund so that it would be provided on the Modified Basis.

(D) The UK Coal group is now undergoing a further restructuring, under which the employment of certain of the Contributors in the UKCOL Fund (the **"Transferring Employees"**) transferred to UK Coal Production Limited (the **"Employer"**) by operation of TUPE (the **"Transfer"**) on 9 July 2013 (the **"Transfer Date"**).

(E) As a result, a new Single Employer's Fund was established in the Scheme (the **"UK Coal Production Fund"**) by a deed of adherence dated 9 July 2013. All of the Transferring Employees transferred to the UK Coal Production Fund of the Scheme in respect of benefits accrued on and from the Transfer Date.

(F) The Trustees consider that there is an argument (not accepted by the Employer) that the Modified Basis of accrual will no longer apply to the Transferring Employees on and from the Transfer Date and that the basis of accrual applicable to the Transferring Employees before 29 December 2011 and since the Scheme was established (the **"Old Basis"**) may apply instead. This is because the Transferring Employees are all Protected Persons under the Coal Industry (Protected Persons) Pensions Regulations 1994 (the **"Protected Persons Regulations"**) which provide protection in the event of a change of employer and the operation of the Protected Persons Regulations in that event is unclear.

(G) The Trustees have prepared a Schedule of Contributions in respect of the contributions due in respect of the Old Basis. A copy of the Trustees' letter is appended to this Resolution at Schedule 1.

(H) The Employer has refused to agree to sign a Schedule of Contributions prepared on the Old Basis. The Employer has sent a letter to the Trustees to this effect in the form appended to this Resolution at Schedule 2.

(I) The Trustees consider that it is not possible within the prescribed time to obtain the Employer's agreement to contribute at a rate which is sufficient to fund accrual in the UK Coal Production Fund on the Old Basis. The Trustees therefore wish to exercise the power afforded to them under section 229(2) of the Pensions Act 2004. This permits the Trustees, with the Employer's agreement (as evidenced by its execution of this Resolution) by resolution to modify the Scheme as regards the future accrual of benefits such that accrual in the UK Coal Production Fund will be calculated on the Modified Basis.

(J) As required by section 229(5) of the Pensions Act 2004, the Trustees will report the failure to agree to the Pensions Regulator.

(K) The Employer has notified the Trustees that it has been unable to consult with active members on this matter as it is required to do under section 259 of the Pensions Act 2004 due to the short timescales involved in the restructuring. Although the Pensions Regulator has not formally dispensed with this consultation requirement, it has notified the Employer that it accepts the view that the unusual circumstances surrounding and the urgent timescale of the restructuring means the consultation requirements cannot be satisfied in these circumstances. The Employer is satisfied that it has taken all reasonable steps to secure compliance and that it has provided as much information as possible to those affected members in the time available. A copy of the correspondence between the Employer and the Pensions Regulator is appended to this Resolution at Schedule 3.

(L) The parties are satisfied that, on taking effect, the modifications being made by this Resolution will not adversely affect the subsisting rights of any member of the Scheme or of any survivor of a member of the Scheme for the purposes of section 67A of the Pensions Act 1995 and section 229(3) of the Pensions Act 2004.

(M) The Actuary has confirmed to the Trustees for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the UK Coal Production Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

## 2. RESOLUTION

2.1 With effect on and from the date of this Resolution, the Trustees in exercise of their powers under section 229(2) of the Pensions Act 2004:

(a) hereby resolve to modify accrual in the UK Coal Production Fund so that it will be provided on the basis set out in Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution; and

(b) agree that the Accrual Fraction and the Additional Employee DB Contribution (if any) that applied to DB Contributors of the UKCOL Fund immediately before the Transfer

Date shall apply to DB Contributors of the UK Coal Production Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the UK Coal Production Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

K. Jones KEITH JONES

.....

For and on behalf of the Trustees

Date: 9 July 2013

.....

For and on behalf of UK Coal Production Limited

Date:

Date shall apply to DB Contributors of the UK Coal Production Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the UK Coal Production Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

.....
For and on behalf of the Trustees

Date:



.....

For and on behalf of UK Coal Production Limited

Date: 9 July 2013

IWCSSS 2013 RA2.3

**RESOLUTION UNDER SECTION 229 PENSIONS ACT 2004**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

This Resolution is made on 9 July 2013

1. **RECITALS**

(A) UK Coal Operations Limited (**"UKCOL"**) is the sole participating employer in the UK Coal Operations Limited Employer's Fund of the Scheme (the **"UKCOL Fund"**).

(B) The UKCOL Fund was established by a deed of adherence dated 8 December 2012 during a restructuring of the UK Coal group known as "Project Juniper", under which the employment of all the Contributors in the UK Coal Mining Limited Employer's Fund (the **"UKCML Fund"**) transferred to UKCOL on 7 December 2012 by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (**"TUPE"**). In line with that transfer of employment, the transferring employees transferred to the UKCOL Fund of the Scheme in respect of benefits accrued on and from 7 December 2012. In addition, the past service liabilities of these employees also transferred to the UKCOL Fund.

(C) While members of the UKCML Fund of the Scheme, the transferring employees' benefits for service in that Fund on and after 29 December 2011 had been modified in accordance with the terms set out in Appendix VII to the Scheme's Trust Deed and Rules (the **"Modified Basis"**). By way of a section 229 resolution dated 7 December 2012, which followed a period of disagreement between UKCOL and the trustees of the UKCOL Fund regarding the contributions payable in respect of future benefit accrual under the UKCOL Fund, the trustees resolved (with UKCOL's agreement) to modify benefit accrual in the UKCOL Fund so that it would be provided on the Modified Basis.

(D) The UK Coal group is now undergoing a further restructuring, under which the employment of certain of the Contributors in the UKCOL Fund (the **"Transferring Employees"**) transferred to UK Coal Kellingley Limited (the **"Employer"**) by operation of TUPE (the **"Transfer"**) on 9 July 2013 (the **"Transfer Date"**).

(E) As a result, a new Single Employer's Fund was established in the Scheme (the **"Kellingley Fund"**) by a deed of adherence dated 9 July 2013. All of the Transferring Employees transferred to the Kellingley Fund of the Scheme in respect of benefits accrued on and from the Transfer Date.

(F) The Trustees consider that there is an argument (not accepted by the Employer) that the Modified Basis of accrual will no longer apply to the Transferring Employees on and from the Transfer Date and that the basis of accrual applicable to the Transferring Employees before 29 December 2011 and since the Scheme was established (the **"Old Basis"**) may apply instead. This is because the Transferring Employees are all Protected Persons under the Coal Industry (Protected Persons) Pensions Regulations 1994 (the **"Protected Persons Regulations"**) which provide protection in the event of a change of employer and the operation of the Protected Persons Regulations in that event is unclear.

(G) The Trustees have prepared a Schedule of Contributions in respect of the contributions due in respect of the Old Basis. A copy of the Trustees' letter is appended to this Resolution at Schedule 1.

(H) The Employer has refused to agree to sign a Schedule of Contributions prepared on the Old Basis. The Employer has sent a letter to the Trustees to this effect in the form appended to this Resolution at Schedule 2.

(I) The Trustees consider that it is not possible within the prescribed time to obtain the Employer's agreement to contribute at a rate which is sufficient to fund accrual in the Kellingley Fund on the Old Basis. The Trustees therefore wish to exercise the power afforded to them under section 229(2) of the Pensions Act 2004. This permits the Trustees, with the Employer's agreement (as evidenced by its execution of this Resolution) by resolution to modify the Scheme as regards the future accrual of benefits such that accrual in the Kellingley Fund will be calculated on the Modified Basis.

(J) As required by section 229(5) of the Pensions Act 2004, the Trustees will report the failure to agree to the Pensions Regulator.

(K) The Employer has notified the Trustees that it has been unable to consult with active members on this matter as it is required to do under section 259 of the Pensions Act 2004 due to the short timescales involved in the restructuring. Although the Pensions Regulator has not formally dispensed with this consultation requirement, it has notified the Employer that it accepts the view that the unusual circumstances surrounding and the urgent timescale of the restructuring means the consultation requirements cannot be satisfied in these circumstances. The Employer is satisfied that it has taken all reasonable steps to secure compliance and that it has provided as much information as possible to those affected members in the time available. A copy of the correspondence between the Employer and the Pensions Regulator is appended to this Resolution at Schedule 3.

(L) The parties are satisfied that, on taking effect, the modifications being made by this Resolution will not adversely affect the subsisting rights of any member of the Scheme or of any survivor of a member of the Scheme for the purposes of section 67A of the Pensions Act 1995 and section 229(3) of the Pensions Act 2004.

(M) The Actuary has confirmed to the Trustees for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the Kellingley Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

## 2. RESOLUTION

2.1 With effect on and from the date of this Resolution, the Trustees in exercise of their powers under section 229(2) of the Pensions Act 2004:

(a) hereby resolve to modify accrual in the Kellingley Fund so that it will be provided on the basis set out in Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution; and

(b) agree that the Accrual Fraction and the Additional Employee DB Contribution (if any) that applied to DB Contributors of the UKCOL Fund immediately before the Transfer

Date shall apply to DB Contributors of the Kellingley Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the Kellingley Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

K. Jones KEITH JONES

.....

For and on behalf of the Trustees

Date: 9 July 2013

.....

For and on behalf of UK Coal Kellingley Limited

Date:

Date shall apply to DB Contributors of the Kellingley Fund until 5 April 2014 when a new Accrual Fraction and Additional Employee DB Contribution (if any) as determined by the Actuary shall apply in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules in force at the date of this Resolution. The Accrual Fraction and the Additional Employee DB Contribution (if any) shall then continue to be reviewed going forward on each Certification Date in accordance with Rule 1 of Part 2 of Appendix VII of the Scheme's Trust Deed and Rules.

2.2 Words and expressions used in this Resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 The parties hereby confirm that they have approved the modifications set out above.

2.4 In accordance with section 229(4)(b) of the Pensions Act 2004, the Trustee will notify the active members of the Kellingley Fund within one month of the modifications taking effect.

2.5 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

.....
For and on behalf of the Trustees

Date:

.....

For and on behalf of UK Coal Kellingley Limited

Date: 9 July 2013

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that certain day-to-day administrative expenses of the Co-ordinator may be paid from the assets of the Scheme.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this Resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the signature of the Committee of Management on this Resolution).

1.7 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this Resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution, the version of Clause 9 set out in the Trust Deed will be deleted in its entirety and the following new Clause 9 will be inserted in its place:

"9. COSTS AND EXPENSES OF THE CO-ORDINATOR

Each Employer shall pay to the Co-ordinator such amounts and at such times as the Co-ordinator shall determine and notify to the Employer, as contributions towards the costs and expenses of the Co-ordinator that do not fall to be paid out of the Scheme assets in accordance with Clause 18. The amounts so determined in respect of each employer shall represent an appropriate proportion of such total costs and expenses of the Co-ordinator, on such basis as the Co-ordinator shall determine from time to time."

2.2 With effect on and from the date of this Resolution, the version of Clause 18 set out in the Trust Deed will be deleted in its entirety and the following new Clause 18 will be inserted in its place:

"18. **COSTS OF ADMINISTRATION**

The costs and expenses of managing and administering the Scheme, including some or all of the costs and expenses of the Co-ordinator incurred in relation to day-to-day management and administration of the Scheme (as agreed by the Committee of Management), shall be payable by or with the authority of the Committee of Management out of the Expenses Fund except that if the Committee of Management considers that a cost or expense relates (in whole or in part) to one or more (but not all) Employers such cost or expense (or such part thereof) shall be borne by the Employer's Fund which relates to that Employer (or if more than one in such proportions as the Committee of Management considers to be equitable)."

It is hereby confirmed by the Committee of Management that the Co-ordinator consulted with the Trustee in relation to the amendments set out above and that the Committee of Management consents to the amendments in accordance with Clause 46(1) of the Trust Deed.

Keith Ford

On behalf of the Committee of Management

11 October 2013

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the matter set out above.

On behalf of the Co-ordinator

29 November 2013

Date

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that certain day-to-day administrative expenses of the Co-ordinator may be paid from the assets of the Scheme.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this Resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the signature of the Committee of Management on this Resolution).

1.7 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this Resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution, the version of Clause 9 set out in the Trust Deed will be deleted in its entirety and the following new Clause 9 will be inserted in its place:

"9. COSTS AND EXPENSES OF THE CO-ORDINATOR

Each Employer shall pay to the Co-ordinator such amounts and at such times as the Co-ordinator shall determine and notify to the Employer, as contributions towards the costs and expenses of the Co-ordinator that do not fall to be paid out of the Scheme assets in accordance with Clause 18. The amounts so determined in respect of each employer shall represent an appropriate proportion of such total costs and expenses of the Co-ordinator, on such basis as the Co-ordinator shall determine from time to time."

2.2 With effect on and from the date of this Resolution, the version of Clause 18 set out in the Trust Deed will be deleted in its entirety and the following new Clause 18 will be inserted in its place:

"18. **COSTS OF ADMINISTRATION**

The costs and expenses of managing and administering the Scheme, including some or all of the costs and expenses of the Co-ordinator incurred in relation to day-to-day management and administration of the Scheme (as agreed by the Committee of Management), shall be payable by or with the authority of the Committee of Management out of the Expenses Fund except that if the Committee of Management considers that a cost or expense relates (in whole or in part) to one or more (but not all) Employers such cost or expense (or such part thereof) shall be borne by the Employer's Fund which relates to that Employer (or if more than one in such proportions as the Committee of Management considers to be equitable)."

It is hereby confirmed by the Committee of Management that the Co-ordinator consulted with the Trustee in relation to the amendments set out above and that the Committee of Management consents to the amendments in accordance with Clause 46(1) of the Trust Deed.

Keith Ford
.....
On behalf of the Committee of Management

.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the matter set out above.

D Due
.....
On behalf of the Co-ordinator

29 November 2013
.....
Date

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that if a Member of the Scottish Coal Company Limited Employer's Fund or the UK Coal Operations Limited Employer's Fund commutes a proportion of his pension for a lump sum under the option in Rule 22(3) when his Employer's Fund is in a Pension Protection Fund ("**PPF**") assessment period, the PPF's basis of commutation under paragraph 24 of Schedule 7 to the Pensions Act 2004 will be used as the basis for commutation. Outside a PPF assessment period, the PPF's basis of commutation will not apply and the basis otherwise specified in Rule 22(3) will continue to apply.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee's signature on this resolution).

1.7 This resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution, the following new definitions will be inserted in clause 50(i) of the Trust Deed in the appropriate place alphabetically:

"**Scottish Coal Fund**" means the Employer's Fund relating to employees and former employees of the Scottish Coal Company Limited;

"**UKCOL Fund**" means the Employer's Fund relating to employees and former employees of UK Coal Operations Limited (including for the avoidance of doubt any employees whose benefits were transferred to the UKCOL Fund from another Employer's Fund);

2.2 With effect on and from the date of this Resolution, the version of Rule 22(3) set out in the main provisions of the Trust Deed and Rules will be deleted in its entirety and the following new Rule 22(3) will be inserted in its place:

"22.3 A Member may, subject as hereinafter mentioned, at any time prior to his pension becoming payable elect to commute such part of his pension as he may request for a lump sum payment on the date on which his pension becomes payable:

(a) if the commutation is made during an "assessment period" as defined in section 132 of the Pensions Act 2004 and the Employer's Fund in which the Member participates is either the Scottish Coal Fund or the UKCOL Fund, on the basis for commutation most recently adopted by the Board of the Pension Protection Fund under paragraph 24 of Schedule 7 to the Pensions Act 2004 when the amount of the lump sum is calculated: or

(b) if the commutation is made in any other circumstances, on the basis of £9 for each £1 of pension commuted,

PROVIDED THAT:

(i) such lump sum payment shall not be an Unauthorised Payment (as defined in the Finance Act 2004); and

(ii) a Member may not exchange such an amount of pension as would be likely to make the pension remaining to him less than the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension."

**Amendments to Appendix VII – Modified UKCML Fund Benefits**

2.3 With effect on and from the date of this Resolution the version of Rule 22(3) set out in paragraph 15 of Appendix VII of the Trust Deed and Rules and the following new Rule 22(3) will be inserted in its place:

"22(3) A Member may, subject as mentioned in the remainder of this Rule, at any time prior to his pension becoming payable elect to commute such part of his pension as he may request for a lump sum payment on the date on which his pension becomes payable:

(a) if the commutation is made during any period when the relevant Employer's Fund is not in an Assessment Period as defined in section 132 of the Pensions Act 2004 (a "**Relevant Assessment Period**"), on the basis of £9 for each £1 of pension commuted; or

(b) if the commutation is made during a Relevant Assessment Period, on the basis for commutation most recently adopted by the Board of the Pension Protection Fund under paragraph 24 of Schedule 7 to the Pensions Act 2004 when the amount of the lump sum payment is calculated,

PROVIDED THAT any such commutation shall be subject to the following restrictions:

(i) A Member may not exchange such an amount of pension as would be likely to make the pension remaining to him less than the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension.

(ii) If a Member elects to commute part of his pension to provide a lump sum payment, the part of his pension attributable to Contributing Service1 and the part of his pension attributable to Contributing Service2 shall be commuted in the same ratio as the initial monetary amount of the pension attributable to Contributing Service1 is to the initial monetary amount of the pension attributable to Contributing Service2 except to the extent that the part of the pension attributable to Contributing Service1 would otherwise be reduced below the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension when extra pension attributable to Contributing Service2 may be commuted to the extent it would not otherwise be possible commute pension in the ratio set out in this Rule.

(iii) A Member may not exchange such an amount of pension where the payment cannot be treated as a pension commencement lump sum (within the meaning of the Finance Act 2004)."

It is hereby confirmed by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

K. Jones KEITH JONES
.....
On behalf of the Committee

.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the matter set out above.

.....
On behalf of the Co-ordinator

.....
Date

(i) A Member may not exchange such an amount of pension as would be likely to make the pension remaining to him less than the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension.

(ii) If a Member elects to commute part of his pension to provide a lump sum payment, the part of his pension attributable to Contributing Service1 and the part of his pension attributable to Contributing Service2 shall be commuted in the same ratio as the initial monetary amount of the pension attributable to Contributing Service1 is to the initial monetary amount of the pension attributable to Contributing Service2 except to the extent that the part of the pension attributable to Contributing Service1 would otherwise be reduced below the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension when extra pension attributable to Contributing Service2 may be commuted to the extent it would not otherwise be possible commute pension in the ratio set out in this Rule.

(iii) A Member may not exchange such an amount of pension where the payment cannot be treated as a pension commencement lump sum (within the meaning of the Finance Act 2004)."

It is hereby confirmed by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

.....
On behalf of the Committee

.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the matter set out above.

.....
On behalf of the Co-ordinator

25/6/13
Date

IWCSSS / RAS / 2013

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 **Background**

The Trustee and the Coordinator wish to amend Part 2 (DB Members) and Part 3 (DC Members) of Appendix VII to the IWCSSS Trust Deed and Rules to allow members who remain in Eligible Employment in a New UK Coal Section (as defined below) and who also have deferred benefits in the UKCOL Section to take early retirement in respect of their UKCOL Section benefits.

1.2 **Amendments**

(a) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this Resolution.

(b) The Trustee has received advice that the amendments to be made by this resolution would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

(c) Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

(d) The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

(e) The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the Scheme, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.

(f) The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the signature of the Committee of Management on this Resolution).

2. RESOLUTION

2.1 With effect on and from the date of this resolution, Appendix VII of the Rules will be amended by:

(a) inserting the following defined terms in the correct alphabetical positions in paragraph 1(3) of Part 1 (Definitions) of that Appendix:

""**New Section**" means any of the Single Employer's Funds of the IWCSSS established on 9 July 2013 for employees working in the UK Coal group.

"**Old Section**" means the Single Employer's Fund of the IWCSSS in which UK Coal Operations Limited participated."

(b) inserting the following new paragraph 16A between paragraphs 16 and 17 in Part 2 (DB Members) of that Appendix:

"**16A OPTIONAL EARLY RETIREMENT FOR MEMBERS OF THE OLD SECTION – Rule 22B**

(1) A Member (irrespective of whether he is a DB or DC Contributor) who:

(a) has accrued benefits under the Old Section;

(b) is in service in Eligible Employment and as a result is accruing benefits under a New Section;

(c) has attained normal minimum pension age (as defined in the Finance Act 2004);

(d) has not yet attained Normal Retiring Age; and

(e) elects by giving notice to the Secretary (in such form as the Committee may from time to time prescribe),

may receive a benefit in relation to his accrued benefits in the Old Section under this Rule (provided that benefits shall not be payable under this Rule 22B if the Member's pension would have to be increased to be at least equal to his Equivalent Pension Benefit).

(2) A Member who is awarded a benefit under this Rule 22B shall be entitled to an annual pension calculated in accordance with Rule 23(6).

(3) A Member who receives a benefit under this Rule may commute part of his pension to provide a lump sum on the basis set out in Rule 22(3).

(4) A Member who exercises the option under this Rule may remain in Eligible Employment for the purposes of the New Section of which he is a member and shall be entitled to continue to participate in that New Section as either a DB or DC Contributor (as appropriate).

(5) If a Member to whom benefits have been granted under paragraph (1) of this Rule dies within five years from the date of his taking a benefit under this Rule there shall be paid to his estate a lump sum equal to the difference between the amount of pension already paid to him under this Rule and the amount which, had he lived so long, would have been paid to him under this Rule in respect of the five years from the date of his taking the benefit, account being taken of any portion allocated under Rule 34 and of the provisions of Rule 50.

(c) deleting existing Rule 29(1)(a) (set out at paragraph 23 of that Appendix) and inserting the following new Rule 29(1)(a):

"(a) the widow of a DB Contributor who dies after retirement or taking a benefit under Rule 22B shall be entitled to a pension for life

equal to two-thirds of the DB Contributor's pension (after taking into account any commutation under Rule 22(3) or Rule 22B(3)) at the time of his retirement or the taking of a benefit under Rule 22B (as appropriate) payable in respect of Normal Benefits."

(d) inserting the words "or having made an election under Rule 22B" immediately after the words "having retired" in Rule 30(1)(b)(i)(I) (as set out at paragraph 23 of that Appendix);

(e) inserting the words "or having made an election under Rule 22B" immediately after the words "having retired" in Rule 30(1)(b)(ii)(I) (as set out at paragraph 23 of that Appendix);

(f) inserting the following new paragraph 13(1)(aa) between paragraphs 13(1) and 13(1)(a) in Part 3 (DC Members) of that Appendix:

"(aa) Optional Early Retirement for members of the Old Section (Rule 22(B))"

2.2 This resolution may be executed in any number of counterparts each of which is an original but all of which when taken together shall constitute a single instrument.

It is HEREBY CONFIRMED that the Committee of Management consents to the above amendment in accordance with Clause 46 of the Trust Deed.

.....
On behalf of the Committee

.....
Date 11/10/13

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

.....
Date 30/11/13

IWCSSS/2014 RA1

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that a member of the Scheme may elect to transfer:

(a) the value of his AVC Scheme accrued by reference to service with one employer to the AVC Scheme relating to service with a second employer; and

(b) where the member is a DC Member under Appendix VII, Part 3 to the Trust Deed and Rules, to transfer the value of his Retirement Account accrued by reference to service with one employer to the Retirement Account relating to the DC Section of a later employer.

1.2 Rule 5 of the Scheme's Rules provides that members may elect to make additional voluntary contributions to the AVC Scheme in order to secure additional benefits in the Scheme on the terms set out in that Clause. In accordance with Resolution IWCSSS/2006/RA1 dated 9 January 2007 there is a separate AVC Scheme in relation to each Single or Associated Employer's Fund of the Scheme.

1.3 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.4 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Committee of Management amend the Trust Deed and Rules.

1.5 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.6 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.7 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee of Management's signature on this resolution).

1.8 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this resolution by executing any such counterpart.

2. **RESOLUTIONS**

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution, the following new Clause 12(6) will be added to the Trust Deed:

"12(6) A member may elect, in such manner as the Committee of Management from time to time prescribes, under this Clause 12(6) to transfer his interest in the AVC

Scheme of an earlier employer to the AVC Scheme of a later employer. The value of a member's interest in the AVC Scheme shall be determined by the Committee of Management where appropriate on such advice as it thinks fit, calculated as at the date of the election under this Clause 12(6)"

**Amendments to Appendix VII – Modified UKCML Fund Benefits**

2.2 With effect on and from the date of this Resolution, Paragraph 6(1) of Appendix VII (Part 2) to the Trust Deed will be deleted and replaced as follows:

"6(1) Contributors shall not be able to make any further additional voluntary contributions under Rule 5 on or after the Benefit Change Date and Rule 5 shall only apply to the Member in relation to contributions paid to the AVC Scheme before the Benefit Change Date. For the avoidance of doubt, a Member to whom this Appendix VII applies may exercise the option under Clause 12(6) of the Trust Deed to transfer his interest in the AVC Scheme of an earlier employer to the AVC Scheme of a later employer (including to the Kellingley Fund, the Thoresby Fund, the Surface Mines Fund and the UK Coal Production Fund)."

2.3 With effect on and from the date of this Resolution, a new Paragraph 12(1A) of Appendix VII (Part 3) to the Trust Deed will be inserted as follows:

"12(1A) A DC Member may opt to transfer the value of his Retirement Account relating to service with one employer to his Retirement Account in the DC Section of a later employer. The value of a DC Member's Retirement Account will be determined in accordance with Paragraph 6 of this Appendix VII (Part 3) as at the date of the election under this Paragraph 12(1A)."

It is HEREBY RESOLVED that the above amendments proposed by the Co-ordinator in accordance with Clause 46 of the Trust Deed are HEREBY APPROVED by the Committee of Management.

.....

On behalf of the Committee of Management

.....18 June 2014.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

On behalf of the Co-ordinator

.....

Date 18/6/14

IWCSSS/RA2/2014

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 By regulations 7 and 7ZA of The Occupational Pension Schemes (Modification of Schemes) Regulations 2006 (the "**Modification Regulations**") the Committee has power to modify the rules of the Scheme (the "**Rules**") to confer benefits on surviving civil partners and surviving same sex spouses.

1.2 By a resolution dated 9 January 2007 the Committee utilised the power in regulation 7 of the Modification Regulations to modify the Scheme to provide surviving civil partners with the minimum benefits required to comply with the relevant requirements of the Civil Partnership Act 2004 (the "**Civil Partnership Act**").

1.3 Where the Committee wishes to provide surviving civil partners and surviving same sex spouses with rights that are in excess of what is required to comply with the Civil Partnership Act and the Marriage (Same Sex Couples) Act 2013 (the "**Marriage (Same Sex Couples) Act**") it must obtain the Co-ordinator's consent.

1.4 The Committee now wishes utilise the power in regulation 7 of the Modification Regulations to modify the Rules to provide surviving civil partners with the same benefits as surviving opposite sex spouses, and the Co-ordinator wishes to consent as evidenced by its signing of the resolution below.

1.5 The Committee also wishes to utilise the power in regulation 7ZA of the Modification Regulations to modify the Rules to provide surviving same sex spouses with the same benefits as surviving opposite sex spouses, and the Co-ordinator wishes to consent as evidenced by its signing of the resolution below.

2. RESOLUTIONS

2.1 With effect on and from the date of this resolution the Committee, pursuant to the power under regulation 7 of the Modification Regulations HEREBY RESOLVES to modify the Scheme so that for all benefits payable under the Scheme on a Member's death:

(a) a surviving civil partner is treated in the same way as a woman whose deceased spouse was a man, or a man whose deceased spouse was a woman; and

(b) the rights of any other survivor are determined as if the surviving civil partner were a woman whose deceased spouse was a man, or a man whose deceased spouse was a woman.

2.2 With effect on and from the date of this resolution the Committee, pursuant to the power under regulation 7ZA of the Modification Regulations HEREBY RESOLVES to modify the Scheme so that for all benefits payable under the Scheme on a Member's death:

(a) a surviving same sex spouse is treated in the same way as a woman whose deceased spouse was a man, or a man whose deceased spouse was a woman; and

(b) the rights of any other survivor are determined as if the surviving same sex spouse were a woman whose deceased spouse was a man, or a man whose deceased spouse was a woman.

Keith Jones ..... 24.6.14 .....

On behalf of the Committee Date

..... 22.9.14 .....

On behalf of the Co-ordinator Date

IWCSSS/RA3/2014

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules to allow members to trivially commute pensions in line with changes that were announced in the 2014 Budget.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this Resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the signature of the Committee of Management on this Resolution).

1.7 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this Resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

With effect on and from the date of this Resolution:

(a) a new definition will be inserted (in alphabetical order) to Clause 50 of the Trust Deed as follows:

" "**Trivial Pension**" means a pension of a value which can be commuted and paid as an authorised lump sum under the Finance Act 2004 (and any supporting legislation or regulations) on grounds of triviality (including, but not limited to, de minimis lump sum payments under Regulation 11 of the Registered Pension Schemes (Authorised Payments) Regulations 2009)."; and

(b) a new Rule 49A will be inserted into the Trust Deed and Rules:

"49A COMMUTATION FOR TRIVIALITY

Notwithstanding any other provision under the Trust Deed and Rules, if the value of any pension payable under the Trust Deed and Rules satisfies

the conditions to qualify as a Trivial Pension, such pension may be commuted immediately in accordance with the Finance Act 2004 (or may be required to be so commuted if the Committee of Management so decide) for a single cash sum of equivalent value as determined by the Committee of Management (having considered the advice of the Actuary), payable on the date on which the pension would otherwise be due to commence."

It is hereby confirmed by the Committee of Management that the Co-ordinator consulted with the Trustee in relation to the amendments set out above and that the Committee of Management consents to the amendments in accordance with Clause 46(1) of the Trust Deed.

Keith Jones
.....
On behalf of the Committee of Management

24.6.14
.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

22.9.14
.....
Date

**INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 **Background**

(a) The Trustees wish to pass this Resolution to amend the Scheme's Trust Deed and Rules so that those members whose names appear in the schedule to this Resolution (the **"Aon Risk Members"**) shall not have a GMP under the Scheme.

(b) The statutory employer of the Aon Risk section of the Scheme (the **"Section"**), The Bike Broker Limited (02442576), entered into members' voluntary liquidation on 16 September 2010. The Trustees therefore propose to realise the assets of the Section and to secure members' benefits with an insurance company.

(c) As a means of treating Aon Risk Members (or widows, widowers, civil partners or same sex spouses claiming through such members) equally, the Trustees and the Aon Group have decided to convert the guaranteed minimum pension (**"GMPs"**) rights (as defined in section 8 of the Pension Schemes Act (the **"1993 Act"**)) of Aon Risk Members into other (non GMP) benefits under the Scheme and to notify HMRC accordingly. Such conversion is to take place prior to contracting with an insurance company.

1.2 **Amendments**

(a) Section 24G of the 1993 Act permits the Trustees to modify the Scheme by resolution so as to effect GMP conversion. The GMP Conversion must satisfy Conditions 1 to 5 of section 24B of the 1993 Act.

(b) The Trustees now wish to convert the GMPs for the Aon Risk Members with effect from 28 February 2015 (the **"Effective Date"**) and have obtained a certificate from Donald Duval (the actuary to the Scheme), as required by regulation 69A of the Occupational Pension Schemes (Contracting Out) Regulations 1996, confirming that the post-conversion benefits will, as at the Effective Date, be actuarially at least equivalent to the pre-conversion benefits (using assumptions selected by the Trustees following the advice of the Actuary). A copy of the actuarial certificate is attached to this Resolution.

(c) The Trustees will notify HMRC of the conversion of the Aon Risk Members' GMPs promptly after the Effective Date. The Trustees, having already taken steps to communicate this change to members, will also notify all members and survivors affected by the GMP Conversion as soon as reasonably practicable after the Effective Date.

2. **RESOLUTION**

2.1 In exercise of their powers under section 24G of the 1993 Act and all other powers they may have, the Trustees hereby resolve to amend the Trust Deed and Rules in respect of the Aon Risk Members from the Effective Date so that:

(a) No Aon Risk Member shall have a GMP under the Scheme;

(b) Instead of the Aon Risk Member's GMP the Aon Risk Member will (where applicable) be granted a benefit (called the **"Special Benefit"**) under the Scheme;

(c) The Special Benefit of an Aon Risk Member shall be calculated and payable on the basis that:

(i) Those provisions of the Rules that concern the calculation and payment of GMPs shall apply to the Special Benefit as though it were an "ordinary" scheme benefit in excess over GMP;

(ii) The Special Benefit shall be treated as having accrued over the same period as the Aon Risk Member's contracted out employment in respect of the Scheme up to 5 April 1997; and

(iii) The Special Benefit shall be increased if and to any extent as may be necessary to satisfy Condition 4 of Section 24B of the 1993 Act.

Signed:

.....Keith Jones.....

On behalf of Industry-Wide Coal Staff Superannuation Scheme Trustees Limited

Dated 27 February 2015

Appendices:

- Schedule of Aon Risk Members
- Copy of Actuarial Certificate

IWCSSS /2015/R42

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules to amend the definition of "Associated Employer" and to extend Rule 49(1) to expressly permit the admission of new members on special non-contributory terms.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this Resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee of Management to the amendments to the Trust Deed and Rules set out below (as evidenced by the signature of the Committee of Management on this Resolution).

1.7 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this Resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution, the existing definition of "Associated Employer" in Clause 50 of the Trust Deed will be deleted in its entirety and replaced with the following:

"***Associated Employer***" *means:*

*(i) any employer of which an Employer has (or had at the relevant time) control;*

*(ii) any employer of which some other person has (or had at the relevant time) control in a case in which that other person at the same time has (or had) control of any of the Employers; and*

*(iii) any employer whom the Trustee, in its sole and absolute discretion, deems to be an Associated Employer*

*and for the purpose of this definition "control" in relation to a body corporate has the same meaning as in section 840 of the Taxes Act or (in the case of a close company for the purposes of Part XI of the Taxes Act) section 416 of the Taxes Act."*

2.2 With effect on and from the date of this Resolution, the existing Rule 49(1) shall be deleted in its entirety and replaced with the following:

(1) "*The Employer shall have the power to grant benefits to Contributors or to any other employee of an Employer, in special cases or classes of case, on terms differing from those otherwise applicable under the Rules, any additional cost subject to the terms of Clause 5 being paid to the Scheme in such manner as the Committee may decide after consulting the Actuary, except where the Employer considers and the Committee agree that no such payment is necessary Provided that where, by virtue of such terms a Contributor or such employee becomes entitled to benefits that would otherwise exceed the Inland Revenue Limits the excess shall not be payable*".

It is hereby confirmed by the Committee of Management that the Co-ordinator consulted with the Trustee in relation to the amendments set out above and that the Committee of Management consents to the amendments in accordance with Clause 46(1) of the Trust Deed.

H. McGuire

On behalf of the Committee of Management

5 May 2015

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

D Dale

On behalf of the Co-ordinator

22nd April 2015

Date

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(2015 RA3)

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

1. RECITALS

1.1 The Co-ordinator wishes to amend the provisions of the Trust Deed and Rules to reflect changes to overriding legislation, which have altered members' statutory rights to transfer out accrued rights, particularly in relation to money purchase benefits.

1.2 Specifically, since 6 April 2015, where the amended legislation applies, members of the Scheme have had a statutory right to:

(a) transfer the value of their rights in the AVC Scheme, (where the member is a DC Member under Appendix VII Part 3 of the Trust Deed and Rules together with the value of the rights in their DC Account), at any point prior to retirement;

(b) transfer their rights in the AVC Scheme (together with their DC Account where applicable), and their other benefits under the Scheme, independently of each other.

1.3 Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee and with the consent of the Committee of Management where this is required under paragraph (2) of that clause, and subject to certain restrictions which are not relevant to the amendments made by this resolution, amend the Trust Deed and Rules. The Co-ordinator:

(a) has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee's signature on this resolution); and

(b) is satisfied that the amendments do not require the consent of the Committee under Clause 46(2) of the Trust Deed.

1.4 The Co-ordinator is satisfied that the amendments made by this Deed are not "regulated modifications" as defined in section 67 Pensions Act 1995 and are not "listed changes" as defined by the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 Words and expressions used in this resolution and not defined shall so far as is consistent with the subject matter and where the context admits have the meaning attributed to them in the Trust Deed and the Rules (including in Appendix VII).

1.7 This Resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this resolution by executing any such counterpart.

2. RESOLUTIONS

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution (the "**Effective Date**"), Rule 5.9(c) is deleted and replaced by the following wording: *"[Not used]".*

2.2 With effect on and from the Effective Date, Rule 45.1 is deleted in its entirety and replaced by the following:

> *"45.1 In this Rule a Cash Equivalent Member means a Member who acquires a right to take a cash equivalent under section 94(1) or 94(2) of the 1993 Act in relation to one or more categories of benefits under the Scheme (as defined in section 93(6) of the 1993 Act). A Cash Equivalent Member may exercise a right to take a cash equivalent in relation to one such category of benefits under the Scheme without being required to exercise a right to take a cash equivalent or otherwise transfer any other such category of benefits under the Scheme.*
>
> *If a Cash Equivalent Member who has not lost his right to a cash equivalent as set out in the 1993 Act:*
>
> *(i) exercises the option conferred by section 95 of the 1993 Act (namely to use the cash equivalent to acquire transfer credits or rights under another scheme or to purchase one or more annuities or to subscribe to other pension arrangements or partly in one way or partly one or more of the other ways) by making an application in the manner specified in sections 95(1) and (9) of the 1993 Act (and in the case of a Cash Equivalent Member who has acquired the right to a cash equivalent under section 94(1) of the 1993 Act, makes the application at a time permitted under section 95(1A) of the 1993 Act); and*
>
> *(ii) has not made in accordance with section 100 of the 1993 Act a valid withdrawal of his application or (if he has made a valid withdrawal of his application) has made a valid application which he has not withdrawn,*
>
> *the Committee shall (subject to the provisions of section 99 of the 1993 Act) do what is needed to carry out what the Member requires within the time specified in section 99 of the 1993 Act."*

2.3 With effect on and from the Effective Date, Rule 45.2 is amended by:

(a) deleting the words *"from the Employer's Fund and (if applicable) the AVC Scheme"* and replacing them with the words *"from either or both of (i) the Employer's Fund (excluding any DC Account) and (ii) (if applicable) the AVC Scheme together with any DC Account"*; and

(b) deleting the full stop and the end of the existing Rule 45.2(ii) and replacing this with *"; or"* and inserting the following new Rule 45.2(iii) immediately beneath Rule 45.2(ii) as so amended:

> *"(iii) to subscribe to other pension arrangements which the requirements prescribed requirements for the purpose of section 95(2) of the 1993 Act."*

2.4 With effect on and from the Effective Date, Rule 45.3(ii) shall be amended so that the words *"section 38(1) of the 1993 Act"* are replaced by the words *"section 12C or section 20 of the 1993 Act"*.

2.5 With effect on and from the Effective Date, Rule 45.3(iv) is deleted in its entirety and replaced by the following:

> *"(iv) the transfer or payment shall be in respect of the whole of the benefits that would otherwise be payable in respect of the Member or Other Person from either or both of:*
>
> *(I) the Employer's Fund (apart from any DC Account within the Employer's Fund); and*
>
> *(II) the AVC Scheme in Rule 5 together with any DC Account,*
>
> *unless the transfer or payment is to another scheme and the other scheme is not a scheme which fulfils the conditions set out in Contracting-out Rule 9.1 in which case the transfer or payment shall exclude all benefits (if any) in respect of which an entitlement is conferred by Contracting-out Rule 4.*

2.6 With effect on and from the Effective Date, Rules 45.3(vi) and 45.4(iv)(II)(a) shall be amended so that the words *"Chapter IV of Part IV of the 1993 Act"* in those Rules are replaced by the words *"section 94(1) or 94(2) of the 1993 Act".*

2.7 With effect on and from the Effective Date, Rule 45.6 shall be deleted in its entirety and replaced by the following wording:

> *"45.6 Where a cash equivalent or payment is made to or in respect of a Member or Other Person in accordance with paragraph (1) or (2) of this Rule the Committee shall be immediately discharged from any and every obligation to provide the benefits from the Scheme to which that cash equivalent or payment relates."*

2.8 With effect on and from the Effective Date, a new Rule 45.7 shall be added as follows:

> *"45.7 If the Member transfers out the whole of his benefits under the Scheme by taking a cash equivalent or payment in accordance with paragraph (1) or (2) of this Rule, he shall cease to be a Member, whereas if the Member transfers out part of his benefits, he shall not cease to be a Member, but his remaining benefits under the Scheme shall be reduced by excluding the benefits to which that cash equivalent or payment related. In a case in which a transfer or payment to another scheme is made in respect of a category of benefits (as defined in section 93(6) of the 1993 Act) but that transfer of payment excludes benefits in respect of which an entitlement is conferred by Contracting-out Rule 4 and which would otherwise fall within that category of benefits, the Member shall cease to be a Member only in relation to the benefits under the Scheme to which the transfer relates."*

2.9 With effect on and from the Effective Date, a new Rule 45.8 shall be added as follows:

> *"45.8 The Committee will comply with the requirements section 48 of the Pension Schemes Act 2015 and related regulations where applicable (the **"Independent Advice Check"**). If the Committee would otherwise be required to pay a cash equivalent or transfer out of the Scheme, the Committee will not be required to pay that cash equivalent or transfer if:*

(i) *it has not been possible to carry out the Independent Advice Check by reason of factors that are beyond the Committee's control; or*

(ii) *the Committee has carried out the Independent Advice Check but it did not confirm that the member had received appropriate independent advice.*

**Amendments to Appendix VII – Modified UKCML Fund Benefits**

2.10 Paragraph 12(1) of Part 3 of Appendix VII is amended by deleting the words *"In addition to any right under Rule 45 or otherwise to transfer all a DC Member's benefits"* and replacing them with the words "*In addition to any rights under Rule 45 or otherwise to transfer one or more of his categories of benefit under the Scheme (as defined in section 93(6) of the 1993 Act)*".

It is HEREBY CONFIRMED by the Committee that the Co-ordinator has consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

.....H. McGuire.....

On behalf of the Committee of Management

.....22.9.15.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....D Dee.....

On behalf of the Co-ordinator

.....11 November 2015.....

Date

## Section 37 Pension Schemes Act 1993 Confirmation

**Section 37 of the Pension Schemes Act 1993 and Regulation 42 of the Occupational Pension Schemes (Contracting-out) Regulations 1996**

I, Donald Duval, the actuary for the Industry Wide Coal Staff Superannuation Scheme ("the Scheme") appointed in accordance with section 47(1) of the Pensions Act 1995, confirm to the trustees of the Scheme that, for the purpose of section 37 of the Pension Schemes Act 1993 (as amended by the Pensions Act 1995), I have considered the alterations to the Scheme envisaged by this Deed, in relation to any rights which are to accrue under the Scheme in so far as such rights are attributable to an earner's service in contracted-out employment on or after the date on which the alterations to the rules take effect (other than rights attributable to the payment of voluntary contributions), and that I am satisfied that the Scheme would continue to satisfy the statutory standard in accordance with section 12A of the Pension Schemes Act 1993 (as inserted by the Pensions Act 1995) if the alterations in this deed were made.

**General**

This Confirmation will remain valid only if this Deed is executed within one month of the date below.

Signed  Date 11 September 2015

Name Donald Duval
Scheme Actuary

Qualification Fellow of the Institute and Faculty of Actuaries

Address Aon Hewitt
3 The Embankment
Sovereign Street
Leeds
LS1 4BJ

RA
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(2015RAH)

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules so that if a Member of an Employer's Fund commutes a proportion of his pension for a lump sum under the option in Rule 22(3) when that Employer's Fund is in a Pension Protection Fund ("**PPF**") assessment period, the PPF's basis of commutation under paragraph 24 of Schedule 7 to the Pensions Act 2004 will be used as the basis for commutation. Outside a PPF assessment period, the PPF's basis of commutation will not apply and the basis otherwise specified in Rule 22(3) will continue to apply.

1.2 The Trustee has received advice that amendments of this nature would not increase the protected liabilities of the Scheme (as defined in section 131 of the Pensions Act 2004). Consequently the amendments below will form part of the admissible rules of the Scheme for the purposes of paragraph 35 of Schedule 7 to the Pensions Act 2004.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee are satisfied that the proposed amendments do not constitute Regulated Modifications.

1.5 The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments in this resolution are made, the Scheme will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993.

1.6 The Co-ordinator has consulted with and obtained the approval of the Committee to the amendments to the Trust Deed and Rules set out below (as evidenced by the Committee's signature on this resolution).

1.7 This resolution may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into this resolution by executing any such counterpart.

2. **RESOLUTIONS**

**Amendments to the main Trust Deed and Rules**

2.1 With effect on and from the date of this Resolution the following new definitions will be inserted in clause 50(i) of the Trust Deed in the appropriate place alphabetically:

""**Kellingley Fund**" means the Employer's Fund relating to employees and former employees of UK Coal Kellingley Limited.

**"Surface Mines Fund"** means the Employer's Fund relating to employees and former employees of UK Coal Surface Mines Limited.

**"Thoresby Fund"** means the Employer's Fund relating to employees and former employees of UK Coal Thoresby Limited.

**"UK Coal Production Fund"** means the Employer's Fund relating to employees and former employees of UK Coal Production Limited."

2.2 With effect on and from the date of this Resolution, the version of Rule 22(3) set out in the main provisions of the Trust Deed and Rules will be deleted in its entirety and the following new Rule 22(3) will be inserted in its place:

"22.3 A Member may, subject as hereinafter mentioned, at any time prior to his pension becoming payable elect to commute such part of his pension as he may request for a lump sum payment on the date on which his pension becomes payable:

(a) if the commutation is made when his Employer's Fund is in an "assessment period" as defined in section 132 of the Pensions Act 2004, on the basis for commutation most recently adopted by the Board of the Pension Protection Fund under paragraph 24 of Schedule 7 to the Pensions Act 2004 when the amount of the lump sum is calculated; or

(b) if the commutation is made in any other circumstances (including, for the avoidance of doubt, in circumstances where the Board of the Pension Protection Fund has ceased to be involved with the relevant Employer's Fund in accordance with section 149 of the Pensions Act 2004 or section 154 of the Pensions Act 2004 applies), on the basis of £9 for each £1 of pension commuted,

PROVIDED THAT:

(i) such lump sum payment shall not be an Unauthorised Payment (as defined in the Finance Act 2004); and

(ii) a Member may not exchange such an amount of pension as would be likely to make the pension remaining to him less than the total of his Equivalent Pension Benefits and Guaranteed Minimum Pension."

**Amendments to Appendix VII – Modified UKCML Fund Benefits**

2.3 With effect on and from the date of this Resolution the version of Rule 22(3) set out in paragraph 15 of Appendix VII of the Trust Deed and Rules will be deleted in its entirety and the following new Rule 22(3) will be inserted in its place:

"22(3) A Member may, subject as mentioned in the remainder of this Rule, at any time prior to his pension becoming payable elect to commute such part of his pension as he may request for a lump sum payment on the date on which his pension becomes payable:

(a) if the commutation is made during any period when his Employer's Fund is not in an "assessment period" as defined in section 132 of the Pensions Act 2004 (a "**Relevant Assessment Period**"), on the basis of £9 for each £1 of pension commuted; or

(b) if the commutation is made during a Relevant Assessment Period, on the basis for commutation most recently adopted by the Board of the Pension Protection Fund under paragraph 24 of Schedule 7 to the Pensions Act 2004 when the amount of the lump sum payment is calculated,

PROVIDED THAT a Member may not exchange such an amount of pension where the payment cannot be treated as a pension commencement lump sum (within the meaning of the Finance Act 2004)."

2.4 With effect on and from the date of this Resolution the Co-ordinator and the Trustee agree that the above amendment to paragraph 15 of Appendix VII of the Trust Deed and Rules will apply to the Surface Mines Fund, the Thoresby Fund, the Kellingley Fund and the UK Coal Production Fund as the benefits payable to the Members of these Employer's Funds are governed by Appendix VII of the Trust Deed and Rules.

It is hereby confirmed by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

.....H. McGuire.....
On behalf of the Committee

.....22-9-15.....
Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the matter set out above.

.....
On behalf of the Co-ordinator

11 November 2015
.....
Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

## 1. RECITALS

### 1.1 Background

(a) Mines Rescue Service Limited (**"Mines Rescue"**) is the sole participating employer in the Mines Rescue Service Limited Fund within the Scheme (the **"Mines Rescue Fund"**).

(b) Mines Rescue began consulting with trade union representatives on 15 November 2016 regarding proposals (the **"Proposals"**) to modify certain of the benefits provided under the Mines Rescue Fund to Members accruing benefits in the Mines Rescue Fund on and after 30 March 2017 (the **"DC Effective Date"**) in accordance with the terms of this Resolution. The Proposals include:

(i) the cessation of future accrual of defined benefits under the Mines Rescue Fund on and from the DC Effective Date; and

(ii) the introduction of a defined contribution benefit structure within the Mines Rescue Fund on and from the DC Effective Date, and in accordance with the terms set out in Appendix VIII of the Rules, so that Contributors accruing defined benefits immediately prior to the DC Effective Date can continue to accrue benefits under the Scheme, albeit on a defined contribution basis, on and from the DC Effective Date.

### 1.2 Scheme amendments

(a) Mines Rescue wishes to amend the Scheme to give effect to the Proposals. The Co-ordinator has agreed to amend the Trust Deed and Rules accordingly.

(b) Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee, and subject to the consent of the Committee where this is required under paragraph (2) of that Clause, amend the Trust Deed and Rules, further subject to:

(i) the provisions of paragraph (3) of that Clause; and

(ii) provisos (i) to (vi) of that Clause.

(c) In particular, provisos (iv) of Clause 46(1) provides that no alteration, deletion or addition to the Trust Deed or the Rules shall be made which will have the effect of increasing the contribution of or reducing prospective benefit to any existing Contributors unless such increase or reduction is approved by a Resolution passed by a majority of not less than two-thirds of such of the Contributors affected as shall vote on the matter either personally or by proxy, at an Extraordinary Meeting of which due notice shall have been given specifying the intention to propose such increase or reduction.

(d) There is a broadly equivalent restriction on scheme amendments in Regulation 13 of the Coal Industry (Protected Persons) Pensions Regulations 1994, as amended (**"Regulation 13"**).

aggregate of any contributions paid or deemed to be paid into such account by a Member or his Employer, any transfer payment received in to such account, and any investment profit or loss on the foregoing less any charges or expenses relating to such account and the value of any benefits paid from or transferred out of such account."

2.2 Subject to paragraph 2.3 of this Resolution, with effect on and from the DC Effective Date, Schedule 1 to this Resolution shall be and hereby is inserted as a new Appendix VIII to the Rules after existing Appendix VII.

2.3 Each of the modifications or amendments made by this Resolution is distinct and severable from the others and takes effect separately in relation to each person to whom it applies. If any of those provisions is ineffective (in whole or in part), the remaining provisions (or the same provision to any other extent) shall have effect in all other respects. If any modification or amendment is declared void because of its effective date, it shall have effect from the earliest date at which the modification or amendment would not have been voidable.

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

H. McGowan

On behalf of the Committee

21.3.2017

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

D Dawe

On behalf of the Co-ordinator

21.3.2017

Date

## APPENDIX VIII – MODIFIED MINES RESCUE FUND BENEFITS

### 1. Application of the Appendix

(1) This Appendix sets out the benefits payable to or in respect of:

(a) Members who were DB Contributors and employees of Mines Rescue immediately before the DC Effective Date; and

(b) any person who ceased to be a DB Contributor to the Mines Rescue Fund before the DC Effective Date and who is subsequently readmitted to membership of the Mines Rescue Fund as a DC Contributor or re-enters Eligible Employment as a DC Contributor in the circumstances set out in Rule 26(1) (Short Breaks in Employment) as modified by Part 2 of this Appendix,

and in both cases, while they remain Members of the Scheme entitled to benefits under the Mines Rescue Fund.

(2) With effect from 23:59 and 59 seconds on the day immediately before the DC Effective Date, the Rules apply to the persons listed in paragraph 1(1) only to the extent provided for in this Appendix.

(3) This Appendix shall have no application to or in respect of any person who is a Member not listed in paragraph 1(1). The benefits of such persons shall continue to be determined under the Rules on the basis that this Appendix does not apply.

(4) The benefits payable under this Appendix form part of the benefits payable under the Mines Rescue Fund which shall:

(a) continue to meet the conditions necessary to be a section of a segregated scheme for the purpose of the employer debt requirements of the Pensions Act 1995 (as referred to in Regulation 8 of The Occupational Pension Schemes (Employer Debt) Regulations 2005 (as amended)); and

(b) for the avoidance of doubt, fall within paragraph (iv) of Clause 4 of the Trust Deed (Nature of Scheme).

(5) Regulations 3 to 8 of The Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 (as amended) as inserted by Resolution IWCSSS/2006/RA1 disregarding any limitation as to the transitional period shall continue to apply to Parts 1 and 2 of this Appendix except to the extent that they have already been relaxed or disapplied by IWCSSS/2006/RA1 and IWCSSS/2007/RA2 or further relaxed by paragraph 12 of Part 2 of this Appendix to permit partial transfers of DC Members' benefits or otherwise. Any references to Inland Revenue Limits and Inland Revenue Approval or similar terms shall be construed accordingly.

(6) The amendments made by:

(a) IWCSSS/2006/RA1 to modify the Scheme on a Member's death to satisfy the relevant requirements of the Civil Partnership Act 2004; and

(b) IWCSSS/RA2/2014 to modify the Scheme on a Member's death to satisfy the relevant requirements of the Marriage (Same Sex Couples) Act 2013,

## PART 1 – DEFINITIONS

### 1. Definitions

(1) For the purposes of determining the benefits payable under this Appendix with effect from the DC Effective Date, the definitions set out in Clause 50 of the Trust Deed shall continue to apply except where:

(a) a word or expression defined in Clause 50 of the Trust Deed has also been defined in this Appendix, in which case, the definition in this Appendix shall apply (and shall be deemed to have been substituted for the equivalent definition in Clause 50); and

(b) a word or expression has been defined in this Appendix but has not been defined in Clause 50 of the Trust Deed, in which case, the definition in this Appendix shall be deemed to be incorporated in the appropriate alphabetical place in Clause 50 of the Trust Deed.

(2) For the purposes of determining the benefits payable under this Appendix and with effect from the DC Effective Date, wherever a defined term is used in the Trust Deed and Rules (whether in a provision modified by this Appendix or otherwise) it shall have the meaning determined by sub-paragraph (1) above.

(3) The words and expressions set out in this sub-paragraph (3) shall have the meaning assigned to them as follows:

"**Additional Employer DC Contribution**" means, in relation to a DC Contributor, an additional contribution payable to the Mines Rescue Fund at the rate of 2% of his Contribution Salary from time to time until the earlier of the DC Contributor ceasing to be in DC Contributing Service and 29 March 2022.

"**Approved Policy**" means a policy of insurance or annuity contract that secures benefits earned under the Scheme and is written by the United Kingdom office of an insurance company as defined in section 275 of the Finance Act 2004. An Approved Policy must comply with the relevant legislation so as to discharge the liability of the Trustee and the Committee for such benefits.

"**Contributing Service**" means:

(a) for so long as the Member was a DB Member, Normal Contributing Service and Family Contributing Service provided that any reference to a period of Contributing Service shall except where otherwise expressly provided be a reference to a period of Normal Contributing Service; and

(b) for so long as the Member is a DC Contributor, any period of DC Contributing Service.

"**Contribution Salary**" means, in relation to a DC Contributor, his Salary during his DC Contributing Service except that in respect of a Capped Member there shall be disregarded the amount in any Tax Year by which his Salary exceeds the amount of the Permitted Maximum for that Tax Year.

Where a DC Contributor has previously made an election under Rule 9, his Salary shall include any overtime payments that would have been pensionable under that Rule.

Rescue, and notified to the DC Contributors, from time to time in accordance with paragraph 4(7) of Part 2 of this Appendix.

"**Life Assurance Salary**" means, in relation to a DC Contributor, an amount equal to the Contribution Salary in the twelve months before the date of death. This amount may not, in the case of a Capped Member, exceed the Permitted Maximum.

"**Mines Rescue**" means Mines Rescue Service Limited (incorporated and registered in England and Wales under company registration number 03147253), the registered office of which is at The Mansfield Mines Rescue Station, Leeming Lane South, Mansfield Woodhouse, Mansfield, Nottinghamshire NG19 9AQ.

"**Mines Rescue Fund**" means the Employer's Fund relating to employees and former employees of Mines Rescue (or of any Associated Employers of Mines Rescue admitted from time to time to participation in the Mines Rescue Fund if at any time it becomes an Associated Employers' Fund).

"**Permitted Maximum**", in relation to any Tax Year ending:

(a) before 6 April 2006, has the same meaning as in section 590C(2) of the Taxes Act as it was then in force; and

(b) after 5 April 2006, means the amount which would have been the permitted maximum for the purposes of section 590C(2) of the Taxes Act if the section had continued in force and the Treasury had continued to make the applicable orders under that section.

"**Retirement Account**" shall have the meaning given to it in paragraph 6 of Part 2 of this Appendix.

(4) In this Appendix whenever there is a reference to a particular Rule continuing to apply, or continuing to apply with modifications, after the DC Effective Date but the Rule or modifications to the Rule are not set out in full, for the purposes of determining Member's benefits, the Rule shall be treated as having been set out in full with any applicable modifications.

All attaching spouses, dependants and children's pensions and attaching lump sum death benefits in respect of his period of Contributing Service prior to the DC Effective Date shall be calculated by reference to the Rules which apply to a DB Member entitled to benefits under Rule 24(2), as modified above.

Subject to sub-paragraphs 3(2) to 3(5), if the Deferred DB Pension comes into payment from a date other than Normal Retiring Age it shall be reduced for early payment or increased for late payment as otherwise provided for in the Rules.

(2) Subject to sub-paragraph 3(7), if a DC Contributor, who has not brought his pension attributable to his Contributing Service prior to the DC Effective Date into payment, produces evidence satisfactory to the Scheme's Medical Adviser that through bodily or mental incapacity or physical infirmity he is unlikely to be able to carry on any duties which his Employer may reasonably assign to him, and the Trustee is satisfied on the basis of advice from the Scheme's Medical Adviser that he satisfies the ill-health condition (as defined in the Finance Act 2004), he shall be entitled to an immediate pension in respect of his Contributing Service prior to the DC Effective Date to be known as the **"DC Contributor Ill-Health Pension"** calculated as follows:

"**DC Contributor Ill-Health Pension**" is:

an annual pension equal to the DC Member's Deferred DB Pension calculated as at the date on which the above condition is satisfied with no reduction for early payment.

The DC Contributor Ill-Health Pension shall be further increased, if necessary, to ensure that the minimum pension payable under this sub-paragraph shall be at the rate of £104 per annum.

Where a DC Member receives a pension in accordance with this sub-paragraph, no further pension shall be payable to him under Rule 24(2). All attaching spouses, dependants and children's pensions and attaching lump sum death benefits in respect of his period of Contributing Service prior to the DC Effective Date shall be calculated in the same way as if the DC Contributor Ill-Health Pension had been payable under Rule 23(3) (instead of the ill health pension provided for under that Rule) but, for the avoidance of doubt, no amount shall be payable by reference to prospective Contributing Service.

(3) Subject to paragraph 3(7), the Committee, at the Employer's request, may grant the same benefits as under Rule 23(2) in respect of his benefits accrued as a DB Contributor up to the DC Effective Date to any DC Contributor who wishes to retire, on attaining age 55 or over.

(4) Subject to paragraph 3(7), if a DC Contributor is retired compulsorily when his age is not less than 50, the Committee when the Employer in special circumstances so requests, may award the same benefits as under Rule 23(2) in respect of his benefits accrued as a DB Contributor up to the DC Effective Date (provided that no benefits shall be paid under this paragraph 3(4) to a member who is under normal minimum pension age (as defined in the Finance Act 2004) unless that member has a protected pension age for the purposes of Schedule 36 to the Finance Act 2004).

(5) Subject to paragraph 3(7), if a DC Contributor:

(a) has attained normal minimum pension age (as defined in the Finance Act 2004) and his Employer requests; or

(b) wishes to retire within five years of Normal Retiring Date or is retired compulsorily when his age is more than his normal minimum pension age (as defined in the

whichever first occurs.

(4) A DC Member who has given notice in accordance with paragraph 4(3)(b) above may not subsequently resume payment of Employee DC Contributions.

(5) The Employer shall deduct the Employee DC Contributions from the DC Contributor's Contribution Salary and remit them to the Committee. During any period in which a DC Contributor participates in a Salary Sacrifice Facility, the Committee shall treat any contributions from the Employer paid in lieu of Employee DC Contributions as if they were Employee DC Contributions, so long as such treatment would not result in an unauthorised payment for the purposes of the Finance Act 2004.

(6) The Employer shall pay to the Mines Rescue Fund in respect of each DC Contributor who is making Employee DC Contributions an amount equal to the Employer DC Contributions and any Additional Employer DC Contributions.

(7) The Employer shall review the rate of Employer DC Contributions which shall apply with effect on and from 1 April 2018 and annually thereafter in order to determine whether or not a higher (but not lower) rate of Employer DC Contributions should be payable. The Employer shall not be obliged, following completion of that review, to increase the rate of Employer DC Contributions in respect of any DC Contributor, but any increase in the rate of Employer DC Contributions determined by the Employer, acting in its absolute discretion, will take effect on and from 1 April of the calendar year in which the annual review was completed irrespective of whether that review is completed before, on or after 1 April itself.

(8) The Employer shall also pay the amount the Committee determines is necessary to fund the lump sum life assurance benefit under paragraph 9.

(9) All contributions shall be remitted by the Employer within the time specified in the schedule of contributions in force from time to time under the Pensions Act 1995.

**5. DC Contributions during periods of absence**

(1) During any period of ordinary or paid maternity leave, ordinary or paid paternity leave, ordinary or paid adoption leave or parental leave, where this is required by statute, Employer DC Contributions and any Additional Employer DC Contributions shall continue to be made by the Employer by reference to the amount which the DC Member would have received by way of Contribution Salary if he had not been absent during that period. During any period of additional maternity leave, additional paternity leave or additional adoption leave or parental leave where an Employer DC Contribution is not required by statute, Employer DC Contributions and any Additional Employer DC Contributions shall be made by reference to the salary or earnings actually paid to the DC Member (if any) during that period unless his Employer agrees to pay Employer DC Contributions and any Additional Employer DC Contributions at a higher rate.

(2) A DC Contributor shall only be required to continue to contribute during any period of ordinary maternity leave, paid maternity leave, ordinary adoption leave or paid adoption leave, ordinary paternity leave and paid paternity leave on the basis of the Contribution Salary he actually receives.

(3) During any period of maternity leave, paternity leave, adoption leave or parental leave life assurance benefits shall continue to be provided under paragraph 9 of Part 2 of this Appendix calculated by reference to the Life Assurance Salary which the Employer determines would have been applicable in the 12 months before the date of death if the member had not been absent.

(a) Employee DC Contributions made by or in respect of the DC Member;

(b) Employer DC Contributions and any Additional Employer DC Contributions paid in respect of the DC Member;

(c) any transfer payment received by the Scheme with the consent of the Trustee in respect of the DC Member excluding any transfers made while they were a DB Member which resulted in them being granted defined benefits in the Mines Rescue Fund;

(d) any other payments made to the Mines Rescue Fund by or on behalf of the DC Member for the purposes of adding to his Retirement Account; and

(e) any investment return or loss on the amounts paid under paragraphs (a), (b) (c) or (d);

less:

(i) any charges or expenses relating to the Retirement Account (through the notional unit price or as otherwise agreed by the Employer and the Trustee); and

(ii) the value of any benefits paid from or transferred out of the Retirement Account.

**7. Investment of Retirement Account**

(1) The Committee shall consider at appropriate intervals, having taken proper advice in accordance with applicable statutory requirements, the investments in which the Employee DC Contributions, Employer DC Contributions, Additional Employer DC Contributions and any other payments referred to in Rule 6(c) and (d) shall be invested.

(2) The Committee may, but shall not be obliged to, make investment options available to DC Members under the Mines Rescue Fund. Where the Committee decides to make investment options available, a DC Member will be invited to choose in such manner and at such times as the Committee prescribes from among the investment options offered. If the DC Member fails to choose an investment option, funds referable to his Retirement Account shall be invested in the default fund or funds from time to time made available.

(3) The Committee may from time to time withdraw an investment option. In such circumstances the Committee may direct that funds referable to Retirement Accounts be moved to alternative investments.

(4) Clause 14 of the Trust Deed (Investment) is modified to the extent necessary to enable the Committee to give effect to the preceding provisions of this paragraph.

**8. Retirement Benefits**

(1) A DC Member who is no longer in Eligible Employment:

(a) shall on his Normal Retiring Age, if he has ceased to be in service before that date, or on ceasing to be in service if he ceases to be in service after Normal Retiring Age; or

(b) may with the consent of his Employer at any time on or after Normal Minimum Pension Age or an earlier date where the ill-health condition (as defined in the Finance Act 2004) is satisfied,

(b) multiplied by half of the number of complete years (and pro-rated for complete months) between the date on which ill health retirement is granted in accordance with paragraph 3(2) of this Part 2 and Normal Retiring Age.

(3) Where the DC Ill-Health Top Up becomes payable, all of this amount shall be paid to the Mines Rescue Fund and credited by the Trustee to the DC Contributor's Retirement Account in accordance with paragraph 6(d) of this Part 2. The DC Ill-Health Top Up will form part of the DC Contributor's money purchase benefits accumulated under his Retirement Account.

(4) Mines Rescue shall make such additional contributions to the Mines Rescue Fund as may be required by the Trustee, having obtained the advice of the Actuary, to meet the cost of the DC Ill-Health Top Up without requiring any additional Employee DC Contributions to be made by the DC Contributor.

(5) Payment of the DC Ill-Health Top Up in accordance with paragraphs 8A(1) to 8A(4) above is without prejudice to any entitlement the DC Contributor may have to receive the DC Contributor Ill-Health Pension in accordance with paragraph 3(2) of this Part 2, which will come into payment separately from the DC Contributor's money purchase benefits accumulated under his Retirement Account.

**9. Life Assurance Benefits**

(1) Subject to any election under Rule 28 (Alternative Application of Death Benefits), on the death of a DC Contributor, the Committee shall pay a lump sum equal to four times his Life Assurance Salary at date of death plus the value of his Retirement Account, less the amount of any lump sum death benefits payable under Rule 29 or 30, as a benefit earned as a DB Member while in Contributing Service, and the BCSSS to the DC Member's estate.

(2) Subject to any election under Rule 28 (Alternative Application of Death Benefits), if a DC Member who is not a DC Contributor or as at the date of death dies while his Retirement Account is retained in the Mines Rescue Fund, the value of his Retirement Account shall be paid to his estate.

(3) Benefits earned as a DB Member while in Contributing Service shall be paid in accordance with the applicable provisions of Rule 29 or 30, except that no amount shall be payable by reference to any prospective Contributing Service had the DB Member remained a DB Contributor at date of death.

**10. Benefits on Leaving DC Contributing Service**

If a DC Member ceases to be a DC Contributor, his Retirement Account shall be retained in the Mines Rescue Fund until it is transferred under Rule 45 or otherwise or paid in accordance with paragraph 8 or 9(2).

**11. Death in Retirement**

After the DC Member's Retirement Account has been put into payment under paragraph 8, his benefits built up as a result of Employee DC Contributions, Employer DC Contributions and any Additional Employer DC Contributions made during his period of DC Contributing Service, shall be governed by the terms of the Approved Policy taken out in respect of the DC Member's benefit. For the avoidance of doubt, if all of the DC Member's Retirement Account was paid as a lump sum under paragraph 8, no death benefits shall be payable.

(q) Copies of Trust Deed and Rules and Explanatory Literature (Rule 63);

(r) Notices (Rule 64);

(s) Forms (Rule 65);

(t) Determination of Medical Questions (Rule 66);

(u) Limitation on Benefits (Rule 67);

(v) Supply of Information to BCSSS (Rule 68);

(w) Pension Sharing on Divorce (Rule 69);

(x) Prevention of Discrimination on Grounds of Age (Rule 70);

(y) Salary Sacrifice and Limitation on Benefits (Rule 71);

(z) Appendix I and II – to the extent applicable before the DC Effective Date;

(aa) Appendix III (National Insurance Adjustments – Rule 50) – to the extent applicable to the benefits accrued as a DB Member;

(bb) Appendix IV – (Contracting out) to the extent applicable in relation to any period of contracted-out employment as a DB Member;

(cc) Appendix V (Inland Revenue Limits); and

(dd) Appendix VI (Rules for Pension Sharing on Divorce).

IWCSSS/AA2 2017

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**RECITALS**

(A) The Pensions Act 2014 introduces a single-tier state pension with effect from 6 April 2016, and as a result the Scheme will cease to be contracted-out of the additional state pension. The Co-ordinator wishes to amend the Trust Deed and Rules to reflect the abolition of contracting-out.

(B) Clause 46 of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee and with the consent of the Committee of Management where this is required under paragraph (2) of that clause, and subject to certain restrictions which are not relevant to the amendments made by this resolution, amend the Trust Deed and Rules.

(C) The Co-ordinator:

(i) has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out in the resolutions below (as evidenced by the Committee's signature); and

(ii) is satisfied that the amendments do not require the consent of the Committee under Clause 46(2) of the Trust Deed.

(D) Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in section 67A of the Pensions Act 1995) is voidable unless certain conditions are met. The Co-ordinator is satisfied that the proposed amendments do not constitute Regulated Modifications.

(E) The Actuary has confirmed that the amendments in the resolutions below satisfy the requirements under section 37 of the Pension Schemes Act 1993 and regulations made thereunder and this confirmation is appended.

(F) This document may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each of the parties may enter into the resolutions by executing any such counterpart.

**RESOLUTIONS**

1. **EFFECTIVE DATE**

The resolutions set out below shall take effect on and from 11:59pm on 5 April 2016.

2. **AMENDMENTS TO THE TRUST DEED AND RULES**

2.1 In clause 50(i) of the Trust Deed:

(a) The definition of *"State Pensionable Age*" is deleted in its entirety.

(b) The definition of *"Contributions Equivalent Premium"* shall be deleted in its entirety and replaced as follows:

> *""**Contributions Equivalent Premium**" has the meaning assigned thereto by section 55(2) of the 1993 Act."*

2.2 Rule 21.1 shall be deleted in its entirety and replaced as follows:

> *"21.1 This Rule and the provisions of the Contracting-out Rules shall apply to any employment prior to 6 April 2016 which was contracted-out employment by reference to the Scheme."*

2.3 Rule 70.2 shall be deleted in its entirety and replaced as follows:

> *"70.2 Rule 70.1 shall not apply to benefits accrued prior to 6 April 2016 to the extent that, following any modification of a term pursuant to that Rule, the Scheme would cease to satisfy the Statutory Standard applied prior to 6 April 2016."*

2.4 References in the Trust Deed and Rules to "clause 70" (and to any sub-section of clause 70) shall be replaced by references to "Rule 70" (and to the relevant sub-section of that Rule).

3. **AMENDMENT TO CONTRACTING-OUT APPENDIX**

Appendix IV (Contracting out) to the Trust Deed and Rules shall be deleted in its entirety and replaced by the new Appendix IV set out in the Schedule to these resolutions.

H. McGuire ..... 15.3.16 .....

On behalf of the Committee of Management Date

..... 2.3.17 .....

On behalf of the Co-ordinator Date

## SCHEDULE

## APPENDIX IV: CONTRACTING-OUT

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## PART I – INTERPRETATION, APPLICATION AND AMENDMENT

### 1. INTERPRETATION

### 1.1 Definitions

In this Appendix the following words have the following meanings:

"**the Act**" means the Pension Schemes Act 1993.

"**Appendix**" means this Appendix governing the treatment of contracted-out rights in the Scheme.

"**Civil Partner**" means a civil partner under the Civil Partnership Act 2004.

"**Contracted-out Employment**" means a Member's contracted-out employment by reference to the Scheme (as in section 8(1) of the Act).

"**Fixed Rate Revaluation**" means the method of revaluing a GMP before GMP Pensionable Age described in Rule 5.1(B) below.

"**GMP**" means the guaranteed minimum pension of a Member, Widow, Widower or surviving Civil Partner as defined in the Act.

"**GMP Pensionable Age**" means a man's 65th birthday and a woman's 60th birthday.

"**Member**" means a member of the Scheme (including a person who is not in the pensionable service of any employer participating in the Scheme but to whom or in respect of whom, benefits are still immediately or prospectively payable under the Scheme in respect of previous membership of the Scheme or another scheme).

"**No.2 Regulations**" means the Occupational Pension Schemes (Schemes that were Contracted-out) (No. 2) Regulations 2015.

"**Normal Retiring Date**" means the day on which a Member attains normal pension age (within the meaning of the Act) under the Scheme.

"**Protected Rights**" has the same meaning that was given to it in section 10 of the Act immediately prior to that section being repealed.

"**Qualifying Service**" has the same meaning as in section 71(7) of the Act.

"**Rule**" (followed by a number) means a Rule in this Appendix and "these Rules" means the Rules in this Appendix.

"**Same Sex Spouse**" means a same-sex spouse under the Marriage (Same Sex Couples) Act 2013.

"**Scheme**" means the Industry-Wide Coal Staff Superannuation Scheme.

"**Section 9(2B) Rights**" has the same meaning as in the No. 2 Regulations.

"**Section 53 money purchase scheme**" means a scheme which was a contracted-out money purchase scheme and to which section 53 of the Act applied prior to 6 April 2012.

"**Section 53 salary related scheme**" means a scheme which was a contracted-out salary related scheme to which section 53 of the Act applies.

"**Section 148 Revaluation**" means the method of revaluing a GMP before GMP Pensionable Age described in Rule 5.1(A) below.

"**Short Service Benefit**" means the benefit to which an early leaver who satisfies the qualifying conditions must be entitled under the preservation requirements.

"**Transfer Regulations 1996**" means the Contracting-Out (Transfer and Transfer Payment) Regulations 1996.

"**Trustee**" means the Industry-Wide Coal Staff Superannuation Scheme Trustees Limited.

"**Widow**" and "**Widower**": means respectively the widow and the widower of a Member, and in this Appendix except in Rule 4, widow shall include a woman who is a surviving Same Sex Spouse and widower shall include a man who is a surviving Same Sex Spouse. If a Member has married under a law which allows polygamy and, on the day of the Member's death has more than one spouse, none of them will qualify as a Widow or Widower. However, if only one spouse survives, that survivor will be the widow or widower.

1.2 **Interpretation**

References to legislation shall include any modification or re-enactment of that legislation and any regulations made under it.

2. **APPLICATION OF THIS APPENDIX**

2.1 The Scheme is intended to be an occupational pension scheme which, prior to 6 April 2016 was contracted-out by satisfying the requirements under sections 9(2) of the Act as in force prior to 6 April 2016. Following the abolition of contracting-out on 6 April 2016, the Scheme will comply with all requirements relating to rights acquired by reference to Contracted-out Employment including under the Act, the No.2 Regulations, the Abolition of Contracting-out for Salary Related Pension Schemes (Consequential Amendments) Order 2016, and any other legislation applicable to a scheme which was formerly contracted-out (subject to any transitional provisions under the Pensions Act 2014 (Savings) Order 2015), and this Appendix should be read in light of the legislation in force from time to time listed in this Rule 2.1.

2.2 The provisions of this Appendix override any of the other provisions of the Scheme with which they are inconsistent provided that the Trustee shall not be required to make a payment that would be an unauthorised payment for the purposes of the Finance Act 2004. This Appendix has been drafted to comply with section 12(E) of the Act and should be construed accordingly.

2.3 Part II of this Appendix applies to periods of Contracted-out Employment by reference to the Scheme prior to 6 April 1997 and will only apply for so long as anyone has a GMP or a prospective right to receive a GMP under the Scheme. Part III of this Appendix applies to periods of Contracted-out Employment by reference to the Scheme after 5 April 1997.

3. **AMENDMENT OF THE SCHEME RULES AND THIS APPENDIX**

3.1 The provisions of the Scheme shall not be altered in a manner which is prohibited by section 37 of the Act or Regulations 17 or 20 of the No.2 Regulations (if and to the extent those provisions are in force and apply to the Scheme at the relevant time).

3.2 Subject to the provisions of section 37 of the Act, Regulations 17 and 20 of the No. 2 Regulations (if and to the extent those provisions are in force and apply to the Scheme at the relevant time), the persons or bodies having the power of alteration in relation to the rest of the Scheme may at any time in writing make any alteration to these Rules.

## PART II - PRE-APRIL 1997 CONTRACTED-OUT RIGHTS

### 4. ENTITLEMENT TO GMP

### 4.1 Guaranteed Minimum

This Rule 4 applies to a Member, Widow, Widower, surviving Civil Partner or surviving Same Sex Spouse where the Member has a guaranteed minimum in relation to the pension provided for the Member under the Scheme in accordance with section 14 of the Act.

### 4.2 Member's GMP

The Member shall be entitled to a pension for life paid at a rate equivalent to a weekly rate of not less than that guaranteed minimum. The pension will be paid from GMP Pensionable Age but commencement of the pension may be postponed for any period during which the Member remains in employment after GMP Pensionable Age:

(a) if the employment is employment to which the Scheme relates and the postponement is not for more than 5 years after GMP Pensionable Age; or

(b) if the Member consents to the postponement.

### 4.3 Widow's GMP

Where the Member is a man and dies leaving a Widow, she shall be entitled to receive a pension from the Scheme paid at a rate equivalent to a weekly rate of not less than half that guaranteed minimum.

### 4.4 Payment of Widow's GMP

Subject to section 17 of the Act and Regulations 21 and 22 of the No. 2 Regulations, the pension shall be paid to any Widow for life.

### 4.5 Widower's, surviving Civil Partner's and Same Sex Spouse's GMP

Where the Member:

(a) is a woman and dies on or after 6 April 1988 leaving a Widower, or

(b) is a man or a woman and dies on or after 5 December 2005 leaving a surviving Civil Partner or Same Sex Spouse;

he or she shall be entitled to receive a pension from the Scheme paid at a rate equivalent to a weekly rate of not less than half of that part of the guaranteed minimum which is attributable to earnings for the tax year 1988-1989 and subsequent tax years up to and including the tax year 1996-1997.

4.6 **Payment of Widower's GMP**

Subject to section 17 of the Act and Regulations 21 and 22 of the No. 2 Regulations, the pension shall be paid for life to Widower, surviving Civil Partner or surviving Same Sex Spouse for life.

4.7 **Offsetting pension against GMP**

Any pension payable to the Member, Widow, Widower, surviving Civil Partner or Same Sex Spouse under any other provision of the Scheme in respect of Contracted-out Employment to which Part II of these Rules apply may be offset against the pension entitlement under this Rule 4 except to the extent that:

(a) any part of the pension is an equivalent pension benefit within the meaning of the National Insurance Act 1965;

(b) any part of the pension is an increase, calculated in accordance with Schedule 3 of the Act and added to the amount that would be payable but for Chapter II of Part IV of the Act or regulations made under it;

(c) offsetting would contravene the anti-franking legislation (see Rule 7 below).

5. **REVALUATION OF GMP**

5.1 **Revaluation before GMP Pensionable Age**

The Member's GMP at GMP Pensionable Age or at the Member's earlier death will be calculated by increasing the accrued rights to GMP at 5 April 1997 as prescribed below.

For increases up to the date on which the Member ceases Contracted-out Employment, or if the Member is in pensionable service after 5 April 2016, the date on which his pensionable service in the Scheme ceases, the increase will be by the percentage by which earnings factors for the tax year 1996-97 are increased by the last order under section 21 of the Social Security Pensions Act 1975 or section 148 of the Social Security Administration Act 1992 to come into force before the tax year in which the Member ceases pensionable service.

For increases from the date of cessation of the Member's Contracted-out Employment, or if the Member is in pensionable service after 5 April 2016, the date on which his or her pensionable service ceases, under one of the options (A) or (B) below:

**(A) Section 148 Revaluation**

The increase will be by the percentage by which earnings factors for the tax year 1996-97 or the earlier tax year in which Contracted-out Employment ceases are increased by the last order under section 21 of the Social Security Pensions Act 1975 or section 148 of the Social Security Administration Act 1992 to come into force before the tax year in which the Member reaches GMP Pensionable Age (or dies, if earlier).

**(B) Fixed Rate Revaluation**

The increase will be by such rate as regulations made under section 16(3) of the Act specify as being relevant at 5 April 1997 or the earlier date of cessation of Contracted-out Employment, for each relevant tax year (as defined in section 14

of the Act) after the tax year containing that date up to and including the last tax year before the Member reaches GMP Pensionable Age (or dies, if earlier).

The Trustee and the principal employer shall decide which of the options (A) or (B) applies to the Scheme. They may at any time decide that the other method shall be used, instead of the method currently being used, for all Members either ceasing to be in Contracted-out Employment after a specified date, or for Members in pensionable service after 5 April 2016, for all Members ceasing to be in pensionable service after a specified date.

5.2 **Transfers in**

Where a transfer payment is received in respect of a Member from another scheme ("the **transferring scheme**") which includes accrued rights of the Member to a GMP (or includes protected rights in respect of which the Scheme must provide a GMP), the earnings factors used in calculating that GMP will normally be revalued using Section 148 Revaluation. The Trustee may, however, decide, where permitted by legislation and if the provisions of the transferring scheme so allow, to use Fixed Rate Revaluation from the date on which the Member ceased to be in Contracted-out Employment by reference to the transferring scheme until the Member attains GMP Pensionable Age (or dies, if earlier).

Where the Scheme accepts the proceeds of, or the assignment of, an insurance policy which consists of, or includes, accrued rights to GMP, the Trustee may use either Section 148 Revaluation or Fixed Rate Revaluation as they decide.

5.3 **Transfers out**

Where a Member's accrued rights to GMP are transferred to another scheme which was contracted-out, the Trustee may agree with the administrator of that scheme that the Member's GMP shall, instead of being revalued using the method currently being adopted under Rule 5.1 above, be revalued using the other method which would be permitted if that scheme contained a rule in the same terms as 5.2 above.

6. **INCREASE OF GMP**

6.1 **Increase after GMP Pensionable Age**

If the commencement of any Member's GMP is postponed for any period after GMP Pensionable Age, that GMP shall be increased to the extent, if any, specified in section 15 of the Act.

6.2 **Increase after GMP Pensionable Age or Member's death**

Any GMP to which a Member, Widow or Widower or surviving Civil Partner is entitled under Rule 5 above shall, insofar as it is attributable to earnings in the tax years from and including 1988/1989, be increased in accordance with the requirements of section 109 of the Act.

7. **ANTI-FRANKING**

Except as provided in sections 87-92 and 110 of the Act, no part of a Member's, Widow's, Widower's or surviving Civil Partner's pension under the Scheme may be used to frank an increase in the Member's, Widow's, Widower's or surviving Civil Partner's GMP under Rule 5 or Rule 6 of this Appendix.

## 8. TRANSFERS INTO THE PLAN

### 8.1 Acceptance of transfers

The Trustee may accept:

(a) a transfer payment in respect of the Member's accrued rights to GMPs under a scheme that was contracted-out, a Section 53 salary related scheme, or a policy of insurance or an annuity contract of the type described in section 19 of the Act;

(b) a transfer of the liability for the payment of GMPs to, or in respect of, any person who has become entitled to them; or

(c) a transfer of Protected Rights

(i) in respect of the Member from another Scheme which is, or was an appropriate personal pension scheme;

(ii) in respect of the Member, from another scheme which is, or was, a scheme contracted-out on a money purchase basis or a Section 53 money purchase scheme[1].

Transfers may be accepted only as provided in the appropriate regulations.

### 8.2 Effect of transfers

Where a transfer is accepted under Rule 8.1 above, the Member's accrued rights to GMPs under the Scheme will be increased accordingly.

## 9. TRANSFERS OUT OF THE PLAN

### 9.1 Conditions for transfer of GMPs

A transfer payment made out of the Scheme may include a Member's accrued rights to GMPs or the liability for the payment of GMPs to, or in respect of, any person who has become entitled to them only if the following conditions are fulfilled. These conditions depend on the type of scheme, policy or contract to which the transfer is being made, but in all cases the transfer will be subject to any requirements of the Finance Act 2004.

(a) **All schemes and arrangements**

The Member must consent to the transfer unless regulations otherwise allow and, in particular, unless:

(i) it is a connected employer transfer as defined in the Transfer Regulations 1996. The transfer must be made in accordance with the appropriate regulations (currently the Transfer Regulations 1996) which may involve an actuarial certificate;

(ii) it is to allow benefits to be bought out where the Member has less than 5 years Qualifying Service, or to allow the Trustee to buy out the benefits of the Widow or Widower of such a Member.

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[1] Note that Protected Rights have now been abolished. We have not deleted references to Protected Rights as they may be relevant to the history of transfers received in respect of current active members.

**Contracted-out salary related schemes and section 19 insurance policies or annuity contracts**

The receiving scheme, policy or contract must provide the Member and the Member's Widow, Widower or surviving Civil Partner with GMPs equal to their accrued GMPs under the Scheme up to the date of transfer, together with revaluation until the Member reaches GMP Pensionable Age (or dies, if earlier). In the case of GMPs already in payment, the receiving scheme must provide for the pensions to commence from the date from which liability for payment has been assumed by it, and for the conditions of payment relating to its own GMPs to apply equally to such pensions.

(b) **All occupational pension schemes (except overseas schemes covered by (e))**

Unless regulations otherwise allow, the Member must be employed by an employer which is a contributor to the receiving scheme or the Member must previously have been a Member of the receiving scheme.

(c) **Appropriate personal pension schemes and occupational pension schemes which are or were contracted-out by the money purchase test**

That part of the transfer payment which relates to the Member's accrued rights to GMPs must be of an amount at least equal to the cash equivalent of the accrued GMPs, as calculated and verified in a manner consistent with regulations made under section 97 of the Act, and must be applied by the receiving scheme in providing money purchase benefits for, or in respect of, the Member.

(d) **Overseas occupational pension schemes not covered by (b) or (d) above**

The transfer must be in accordance with regulation 6 of the Transfer Regulations 1996.

9.2 **Effect of such transfers**

Where the Member's accrued rights to GMPs or liability for GMPs already in payment are transferred in accordance with Rule 9.1 above, the Member and the Member's Widow, Widower or surviving Civil Partner will cease to have any entitlement to a GMP under the Scheme. If the transfer does not relate to the whole of the Member's rights to benefits under the Scheme, the Member's remaining benefits under the Scheme may be reduced to allow for the fact that the Member's GMP rights have been transferred.

10. **COMMUTATION OF GMP**

10.1 **Circumstances in which GMP may be commuted**

Where section 21 of the Act permits the Member's GMP and the Widow's, Widower's or surviving Civil Partner's GMP may be commuted.

11. **PRIORITIES ON WINDING-UP**

If the Scheme winds-up for any reason, the assets must be applied to provide benefits in accordance with the provisions of the Scheme applicable on a winding-up, subject to the provisions of section 73 of the Pensions Act and the Occupational Pension Schemes (Winding-up) Regulations 1996 (if and to the extent those provisions are in force).

12. **SUSPENSION AND FORFEITURE OF GMP**

Any instalment of a GMP may be suspended or forfeited where permitted by Regulation 26 of the No. 2 Regulations.

13. **UPPER AGE LIMIT FOR ENTRY**

Membership of the Scheme must be open to persons who enter employments to which the Scheme relates more than 6 years before Normal Retiring Date. If the Scheme has an annual entry date, this 6 year period may be increased to a period of between 6 and 7 years beginning with that annual entry date. Where the Scheme and one or more other contracted-out schemes relate to employment with the same employer, those schemes may be treated as if they were a single scheme in deciding whether the requirements of this Rule 13 are satisfied.

14. **CONTRIBUTIONS EQUIVALENT PREMIUMS**

14.1 The Trustee may elect to pay a contributions equivalent premium as defined in section 181 of the Act in accordance with sections 55 to 58 of the Act and the No. 2 Regulations.

14.2 Payment of a contributions equivalent premium extinguishes the Member's accrued rights to GMPs under the Plan.

## PART III - POST-6 APRIL 1997 CONTRACTED-OUT RIGHTS

15. **COMPLIANCE WITH APPLICABLE REQUIREMENTS**

The Scheme shall be administered so as to comply with all applicable requirements, including those applicable to 9(2B) Rights, relating to a Scheme which was contracted-out for any period between 6 April 1997 and 6 April 2016.

16. **CONTRIBUTIONS EQUIVALENT PREMIUMS**

The Trustee may at any time pay a contributions equivalent premium in respect of any person entitled to Section 9(2B) Rights under the Scheme in accordance with Regulation 12 of the No. 2 Regulations and may make such other arrangements for the restoration of state scheme rights as the Trustee decides.

## APPENDIX
## CONFIRMATION OF COMPLIANCE WITH SECTION 37 PENSION SCHEMES ACT 1993

# Section 37 Pension Schemes Act 1993 Confirmation

**Section 37 of the Pension Schemes Act 1993 and Regulation 42 of the Occupational Pension Schemes (Contracting-out) Regulations 1996**

I, Donald Duval, the actuary for the Industry Wide Coal Staff Superannuation Scheme ("the Scheme") appointed in accordance with section 47(1) of the Pensions Act 1995, confirm to the trustees of the Scheme that, for the purpose of section 37 of the Pension Schemes Act 1993 (as amended by the Pensions Act 1995), I have considered the alterations to the Scheme envisaged by this Resolution, in relation to any rights which are to accrue under the Scheme in so far as such rights are attributable to an earner's service in contracted-out employment on or after the date on which the alterations to the rules take effect (other than rights attributable to the payment of voluntary contributions), and that I am satisfied that the Scheme would continue to satisfy the statutory standard in accordance with section 12A of the Pension Schemes Act 1993 (as inserted by the Pensions Act 1995) if the alterations in this Resolution were made.

**General**

This Confirmation will remain valid only if this Deed is executed within one month of the date below.

Signed  Date 5 April 2016

Name

Scheme Actuary

Qualification Fellow of the Institute and Faculty of Actuaries

Address Aon Hewitt
3 The Embankment
Sovereign Street
Leeds
LS1 4BJ

IWCSSS/RA3/2517

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend Clause 29 of the Trust Deed so that an Annual General Meeting need only be called if and when the Committee decides and to amend the provisions governing proxies at General Meetings.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules subject to certain restrictions which are not relevant to the amendments made by this resolution. Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed set out below (as evidenced by the Committee's signature on this resolution). The Committee is satisfied that the proposed amendments do not constitute Regulated Modifications.

2. **RESOLUTIONS**

2.1 With effect on and from the date of this Resolution, Clause 29 of the Trust Deed will be deleted in its entirety and replaced with the following new Clause 29:

"29. **ANNUAL MEETINGS**

The Committee may, from time to time in its absolute discretion, convene and hold a meeting known as an Annual Meeting in accordance with clause 32 below at such place and such time and for such purposes as the Committee determines from time to time including without limitation receiving a Report from the Committee and the Annual Statement of Accounts. An Annual Meeting will constitute a General Meeting of the Members for the purposes of the Scheme."

2.2 With effect on and from the date of this Resolution:

(a) the existing Clause 34 of the Trust Deed is deleted in its entirety and replaced by the following new Clause 34:

"34. **QUORUM AT MEETINGS**

(1) The quorum for a general meeting will be:

(a) in the case of an Annual Meeting, not less than 25 Members who are present either in person or by proxy under clauses 39 and 40; and

(b) in the case of an Extraordinary meeting, not less than 10 per cent by number of the total number of Members who were entitled to notice of that Meeting under clause 32(1) and who are present either in person or by proxy under clauses 39 and 40.

(2) No business (except the adjournment of the Meeting) shall be transacted at any General Meeting unless a quorum is present when the Meeting proceeds to business."; and

(b) the existing Clause 39 of the Trust Deed is deleted in its entirety and replaced by the following new Clause 39:

"39. **PROXIES**

(1) A Member may appoint the Chairman of the General Meeting under clause 33 (the "**Chairman**") as proxy to vote on the Member's behalf at the Meeting. In the appointment, the Member must direct the Chairman how to cast the Member's vote at the Meeting. Appointments shall be in such form as shall be prescribed or approved from time to time by the Committee and shall be signed by the Member and addressed to the Secretary at the Scheme's normal address for correspondence or such other address as the Committee may specify from time to time. Any instrument of proxy reaching the specified address less than 24 hours before the time appointed for holding the Meeting, or which does not direct the Chairman how to cast the Member's votes, will be invalid.

(2) Where the Chairman is proxy for one or more Members under this Clause 39:

(a) votes cast by the Chairman in the capacity of proxy shall only be counted on a poll vote;

(b) the Chairman will on a poll vote have one vote for himself and one vote for each Member for whom he is proxy;

(c) the Chairman must cast votes held in his capacity as proxy in accordance with the directions given by the relevant Member under Clause 39(1) above; and

(d) the Chairman will count towards the quorum of the Meeting both in his own capacity and as if each appointing Member for whom he is proxy were himself present and counting towards the quorum at that Meeting."

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendment set out above in accordance with Clause 46 of the Trust Deed.

H. McGuire

On behalf of the Committee

16.2.16

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....
On behalf of the Co-ordinator

2.3.2017
.....
Date

IWCSSS/RA4/2017

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed to allow for the remuneration of the Chairman of the Committee for his services as a member of the Committee and to ensure that such remuneration will constitute an expense of the administration or management of the Scheme. The Co-ordinator and the Committee note that an amendment is required in the articles of association of Industry-wide Coal Staff Superannuation Scheme Trustees Limited before the amendments to the Trust Deed set out below may become effective.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules. Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.

1.3 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed set out below (as evidenced by the Committee's signature on this resolution). The Committee is satisfied that the proposed amendments do not constitute Regulated Modifications.

2. **RESOLUTIONS**

With effect on and from the date of this resolution or, if later, immediately after the shareholders of Industry-wide Coal Staff Superannuation Scheme Trustees Limited have passed a resolution amending Article 35(E) of that company's articles of association, the following amendments shall be made to the Trust Deed:

2.1 A new Clause 23A will be inserted immediately after Clause 23 of the Trust Deed as follows:

"23A. **REMUNERATION OF COMMITTEE CHAIRMAN**

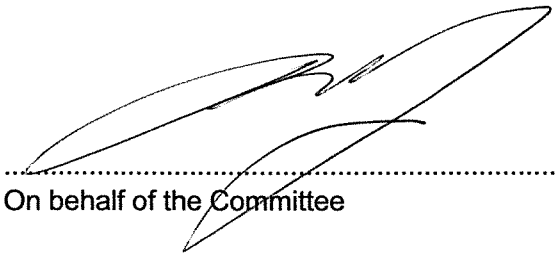
The Chairman of the Committee may be remunerated for his services as a member of the Committee on such terms and in such manner as the Committee determines from time to time. The cost of any such remuneration will be met in accordance with Clause 18."

2.2 Clause 18 of the Trust Deed will be deleted in its entirety and replaced by the following new Clause 18:

"18. **COSTS OF ADMINISTRATION**

The costs and expenses of managing and administering the Scheme, including the remuneration of the Chairman of the Committee, and including some or all of the costs and expenses of the Co-ordinator incurred in relation to day-to-day management and administration of the Scheme (as agreed by the Committee of Management), shall be payable by or with the authority of the Committee of Management out of the Expenses Fund except that if the Committee of Management considers that a cost or expense relates (in whole or in part) to one or more (but not all) Employers such cost or expense (or such part thereof) shall be borne by the Employer's Fund which relates to that Employer (or if more than one in such proportions as the Committee of Management considers to be equitable)."

It is HEREBY CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.



.....

On behalf of the Committee

7.6.16

.....

Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.



.....

On behalf of the Co-ordinator

2.3.17

.....

Date

IWCSSS/RA1/2018

# THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

## 1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme so that with effect on and from the Effective Date no person may be admitted to membership of the Scheme unless they are already a Member. This amendment is intended to ensure that the Scheme falls within the exemption in Regulation 26 of the Occupational Pension Scheme (Master Trust) Regulations 2018, meaning that the Scheme will be exempt from the obligations applicable to Master Trusts in Part 1 of the Pension Schemes Act 2017.

1.2 The Co-ordinator also wishes to amend the Trust Deed and Rules so that a Member who is in receipt of his or her pension may commence employment with an Employer and earn benefits under the Scheme, on such terms agreed between the Employer, the Member and the Committee, whilst continuing to be paid his or her pension. This amendment is intended to enable the Employers to take on statutory obligations to the Scheme without admitting any new Members.

1.3 Clause 46(1) of the Trust Deed provides that the Co-ordinator may after prior consultation with the Trustee amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.4 Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in that Act) is voidable unless certain conditions are met. The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

1.5 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out in Section 2 of this Resolution (as evidenced by the Committee's signature on this Resolution).

## 2. RESOLUTIONS

2.1 With effect on and from the date of this Resolution, the Co-ordinator has determined to amend the Trust Deed and Rules as follows:

(a) Clause 50 shall be amended by the addition of a new definition:

""**Effective Date**" means the date six months after the date Section 3 of the Pension Schemes Act 2017 comes into force (expected to be 1 October 2018)."

(b) Rule 1.4 shall be deleted and replaced by the following new Rule 1.4:

"Every person who, satisfying the eligibility conditions set out in either paragraph (2) or paragraph (3) of this Rule, delivers to the Committee an application for membership of the Scheme in such form and within such period after satisfying the eligibility conditions as the Committee shall prescribe, shall thereupon be admitted to membership of the Scheme and such admission shall have effect from such date as the Committee shall determine. No person shall be admitted as a Member on or after the Effective Date."

(c) Rule 48 shall be renamed "Re-entry to employment with an Employer".

(d) A new Rule 48.11 shall be added:

"A Member who is being paid a pension under the Scheme may commence employment with an Employer and earn further benefits under the Scheme whilst continuing to be paid his pension on such terms as are agreed between the Member, his Employer and the Committee. Such terms may include that the rest of this Rule 48 will not apply to that Member. If such a Member dies whilst in Eligible Employment, he shall be paid such benefits applicable to a Member who dies in Retirement and not the benefits applicable to a Member who dies in service."

2.2 Words and expressions used in this Resolution (including the opening recitals) and not defined have, so far as it consistent with the subject matter and where the context admits, the meanings set out in clause 50 of the Trust Deed and will be subject to the provisions as to interpretation contained in the Trust Deed.

It is CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

H. McGuire .....

**On behalf of the Committee**

20.9.18 .....

**Date**

It is RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

.....

**On behalf of the Co-ordinator**

10.9.18. .....

**Date**

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

## Resolution amending the Centris Section

1. RECITALS

### Background

1.1 The Trustee wishes to pass this Resolution to amend the Scheme's Trust Deed and Rules so that those members whose names appear in the schedule to this Resolution (the **"Centris Conversion Members**") shall not have a GMP under the Scheme.

1.2 Centris Services Limited ("**Centris**") participated in the Centris Section of the Scheme which is a Single Employer's Fund (the "**Centris Section**"). Following the dissolution of Centris on 20 June 2006, Aon UK Limited ("**Aon**") has taken over the obligations of Centris in respect of the Centris Section.

1.3 The Trustee now proposes to realise the assets of the Centris Section and to:

(a) secure the Centris Conversion Members' benefits with an insurance company (the "**Buy-Out**"); and,

(b) transfer the remaining members of the Centris Section to the Aon Consulting Section of the Scheme through an internal transfer.

1.4 As a means of treating the Centris Conversion Members (or widows, widowers, civil partners or same sex spouses claiming through such members) equally, the Trustees and the Aon have decided to convert the guaranteed minimum pension ("**GMPs**") rights (as defined in section 8 of the Pension Schemes Act (the **"1993 Act"**)) of Centris Conversion Members into other (non GMP) benefits under the Scheme and to notify HMRC accordingly. Such conversion is to take place prior to the Buy-Out. Aon has provided its consent to the conversion.

### Amendments

1.5 Section 24G of the 1993 Act permits the Trustee to modify the Scheme by resolution so as to effect a GMP conversion (the "**GMP Conversion**"). The GMP Conversion must satisfy Conditions 1 to 5 of section 24B of the 1993 Act.

1.6 The Trustee now wishes to effect the GMP Conversion for the Centris Conversion Members with effect from the date of this resolution (the **"Effective Date"**) and have obtained a certificate from the Actuary to the Scheme, as required by regulations 27 and 27A of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015, confirming that the post-conversion benefits will, as at the Effective Date, be actuarially at least equivalent to the pre-conversion benefits (using assumptions selected by the Trustees following the advice of the Actuary). A copy of the actuarial certificate is attached at Appendix 2 to this Resolution.

1.7 The Trustee will notify HMRC of the conversion of the Centris Conversion Members' GMPs promptly after the Effective Date. The Trustee, having already taken steps to communicate this change to members, will also notify all members and survivors affected by the GMP Conversion as soon as reasonably practicable after the Effective Date in accordance with the legislation.

2. **RESOLUTION**

2.1 In exercise of their powers under section 24G of the 1993 Act and all other powers available to them, the Trustee hereby resolves to amend the Trust Deed and Rules in respect of the Centris Conversion Members from the Effective Date so that:

(a) No Centris Conversion Member shall have a GMP under the Scheme;

(b) Instead of the Centris Conversion Member's GMP the Centris Conversion Member will (where applicable) be granted a benefit (called the **"Special Benefit"**) under the Scheme;

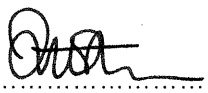
(c) The Special Benefit of the Centris Conversion Member shall be calculated and payable on the basis that:

(i) Those provisions of the Rules that concern the calculation and payment of GMPs shall apply to the Special Benefit as though it were an ordinary scheme benefit in excess over GMP;

(ii) The Special Benefit shall be treated as having accrued over the same period as the Centris Conversion Member's contracted out employment in respect of the Scheme up to 5 April 1997; and

(iii) The Special Benefit shall be increased if and to any extent as may be necessary to satisfy Condition 4 of Section 24B of the 1993 Act.

Signed:



.....

On behalf of Industry-Wide Coal Staff Superannuation Scheme Trustees Limited

Dated 2017

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**
**TRUSTEE RESOLUTION IN RESPECT OF A SCHEME APPORTIONMENT ARRANGEMENT**

**PARTIES**

(1) **Industry-Wide Coal Staff Superannuation Scheme Trustees Limited** (registered number 03004572) whose registered office is at Mexborough Business Centre, College Road, Mexborough, South Yorkshire, S64 9JP in its capacity as trustee of the Scheme (the "**Trustee**") and acting by its Committee of Management;

(2) **Hays Commercial Services Limited (in liquidation)** (registered number 00726089) whose registered office is at 55 Baker Street, London, W1U 7EU (the "**Departing Employer**"), acting by Malcolm Cohen and Eddie Kerr, as joint liquidators (the "**Joint Liquidators**"); and

(3) **Hays Specialist Recruitment Limited** (registered number 02880501) whose registered office is at 4th Floor 20 Triton Street, London, United Kingdom, NW1 3BF (the "**New Employer**").

**RECITALS**

(A) The Scheme is governed by a trust deed and rules dated 29 December 1994 as amended from time to time (the "**Trust Deed**" and the "**Rules**").

(B) This Resolution is a resolution of the Trustee. The Departing Employer and the New Employer have each signed to show their agreement to be bound by the matters set out in this Resolution.

(C) The Departing Employer was the sole Employer in relation to an Employer's Fund in the Scheme known as the "Hays Commercial Services Section" (the "**Hays Section**"). The sole shareholder of the Departing Employer passed a resolution on 31 May 2018 for the Departing Employer to enter into a member's voluntary liquidation with effect on and from that date (the "**Resolution Date**"). This has caused a debt to become due from the Departing Employer to the Trustee under sections 75 and 75A of the Pensions Act 1995. The Actuary has determined that the amount of the debt, calculated as at the Resolution Date, is £527,000 (the "**Section 75 Debt**").

(D) On the date of this Resolution:

(i) by a Deed of Agreement and Substitution the New Employer replaced the Departing Employer under the Trust Deed and Rules as the sole Employer of the Hays Section of the Scheme; and

(ii) the New Employer entered into an employment arrangement with a Member of the Scheme. The New Employer is therefore an "employer" and the Hays Section is a "multi-employer scheme" for the purposes of the Pensions Act 1995 and the Occupational Pension Schemes (Employer Debt) Regulations 2005 (the "**Employer Debt Regulations**").

(E) Under clause 13A of the Trust Deed the Trustee (acting by the Committee of Management) may by resolution enter into an arrangement to apportion a debt due under section 75 or 75A of the Pensions Act 1995 to one or more "Successor Employers". Under this power and in accordance with the Employer Debt Regulations, the Trustee, with the agreement of the New Employer and the Departing Employer, wishes to enter

into a scheme apportionment arrangement in respect of the Section 75 Debt which will take effect one day after the date of this Resolution (the "**Effective Time**").

(F) The Departing Employer's scheme apportionment arrangement share (as defined in the Employer Debt Regulations) (the "**Scheme Apportionment Arrangement Share**") shall be £1 and the remainder of the Section 75 Debt shall be apportioned to the New Employer.

(G) Upon payment of the Scheme Apportionment Arrangement Share, the Departing Employer shall be discharged as an Employer for the purposes of the Trust Deed and Rules and legislation.

(H) The decision by the Trustee to enter into the scheme apportionment arrangement under this Resolution must be notified to the Pensions Regulator in accordance with paragraph 2 of Schedule 1B to the Employer Debt Regulations.

**RESOLUTION**

1. **SCHEME APPORTIONMENT ARRANGEMENT**

1.1 In exercise of its powers under Clause 13A of the Trust Deed and any other relevant powers, the Trustee hereby enters into a scheme apportionment arrangement on the terms set out in this Resolution (the "**Scheme Apportionment Arrangement**").

1.2 With effect from the Effective Time:

(a) the Departing Employer will not be liable to pay the Section 75 Debt but will instead be liable for the Scheme Apportionment Arrangement Share of £1; and

(b) the remainder of the Section 75 Debt after deduction of the Scheme Apportionment Arrangement Share will be apportioned to the New Employer.

1.3 The Trustee confirms that it is satisfied the funding test (as required by Regulation 6B(1) and defined in Regulation 2(4A) of the Employer Debt Regulations) has been met in respect of the Scheme Apportionment Arrangement.

1.4 Without prejudice to any other obligation to make a payment to the Trustee in respect of its liabilities under the Scheme (under legislation or any other arrangement), the New Employer will be liable to pay the amount apportioned to it under clause 1.2(b) above upon the earliest to occur of the events listed in Clause 13A.4(d) of the Trust Deed.

1.5 The Departing Employer will pay the Scheme Apportionment Arrangement Share to the Trustee as soon as reasonably practicable after the Effective Time.

1.6 The Trustee confirms that it shall give notice to the Pensions Regulator of its decision to enter into the Scheme Apportionment Arrangement in accordance with paragraph 2(1) of Schedule 1B to the Employer Debt Regulations.

2. **CESSATION OF THE DEPARTING EMPLOYER**

The Trustee agrees that upon payment of that sum it will not make any further demand from the Departing Employer in respect of the Section 75 Debt and the Departing Employer shall:

(a) cease to be an employer for the purposes of the Pensions Act 2004 and sections 75 and 75A of the Pensions Act 1995; and

(b) be released from its obligations as an Employer under the Trust Deed and Rules.

3. **SUPPLEMENTARY PROVISIONS**

3.1 Words and expressions used but not defined in this Resolution will, unless the context otherwise requires, have the meanings given to them in the Trust Deed and Rules.

3.2 This Resolution and the Scheme Apportionment Arrangement set out herein are governed by the laws of England and Wales and each of the parties hereby submits to the exclusive jurisdiction of the courts of England and Wales.

3.3 This Resolution may be executed in any number of counterparts each of which will constitute an original but all of which when taken together will constitute a single agreement.

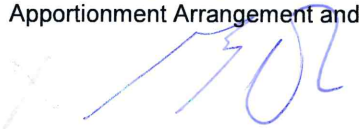
3.4 The Joint Liquidators act as agents for the Departing Employer and neither they nor any of their representatives will incur any personal liability in any circumstances under or by virtue of this Resolution, nor in relation to any related documents, matters or claims whatsoever.

**Industry-Wide Coal Staff Superannuation Scheme Trustees Limited,** acting by its Committee of Management, hereby resolves to enter into the Scheme Apportionment Arrangement on the terms set out in clauses 1 to 3 of this Resolution.

H. McGuire
.....
**On behalf of the Committee of Management**

12 March 2020
.....
**Date**

**Hays Commercial Services Limited (in liquidation),** acting by its joint liquidator, Malcolm Cohen, acting as agent and without personal liability, hereby consents and agrees to the Scheme Apportionment Arrangement and all matters set out in this Trustee Resolution.


.....
**On behalf of Hays Commercial Services Limited**

12 March 2020
.....
**Date**

**Hays Specialist Recruitment Limited** hereby consents and agrees to the Scheme Apportionment Arrangement and all matters set out in this Trustee Resolution.

.....

**On behalf of Hays Specialist Recruitment Limited**

12 March 2020

.....

**Date**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**AMENDING RESOLUTION**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme on and from 10 September 2020 (the "**Effective Date**") to allow any Employer to agree a higher commutation factor for its Employer's Fund.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, after prior consultation with the Trustee, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.3 Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in that Act) is voidable unless certain conditions are met. The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

1.4 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out in Section 2 of this Resolution (as evidenced by the Committee's signature on this Resolution).

2. **RESOLUTION**

2.1 With effect on and from the Effective Date, the Co-ordinator has determined to amend the Trust Deed and Rules by deleting and replacing Rule 22.3(b) with the following new Rule 22.3(b):

> *"if the commutation is made in any other circumstances (including, for the avoidance of doubt, in circumstances where the Board of the Pension Protection Fund has ceased to be involved with the relevant Employer's Fund in accordance with section 149 of the Pensions Act 2004 or section 154 of the Pensions Act 2004 applies), on the basis of £9 for each £1 of pension commuted or such higher rate as any Employer agrees for its Single Employer's Fund or group of Associated Employers agree for their Associated Employers' Fund,"*

2.2 Words and expressions used in this Resolution (including the opening recitals) and not defined have, so far as it consistent with the subject matter and where the context admits, the meanings set out in clause 50 of the Trust Deed and will be subject to the provisions as to interpretation contained in the Trust Deed.

It is CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

H. McGuire

**On behalf of the Committee**

14.10.2020

**Date**

It is RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

J. Sutton

**On behalf of the Co-ordinator**

15/04/21

**Date**

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**AMENDING RESOLUTION**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to allow Members to retire prior to Normal Retiring Age whilst remaining in service in the employment of an Employer, and to make consequential amendments regarding the provision of survivor's benefits. The Co-ordinator wishes for such amendments to have retrospective effect from 12 September 2007 (the "**Effective Date**"), being the date that flexible retirement was introduced as an option for Members under the Scheme.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, after prior consultation with the Trustee, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.3 Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in that Act) is voidable unless certain conditions are met. The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

1.4 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out in Section 2 of this Resolution (as evidenced by the Committee's signature on this Resolution).

2. **RESOLUTIONS**

2.1 With effect as of and from the Effective Date, the Co-ordinator has determined to amend the Trust Deed and Rules by deleting and replacing Rule 22A with the following new Rule 22A:

> *"A Member who:*
>
> *(a) is in service in Eligible Employment;*
>
> *(b) attains normal minimum pension age (as defined in the Finance Act 2004);*
>
> *(c) elects by giving notice to the Secretary to withdraw from the Scheme and to receive benefits under this Rule 22A (such notice shall be in such form as the Committee may from time to time prescribe and may, if the Contributor is a Protected Person, contain information as to the consequences of ceasing to be in service in Eligible Employment and Contributing Service);*
>
> *(d) would have been, if he had retired: (i) entitled to the payment of benefits under Rule 22; or (ii) eligible for the potential payment of benefits under Rule 23.6; and*
>
> *(e) his Employer consents,*
>
> *may receive the benefits set out in Rule 22 (Retirement at or after Normal Retiring Age) or Rule 23.6 (Retirement before Normal Retiring Age) as applicable despite the fact that he continues in service in the employment of an Employer.*

*If a Member makes an election under this Rule 22A, his service in Eligible Employment and Contributing Service shall be deemed for the purposes of the Rules as having terminated on the day prior to the date on which benefits commence. His benefit shall commence on the date selected by the Employer after consulting the Committee. For the avoidance of doubt, such a Member shall not be entitled to accrue any further benefits; shall cease to be entitled to benefits paid on death in service under the Scheme and does not have a right to re-enter the Scheme under Rule 1."*

2.2 With effect as of and from the Effective Date, the Co-ordinator has determined to amend the Trust Deed and Rules by deleting and replacing Rule 29.4 with the following new Rule 29.4:

*"If by virtue of Rule 24(2)(b) or Rule 22A a Member has been granted benefits actuarially reduced to become payable at the date of actual retirement instead of Normal Retiring Age, any pension payable to his widow shall nevertheless be calculated by reference to the pension that would have been payable to him had he retired at Normal Retiring Age and not by reference to the actuarial equivalent payable on earlier retirement."*

2.3 Words and expressions used in this Resolution (including the opening recitals) and not defined have, so far as it consistent with the subject matter and where the context admits, the meanings set out in clause 50 of the Trust Deed and will be subject to the provisions as to interpretation contained in the Trust Deed.

It is CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

H. McGuire

**On behalf of the Committee**

12 November 2020

**Date**

It is RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.

J. Sutton

**On behalf of the Co-ordinator**

14/04/21

**Date**

**INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

1. **RECITALS**

1.1 **Background**

(a) The Trustees and the Co-ordinator wish to pass this Resolution to amend the Scheme's Trust Deed and Rules so that those members whose names appear in the Appendix 1 to this Resolution (the **"Celtic Energy Limited Members"**) shall not have a GMP under the Scheme.

(b) The statutory employer (the "**Employer**") of the Celtic Energy Limited section of the Scheme (the **"Section"**), Celtic Energy Limited (02997376), is due to be liquidated as part of a restructuring of its business. The Trustees therefore propose to realise the assets of the Section and to secure members' benefits with an insurance company.

(c) As a means of treating Celtic Energy Limited Members (or widows, widowers, civil partners or same sex spouses claiming through such members) equally, the Trustees and the Employer have decided to convert the guaranteed minimum pension (**"GMPs"**) rights (as defined in section 8 of the Pension Schemes Act (the **"1993 Act"**)) of Celtic Energy Limited Members into other (non GMP) benefits under the Scheme and to notify HMRC accordingly. Such conversion is to take place prior to benefits being secured with an insurance company in the names of Celtic Energy Limited Members.

1.2 **Amendments**

(a) Section 24G of the 1993 Act permits the Co-ordinator and the Trustees to modify the Scheme by resolution so as to effect GMP conversion. The GMP Conversion must satisfy Conditions 1 to 5 of section 24B of the 1993 Act.

(b) The Trustees now wish to convert the GMPs for the Celtic Energy Limited Members with effect from 30 June 2022 (the **"Effective Date"**) and have obtained a certificate from Kathryn Connell (the actuary to the Scheme), as required by regulation 27 of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015, confirming that the post-conversion benefits will, as at the Effective Date, be actuarially at least equivalent to the pre-conversion benefits (using assumptions selected by the Trustees following the advice of the Actuary). A copy of the actuarial certificate is included in Appendix 2 to this Resolution.

(c) The Trustees will notify HMRC of the conversion of the Celtic Energy Limited Members' GMPs promptly after the Effective Date. The Trustees, having already taken steps to communicate this change to members, will also notify all members and survivors affected by the GMP Conversion as soon as reasonably practicable after the Effective Date.

2. **RESOLUTION**

2.1 In exercise of their powers under section 24G of the 1993 Act and all other powers they may have, the Co-ordinator and the Trustees hereby resolve to amend the Trust Deed and Rules in respect of the Celtic Energy Limited Members from the Effective Date so that:

(a) No Celtic Energy Limited Member shall have a GMP under the Scheme;

(b) Instead of the Celtic Energy Limited Member's GMP the Celtic Energy Limited Member will (where applicable) be granted a benefit (called the **"Special Benefit"**) under the Scheme;

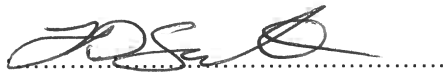
(c) The Special Benefit of a Celtic Energy Limited Member shall be calculated and payable on the basis that:

(i) Those provisions of the Rules that concern the calculation and payment of GMPs shall apply to the Special Benefit, save that the Special Benefit shall revalue in deferment and increase in payment in accordance with the provisions of Rule 33 of the Scheme's Trust Deed and Rules;

(ii) The Special Benefit shall be treated as having accrued over the same period as the Celtic Energy Limited Member's contracted out employment in respect of the Scheme up to 5 April 1997; and

(iii) The Special Benefit shall be increased if and to any extent as may be necessary to satisfy Condition 4 of Section 24B of the 1993 Act.

Signed:



On behalf of Industry-Wide Coal Staff Superannuation Scheme Co-Ordinator Limited

Signed:

H. McGuire

On behalf of Industry-Wide Coal Staff Superannuation Scheme Trustees Limited

Dated 2022

Appendices:

- Celtic Energy Limited Members
- Copy of Actuarial Certificate

## APPENDIX 1

## Celtic Energy Limited Members

## APPENDIX 2

## Actuarial Certificate

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**Amending Resolution**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to allow the Trustee to use any of the methods available for managing debts under section 75 of the Pensions Act 1995 that are permitted by the Occupational Pension Schemes (Employer Debt) Regulations 2005 with effect from the date of this resolution (the "**Effective Date**").

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, after prior consultation with the Trustee, amend the Trust Deed and Rules, subject to certain restrictions which are not relevant to the amendments set out in this resolution.

1.3 Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in that Act) is voidable unless certain conditions are met. The Committee is satisfied that the proposed changes do not constitute Regulated Modifications.

1.4 The Co-ordinator has consulted with the Trustee regarding the amendments to the Trust Deed and Rules set out in Section 2 of this Resolution (as evidenced by the Committee's signature on this Resolution).

2. **RESOLUTIONS**

2.1 With effect as of and from the Effective Date, the Co-ordinator has determined to amend the Trust Deed and Rules by deleting and replacing Clause 13A:

"*13A Before, at or after the time at which a debt becomes due to the Trustee from an Employer (the "**Relevant Company**") under section 75 or 75A of the Pensions Act 1995 or the Occupational Pension Schemes (Employer Debt) Regulations 2005 (the "**Employer Debt Regulations**"), the Trustee and the Relevant Company may enter into:*

*(i) such arrangements on such terms as are permissible under the Employer Debt Regulations to provide that, for the purposes of calculating that debt, the Relevant Company's "share of the difference" will be the "scheme apportionment arrangement share", the "regulated apportionment arrangement share", the "withdrawal arrangement share" or the "approved withdrawal arrangement share" instead of the "liability share", all such terms having the meanings given to them in the Employer Debt Regulations; or*

*(ii) any such other arrangements for managing a debt due under section 75 or 75A of the Pensions Act 1995 as may from time to time be permitted under the Employer Debt Regulations including flexible apportionment arrangements and deferred debt arrangements.*"

It is CONFIRMED by the Committee that the Co-ordinator consulted with the Trustee in relation to the amendments set out above in accordance with Clause 46 of the Trust Deed.

H. McGuire

.....

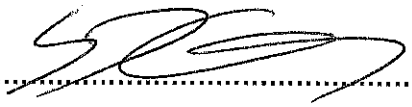
**On behalf of the Committee**

**3 November 2022**

.....

**Date**

It is RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.



.....

**On behalf of the Co-ordinator**

8 November 2023

.....

**Date**

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

## Amending Resolution

1. **RECITALS**

1.1 The Trustee wishes to exercise its statutory power under section 68(2)(d) of the Pensions Act 1995 (the "**Act**") to introduce a new rule in the Trust Deed and Rules of the Scheme to provide for the forfeiture of unclaimed benefits at the Trustee's discretion.

1.2 While the Co-ordinator's consent is not required under section 68(2)(d) of the Act, the Co-ordinator acknowledges this Resolution, as evidenced by its signature on this Resolution.

1.3 The Co-ordinator and the Committee of Management are satisfied that the proposed amendment is exempt from the restrictions in section 67 of the Act.

2. **RESOLUTION**

With effect on and from the date of this Resolution, the Trustee in exercise of its statutory power under section 68(2)(d) of the Act has resolved to amend the Trust Deed and Rules by inserting a new Rule 62B as follows:

"The right to any benefit payable under the Rules shall be forfeit if payment thereof is not obtained within a period of 6 years from the date on which that sum becomes payable under the Rules, and if the Trustee in its absolute discretion decides that the benefit should be so forfeit (unless the Trustees in their discretion extend this period)."

It is resolved by the Trustee to amend the Trust Deed and Rules in the manner set out in Clause 2 above.

H. McGuire

On behalf of the Committee of Management

21/03/24

Date

The Co-ordinator acknowledges the amendment to the Trust Deed and Rules in Clause 2 above.

On behalf of the Co-ordinator

17/05/24

Date

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

# Amending Resolution

## 1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to permit an Employer's Fund to become a terminated scheme once it is fully funded on a buy-out basis and all members' benefits have been secured in full with a buy-in policy.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, with the consent of all of the members of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules subject to certain restrictions. The Committee of Management has received legal advice that none of the restrictions are breached by this amendment and this change is appropriate for the Committee of Management to make.

1.3 The Co-ordinator wishes to make the amendment set out below and all of the members of the Committee of Management have consented to that amendment as required by Clause 46(2) of the Trust Deed, as evidenced by the Trustee's signature on this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendment does not constitute a Regulated Modification.

## 2. RESOLUTION

With effect on and from the date of this Resolution, the Co-ordinator (with the consent of all of the members of the Committee of Management) has determined to amend Clause 49 of the Trust Deed and Rules by the addition of a new Clause 49(3)(A):

"In relation to an Employer's Fund with no members in Contributing Service, if the Committee of Management are of the opinion (having taken the advice of the Actuary):

(a) that the assets of the Employer's Fund are sufficient to cover all proper costs, charges and expenses of and incidental to the realisation and/or transfer of the assets of the Employer's Fund and winding-up of the Employer's Fund and all taxes and duties for which the Committee of Management may be accountable in respect of the Employer's Fund; and

(b) they have secured an insurance policy which provides, in respect of those Members and other persons with rights to and expectations of benefits that relate to the Employer's Fund, on the basis that none of such benefits of such Members and other persons are reduced,

the Committee of Management may, with the consent of the Employer, pass a resolution that the Employer's Fund shall become a terminated scheme. Such cessation shall be without prejudice to any accrued liability of the Terminating Employer to contribute to the Scheme, to any liability it may incur under section 75 Pensions Act 1995, and while the liabilities of the Employer's Fund relate to Protected Persons, the obligation to pay contributions in accordance with any provision of the Trust Deed and the Rules.

In order to ensure the benefits of such Members and other persons are not reduced, the benefits secured under Clause 49(10)(a) and (b) shall:

(i) include future increases on those benefits after the Termination Date calculated by applying the provisions of Rule 33, but as if the sustainability test set out under Rule 33(2) did not apply; and

(ii) be assessed taking into account the right of any Member to elect for an Internal Transfer Payment into or out of the Employer's Fund.

The Committee of Management may decide, with the consent of the Employer, that the benefits secured under Clause 49(10)(a) and (b) shall not be less than those benefits would have been, had a full pension increase been awarded under Rule 33 each year that the benefit has been in payment and as if the sustainability test set out under Rule 33(2) did not apply."

It is confirmed that all of the members of the Committee of Management consent to the amendment set out in Clause 2 above.

H. McGuire

On behalf of the Committee of Management

21/03/24

Date

It is resolved by the Co-ordinator to amend the Trust Deed and Rules in the matter set out in Clause 2 above.

On behalf of the Co-ordinator

17/05/24

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

# Amending Resolution

## 1. RECITALS

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme with effect on and from the date of this Resolution (the "**Effective Date**") to remove the restriction in Rule 49A that a Trivial Pension can only be commuted on the date on which the pension would otherwise be due to commence.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may amend the Trust Deed and Rules subject to certain restrictions. None of the restrictions are breached by this amendment.

1.3 The Co-ordinator has informed the Trustee of the amendment of the Trust Deed set out in Section 2 of this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Trustee are satisfied that the proposed amendment does not constitute a Regulated Modification.

## 2. RESOLUTION

2.1 With effect on and from the Effective Date, the Co-ordinator has determined to delete and replace Rule 49A as follows:

"*Notwithstanding any other provision under the Trust Deed and Rules, if the value of any pension payable under the Trust Deed and Rules satisfies the conditions to qualify as a Trivial Pension, such pension may be commuted immediately in accordance with the Finance Act 2004 (or may be required to be so commuted if the Committee of Management so decide) for a single cash sum of equivalent value as determined by the Committee of Management (having considered the advice of the Actuary).*"

2.2 Words and expressions used in this Resolution (including the opening recitals) and not defined have, so far as it consistent with the subject matter and where the context admits, the meanings set out in Clause 50 of the Trust Deed and will be subject to the provisions as to interpretation contained in the Trust Deed.

It is **RESOLVED** by the Co-ordinator to amend the Trust Deed and Rules in the manner set out in Clause 2 above.

.....

On behalf of the Co-ordinator

25 September 2025

Date

It is **ACKNOWLEDGED** by the Committee of Management that the Trust Deed and Rules are amended in the manner set out in Clause 2 above.

.....

On behalf of the Committee of Management

1/9/2025

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**Amending Resolution**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to provide that, where an Employer's Fund has become a terminated scheme, any surplus in that Employer's Fund may be used for the purposes of another Employer's Fund.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, with the consent of all of the members of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules subject to certain restrictions. None of the restrictions are breached by this amendment.

1.3 The Co-ordinator wishes to make the amendment set out below and all of the members of the Committee of Management have consented to that amendment as required by Clause 46(2) of the Trust Deed, as evidenced by the Committee of Management's signature on this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Trustee are satisfied that the proposed amendment does not constitute a Regulated Modification.

2. **RESOLUTION**

With effect on and from the date of this Resolution, the Co-ordinator (with the consent of all of the members of the Committee of Management) has determined to amend Clause 49 of the Trust Deed and Rules by deleting and replacing Clause 49(10) as follows:

"The Committee shall apply the proceeds of realisation (under paragraph (8) of this Clause) of the Single Employer's Fund or the relevant part of the Associated Employer's Fund (as appropriate) as follows:

(a) in respect of any DC Accounts of Defined Contribution Members within the relevant Employer's Fund, in the manner set out in paragraph (1A) of Clause 48; and

(b) (after the payment of all costs charges and expenses incurred in giving effect to the provisions of paragraph (8), this paragraph and paragraph (11) of this Clause out of the part of the Expenses Fund attributable to that Employer and from the proceeds of the realisation of the Single Employer's Fund or relevant part of the Associated Employers' Fund (as appropriate) if that part of the Expenses Fund is insufficient) and so far as the moneys available permit in the manner and order or priority set out in (if applicable) in paragraphs (5), (6), (7), (8), (9) and (10) of Clause 48,

Provided that the Employer in relation to the Single Employer's Fund (or the Employer(s) in relation to the relevant part of the Associated Employer's Fund) may direct the Committee to transfer the balance (if any) of the Single Employer's Fund (or of the relevant part of the Associated Employer's Fund) referred to in paragraph (8)(e) of Clause 48 to another Employer's Fund. If such a direction is given:

(i) the provisions of paragraph (8)(e) of Clause 48 will not apply; and

(ii) unless the Committee agrees otherwise, any residual liabilities remaining in the Single Employer's Fund (or of the relevant part of the Associated Employer's Fund) will also transfer to the new Employer's Fund."

It is confirmed that all of the members of the Committee of Management consent to the amendment set out in Clause 2 above.

.....

On behalf of the Trustee and Committee of Management

1 September 2025

Date

It is resolved by the Co-ordinator to amend the Trust Deed and Rules in the matter set out in Clause 2 above.

.....

On behalf of the Co-ordinator

25 September 2025

Date

**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**Amending Resolution**

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme in connection with the abolition of the lifetime allowance.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may amend the Trust Deed and Rules subject to certain restrictions which are not relevant to the amendment set out in this Resolution.

1.3 The Co-ordinator has informed the Trustee of the amendment to the Trust Deed set out in Section 2 of this Resolution.

1.4 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Trustee are satisfied that the proposed amendment does not constitute a Regulated Modification.

2. **RESOLUTION**

With effect as of and from 6 April 2024, the Co-ordinator has determined to amend Rule 8 of Appendix VIII by deleting Rules 8(5) and 8(6) and replacing them as follows:

"(5) A DC Member who has sufficient available lump sum allowance (as defined in the Income Tax (Earnings and Pensions) Act 2003) may apply up to 25% of his Retirement Account (unless the Employer agrees that a higher amount may be applied) to provide a Pension Commencement Lump Sum.

(6) Some or all of the DC Member's Retirement Account may be paid as a lump sum which is not a Pension Commencement Lump Sum where this would be an Authorised Payment."

It is **RESOLVED** by the Co-ordinator to amend the Trust Deed and Rules in the manner set out in Clause 2 above.

.....

On behalf of the Co-ordinator

25 September 2025

Date

It is **ACKNOWLEDGED** by the Committee of Management that the Trust Deed and Rules are amended in the manner set out in Clause 2 above.

.....

On behalf of the Committee of Management

1 September 2025.

Date

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**THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")**

**Amending Resolutions**

1. **RECITALS**

1.1 In connection with a restructuring of the Scheme's governance, the Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to:

(a) change the provisions on appointment of a replacement trustee (or trustees);

(b) change the provisions on composition of the replacement trustee (or trustees); and

(c) transfer certain of the Co-ordinator's powers to the Trustee.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may, after prior consultation with the Trustee and with the consent of all of the members of the Committee of Management where this is required under paragraph (2) of that clause, amend the Trust Deed and Rules subject to certain restrictions (none of which are breached by this amendment).

1.3 The Co-ordinator, after prior consultation with the Trustee, wishes to amend the Trust Deed and Rules as set out below. All of the members of the Committee of Management have consented to these amendments, as evidenced by their signatures on these Resolutions.

1.4 Section 67 of the Pensions Act 1995 provides that a Regulated Modification (as defined in that Act) is voidable unless certain conditions are met. The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not involve any Regulated Modifications.

2. **RESOLUTIONS**

2.1 With effect on and from the date of these Resolutions, the Co-ordinator (after prior consultation with the Trustee and with the consent of all of the members of the Committee of Management) has determined to make the amendments to the Trust Deed and Rules set out in this Clause 2.

2.2 Clause 3 of the Trust Deed is deleted and replaced as follows:

"(1) In the event of the First Trustee ceasing to be the Trustee of the Scheme, the Co-ordinator shall forthwith procure that a new trustee or trustees of the Scheme and the Scheme Fund are appointed (the "**Second Trustee**") comprising either:

(i) a new corporate trustee whose Articles of Association do not conflict with this Clause 3; or

(ii) individual trustees and an Independent Person subject to appointment and removal in accordance with this Clause 3,

in each case subject to the provisions of Clause 3(5) and 3(6).

(2) In relation to one half of the members of the Second Trustee or of its Committee of Management (not counting the Independent Person) (the "**Employer Members**"):

(i) An Employer Member will cease to be a member of the Committee of Management or a trustee upon the happening of the earliest of the following:

(1) The expiry of the term of their appointment (if any);

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(2) The Employer Member giving written notice of their resignation to the Secretary;

(3) The Employer who appointed that Employer Member giving written notice of the removal of that Employer Member to the Secretary; or

(4) 75% or more of the remaining members of the Committee of Management or the remaining trustees (excluding the Independent Person) voting to remove the Employer Member.

(ii) If:

(1) an Employer Member ceases to be a member of the Committee of Management or a trustee;

(2) there remain three other Employer Members; and

(3) there are four Union Members,

the vote of the outgoing Employer Member will be allocated (in equal shares) to the remaining Employer Members. Once there begins to be an equal number of Employer Members and Union Members, this provision will cease to apply and the vote of the outgoing Employer Member will cease to be re-allocated.

(iii) If an Employer Member ceases to be a member of the Committee of Management or trustee, and there remain fewer than three Employer Members, a replacement Employer Member will be appointed as follows:

(1) The Employer that nominated that Employer Member may appoint a replacement Employer Member;

(2) If that Employer does not appoint a replacement within 30 days of the Employer Member ceasing to be an Employer Member, the 4 largest Employers (by number of Members across both the Scheme and IWS-MPS) may instead appoint a replacement Employer Member. The largest Employer shall first be allowed 30 days to appoint a replacement, in absence of which the next largest Employer shall be allowed 30 days to appoint a replacement, and so on until a replacement Employer Member is appointed (or until the 4th largest Employer has failed to appoint a replacement);

(3) If none of the 4 largest Employers appoint a replacement, the remaining Employers may instead nominate a replacement Employer Member within 30 days. If only one person is nominated, that person shall be appointed as the replacement Employer Member. If more than one person is nominated, the nominees will be voted on by all of the Employers (with each Employer having one vote), and the nominee who receives the highest number of votes will be appointed as the replacement Employer Member;

(4) If none of the Employers nominate a replacement, the remaining Employer Members may instead, by unanimous agreement, appoint as a replacement Employer Member a professional pension trustee who is independent in relation to the Scheme and IWS-MPS (within the meaning of section 23(3) of the Pensions Act 1995); and

(5) Subject to Clause 3(5), if no independent professional trustee has been appointed as replacement, after a period of 6 months no replacement Employer Member will be appointed and instead the vote of the outgoing Employer Member will be allocated (in equal shares) to the remaining Employer Members.

(iv) An Employer Member's appointment may be expressed by the appointing persons to be for a specified term or until the happening of some specified event.

(3) In relation to the other half of the members of the Second Trustee or of its Committee of Management (not counting the Independent Person) (the "**Union Members**"):

(i) A Union Member will cease to be a member of the Committee of Management or a trustee upon the happening of the earliest of the following:

(1) The expiry of the term of their appointment (if any);

(2) The Union Member giving written notice of their resignation to the Secretary;

(3) The Trade Union who appointed that Union Member (or its successor Trade Union) giving written notice of the removal of that Union Member to the Secretary; or

(4) 75% or more of the remaining members of the Committee of Management or the remaining trustees (excluding the Independent Person) voting to remove the Union Member.

(ii) If:

(1) A Union Member ceases to be a member of the Committee of Management or a trustee;

(2) there remain three other Union Members; and

(3) there are four Employer Members,

the vote of the outgoing Union Member will be allocated (in equal shares) to the remaining Union Members. Once there begins to be an equal number of Employer Members and Union Members, this provision will cease to apply and the vote of the outgoing Union Member will cease to be re-allocated.

(iii) If a Union Member ceases to be a member of the Committee of Management or trustee, and there remain fewer than three Union Members, a replacement Union Member will be appointed in accordance with the following procedure:

(1) the remaining Union Members will seek nominations for a replacement by a process in which anyone who is a Member of the Scheme or of IWS-MPS may make a nomination, subject to Clause 3(3)(vi). The remaining Union Members may then select a replacement Union Member from amongst the nominees by majority vote; and

(2) if no nominations are made after a period of 6 months, the Union Members may decide to run the process on one further occasion within 6 months; and

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(3) subject to Clause 3(5), if no replacement Union Member shall be nominated following the process, no replacement Union Member will be appointed and instead the vote of the outgoing Union Member shall be allocated (in equal shares) to the remaining Union Members.

(iv) A Union Member's appointment may be expressed by the appointing persons to be for a specified term or until the happening of some specified event.

(v) A person may only be appointed as a Union Member if he is, or has been, a Contributor either under the Scheme or under IWS-MPS.

(vi) Where nominations for a replacement Union Member are sought under Clause 3(3)(iii)(1):

(1) if no such remaining Union Member is, or was, a Contributor under the IWS-MPS, the remaining Union Members will only seek nominations under Clause 3(3)(iii)(1) of individuals who are or have been a Contributor under the IWS-MPS; or

(2) if no such remaining Union Member is, or was, a Contributor under the Scheme, the remaining Union Members will only seek nominations under Clause 3(3)(iii)(1) of individuals who are or have been a Contributor under the Scheme.

(4) In relation to the final member of the Second Trustee or of its Committee of Management (the "**Independent Person**"):

(i) A majority of the remaining members of the Committee of Management or of the remaining trustees may initiate a review of the Independent Person at any time.

(ii) The Independent Person will cease to be a member of the Committee of Management or a trustee upon the happening of the earliest of the following:

(1) The expiry of the term of their appointment (if any);

(2) The Independent Person giving written notice of their resignation to the Secretary; or

(3) A unanimous vote of the Employer Members to remove the Independent Person.

(iii) If the Independent Person ceases to be a member of the Committee of Management or a trustee, the Employer Members will, by majority vote, appoint a replacement Independent Person. The replacement must be a professional pension trustee and must be independent in relation to the Scheme and IWS-MPS (within the meaning of section 23(3) of the Pensions Act 1995).

(iv) The Independent Person's appointment may be expressed by the appointing Employer Members to be for a specified term or until the happening of some specified event.

(v) The Independent Person will be the Chairman of the Committee of Management or of the trustees.

(vi) The Independent Person will not have a vote save that, in the case of an equality of votes, the Independent Person will have a casting vote.

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(5) If it has not been possible to appoint a replacement Employer Member in accordance with Clause 3(2) and, at the same time, it has not been possible to appoint a replacement Union Member in accordance with Clause 3(3), in each case for a period of at least 6 months (or such longer period where Clause 3(3)(iii)(2) applies), then the provisions of Clauses 3(2)(iii)(5) and 3(3)(iii)(3) will not apply (or will no longer apply). Instead, no replacement Employer Member or Union Member will be appointed and the number of members of the Second Trustee or of its Committee of Management will permanently reduce by two. The votes of the outgoing Employer Member and the outgoing Union Member will not be re-allocated (or will no longer be re-allocated).

(6) If at any time:

(a) there remain only two members of the Second Trustee or of its Committee of Management (excluding the Independent Person); and

(b) it has not been possible to appoint a replacement member for a period of at least 12 months,

the Co-ordinator will, by deed, remove the Second Trustee as trustee of the Scheme and the Scheme Fund and appoint a new trustee of the Scheme and the Scheme Fund who is a professional pension trustee and who is independent in relation to the Scheme and IWS-MPS (within the meaning of section 23(3) of the Pensions Act 1995).

(7) Any member of the Committee of Management, or any trustee, may be remunerated for such services. The remaining members of the Committee of Management, or the remaining trustees, will determine his remuneration. Such remuneration will be considered a cost or expense of managing and administering the Scheme under Clause 18.

(8) The Employer Members may, by majority vote, appoint one of the members of the Committee of Management or one of the trustees (other than the Independent Person) as the Deputy Chairman. If there is an equality of votes on any matter, but the Independent Person is not present, the Deputy Chairman will have a second or casting vote.

(9) Subject to Clause 46(1C), the Co-ordinator shall, in connection with the aforesaid appointments, make such amendments to the Scheme and Rules as may be necessary to give effect to the provisions of this Clause."

2.3 A new Clause 3A is inserted in the Trust Deed immediately after Clause 3 as follows:

"The Co-ordinator may, by deed, remove the First Trustee as trustee of the Scheme and the Scheme Fund."

2.4 Clause 7(4)(a) of the Trust Deed is deleted and replaced as follows:

"If there is a deficiency in an Employer's Fund, the Actuary shall determine the total periodic sum, either fixed in money terms or linked to average earnings or prices, (in this paragraph called "the deficiency sum") which, in his opinion, is required to be paid by way of deficiency contributions to the Employer's Fund by the Employer (or by a group of Employers in respect of an Associated Employers' Fund). In determining the deficiency contributions due from each Employer in an Associated Employers' Fund the Actuary will have regard to the amount of the liabilities of the Associated Employers' Fund that is, in his opinion, attributable to employment with each Employer in the Associated Employers' Fund. The deficiency contributions will be paid over a period not exceeding twenty years commencing on such date not earlier than the review date and not later than the date the report of the Actuary is

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delivered to the Committee and at such periodic intervals not being less frequent than every 6 months as shall be determined by the Committee."

2.5 Clause 9 of the Trust Deed is deleted and replaced as follows:

"Each Employer shall pay to the Co-ordinator such amounts and at such times as the Committee shall determine and notify to the Employer, as contributions towards the costs and expenses of the Co-ordinator that do not fall to be paid out of the Scheme assets in accordance with Clause 18. The amounts so determined in respect of each Employer shall represent an appropriate proportion of such total costs and expenses of the Co-ordinator, on such basis as the Committee shall determine from time to time."

2.6 Clause 23 of the Trust Deed is deleted and replaced as follows:

"The Committee shall from time to time appoint the Secretary and such other persons as may be requisite to administer the Scheme and may at any time remove any person or persons so appointed. The remuneration of the Secretary and any other persons so appointed to perform services in connection with the Scheme shall be approved by the Committee and be paid or arranged to be paid by the Committee from the Scheme Fund."

2.7 Clause 33 of the Trust Deed is deleted and replaced as follows:

"The Chairman of the Committee or, if he be not present, the Deputy Chairman, or failing him an Employer Member selected by the Employer Members, shall be the Chairman of every General Meeting."

2.8 Clause 37(2) of the Trust Deed is deleted and replaced as follows:

"Each Employer Member will have one vote at a General Meeting."

2.9 Clause 46 of the Trust Deed is amended as follows:

(a) The opening paragraph of Clause 46(1) is deleted and replaced as follows:

"Subject to the provisions of Clause 46(1A), (1B), (1C) and (3), the Co-ordinator may from time to time, with the consent of the Committee where this is required under Clause 46(2), amend the Trust Deed or the Rules by the alteration, deletion or addition of any provisions, but no alteration, deletion or addition shall be made which will have the effect of:"

(b) The following new Clauses 46(1A), (1B), (1C) and (1D) are added immediately after Clause 46(1):

"(1A) If any alteration, deletion or addition would or might:

(a) increase the amount of any superannuation benefits to a Member or to any person who by reason of his or her relationship to a Member is or at any time may become entitled to benefits on the death of a Member; or

(b) reduce the contribution of any then-existing Contributor,

such alteration, deletion or addition can only be made with the consent of the Employer(s) who participate in the Employer's Funds of the relevant Member(s) or Contributor(s).

(1B) If any alteration, deletion or addition:

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(a) involves the re-allocation of a power currently held by the Co-ordinator or the Trustee, either to the other or to another entity; and

(b) such re-allocation would or might result in an increase to the liability owed by an Employer under the Scheme,

such alteration, deletion or addition can only be made with the consent of:

(i) where the alteration, deletion or addition will or might increase the liability of one or more Employers' Funds but not all Employers' Funds: the Employer(s) who participate in the relevant Employers' Funds; or

(ii) where the alteration, deletion or addition will or might increase the liability of all Employers' Funds: Employers who employ(ed) at least 2/3rd of Members under the Scheme. If a Member was employed by more than one Employer, the Member's most recent Employer is treated as his Employer for the purposes of this provision.

(1C) Any alteration, deletion or addition to Clause 3 can only be made with the consent of Employers who employ(ed) at least 2/3rd of the Members under the Scheme.

(1D) Where an alteration, deletion or addition is proposed to which any of Clause 46(1A) to (1C) apply, an Employer is deemed to consent to the proposal unless, within 30 days after being notified of the proposal, the Employer gives the Trustee written notice that it does not consent to the proposal.

(c) Clause 46(4) is deleted and replaced as follows:

"Any amendment made under this Clause 46 shall take effect from such past, present or future date as the Co-ordinator determines in accordance with the preceding paragraphs."

2.10 Clause 47(4D)(a) of the Trust Deed is deleted and replaced as follows:

"he has received actual formal written notice from the Committee of the amendment; and"

2.11 Clause 49 of the Trust Deed is amended as follows:

(a) Clause 49(1) is deleted and replaced as follows:

"Subject to the provisions of Clause 49(3) an Employer may terminate its liability to contribute to the Scheme at any time by giving not less than three months' notice in writing to the Committee. On such termination the Employer shall cease to be an Employer. Any such termination shall be without prejudice to any accrued liability of the Terminating Employer (as defined in Clause 49(14)) to contribute to the Scheme and to any liability which it may incur under section 75 of the Pensions Act 1995."

(b) Clause 49(2) is deleted and replaced as follows:

"Subject to the provisions of Clause 49(3) of this Clause if a payment of contributions by an Employer which has fallen due is unpaid or is paid in part but not in full and the Committee are of the opinion that the Employer has ceased to contribute to the Scheme the Committee shall pass a resolution to that effect and the Employer shall thereupon cease to be an Employer. Such cessation shall be without prejudice to the accrued liability of the Terminating Employer to contribute to the Scheme and to any liability which it may incur under section 75 of the Pensions Act 1995. As soon as

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practicable following the passing of the resolution the Committee shall notify the Employer to whom the resolution applies."

(c) Clause 49(6) is deleted and replaced as follows:

"If an Employer ceases to be an Employer in accordance with the provisions of Clause 49(4) or (5) it shall nevertheless be deemed to remain an Employer for such period if any (referred to in this paragraph and in Clause 49(7) as "**the Agreed Period**") as may be agreed between the Employer and the Committee and (if needed) approved by HMRC. However the Agreed Period shall not extend beyond the anniversary of the Commencement Date next but one following the date on which the Employer would otherwise cease to be an Employer."

(d) Clause 49(13)(a)(ii) is deleted and replaced as follows:

"the Replacement Employer shall enter into a deed the form of which is satisfactory to the Trustee by which it covenants with the Trustee to comply with and observe the provisions of the Scheme so far as they are applicable to it as an Employer;"

2.12 Clause 50 of the Trust Deed is amended as follows:

(a) The following new terms are inserted in their correct alphabetical place:

(i) "**Employer Member**" means a person appointed to the Second Trustee or its Committee of Management in accordance with Clause 3(2);

(ii) "**Independent Person**" means a person appointed to the Second Trustee or its Committee of Management in accordance with Clause 3(4);

(iii) "**Second Trustee**" means the new corporate trustee or individual trustees appointed as trustee of the Scheme and the Scheme Fund in accordance with Clause 3 upon the First Trustee ceasing to be trustee of the Scheme and the Scheme Fund;

(iv) "**Trade Union**" means a trade union representing or employing Members under the Scheme or under IWS-MPS; and

(v) "**Union Member**" means a person appointed to the Second Trustee or its Committee of Management in accordance with Clause 3(3).

(b) In the definition of "**Approved National Service**", each instance of the word "Co-ordinator" is deleted and replaced with the words "relevant Member's Employer".

(c) In the definition of "**Scheme's Medical Adviser**", the words "the Co-ordinator and" are deleted.

(d) In the definition of "**Secretary**", the words "any person appointed by the Co-ordinator with the approval of the Committee (or the Committee with the approval of the Co-ordinator)" are deleted and replaced with the words "any person appointed by the Committee".

2.13 Rule 49(2) of the Rules is deleted and replaced as follows:

"Where in these Rules anything is required to be done within a certain period or before a certain date the Employer or the Committee, as the case may be, may in their discretion extend such period or substitute a later date. Where, in these Rules, any contributions are required to be paid within a certain period or before a certain date and the Committee are satisfied that the payment of such contributions within that period or before that date would inflict hardship on the Contributor, or where any such contributions have not been paid on

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the date or within the period prescribed by the Rules and the Committee are satisfied that the failure to pay such contributions was due to no fault of the Contributor, they may, in their discretion, permit such contributions to be paid by such instalments over such period as they may determine or to accumulate as a loan under Rule 53."

2.14 Rule 56(5) of the Rules is deleted and replaced as follows:

"If there should be any delay in the payment of any benefits under the Scheme the Committee may, at their discretion, pay interest on such benefits over such period of time as the Committee shall decide, at the Secured Overnight Financing Rate or:

(a) such lower rate as the Committee may from time to time decide; or

(b) such higher rate as the Committee may from time to time agree with the Employer(s) of the Members to whom the benefits and interest are to be paid."

It is confirmed that all of the members of the Committee of Management consent to the amendments to the Trust Deed and Rules set out in Clause 2 above.

Signed by:
79AD87DE8ADC40E...

Dennis Gadsby

19 March 2025 | 15:46 GMT

Date

Signed by:
93C411C412C8E4DE...

Alastair Hadfield

19 March 2025 | 16:04 GMT

Date

Signed by:
01F4921B5256439...

Philip Higginbottom

20 March 2025 | 12:09 GMT

Date

Signed by:
9C38FF1B6EE1490...

George Kennedy

19 March 2025 | 15:25 GMT

Date

Signed by:
F0D3C38FAD47417...

Heather McGuire

19 March 2025 | 18:01 GMT

Date

Signed by:
C743523FE6B9424...

Robert Thorley

19 March 2025 | 16:42 GMT

Date

It is resolved by the Co-ordinator to amend the Trust Deed and Rules in the matter set out in Clause 2 above.

DocuSigned by:
DFCABE827C02422...

On behalf of the Co-ordinator

23 April 2025 | 21:40 BST

Date

THE INDUSTRY-WIDE COAL STAFF SUPERANNUATION SCHEME (THE "SCHEME")

## Amending Resolution

1. **RECITALS**

1.1 The Co-ordinator wishes to amend the Trust Deed and Rules of the Scheme to add:

(a) an exoneration provision in order to aid the recruitment of new Trustee directors. The Trustee has received legal advice that this amendment would be in the interests of the Members of the Scheme for this reason.

(b) A provision to allow the Trustee to choose whether to rely on external insurance or the indemnity in Clause 47 of the Trust Deed to cover a claim.

1.2 Clause 46(1) of the Trust Deed provides that the Co-ordinator may amend the Trust Deed and Rules by the alteration, deletion or addition of any provisions subject to certain restrictions.

1.3 Where an alteration, deletion or addition involves the re-allocation of a power currently held by the Co-ordinator to another entity and such re-allocation will or might increase the liability owed by an Employer under the Scheme, such alteration, deletion or addition can only be made with the consent of the relevant Employers or where the alteration, deletion or addition will or might increase the liability of all Employer's Funds, the consent of Employers who employ or employed at least 2/3rds of members of the Scheme.

1.4 While the additions included in this resolution do not involve a re-allocation of a power from the Co-ordinator to the Trustee, the additions might increase the liability owed by an Employer under the Scheme. The Co-ordinator has, as a matter of good governance, therefore sought and obtained the consent of the Employers who employ or employed at least 2/3rds of Members under the Scheme as required by Clause 46.

1.5 Section 67 of the Pensions Act 1995 (the "**Act**") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met. The Co-ordinator and the Trustee are satisfied that the proposed amendment does not constitute Regulated Modifications.

1.6 Clause 47(4D) contains a restriction on amendments to Clause 47 but the Co-ordinator and the Trustee are satisfied that such restriction is not engaged by the proposed amendment.

2. **RESOLUTION**

2.1 With effect on and from the date of this Resolution, the Co-ordinator has determined to amend Clause 47 of the Trust Deed by deleting and replacing Clause 47(1) and (2) as follows:

"(1A) Where the persons protected by this Clause 47 are covered by external insurance, the Trustee may decide whether to claim on such external insurance or whether to rely on this Clause 47. Where such external insurance does not meet (either in whole or part) the liability of a person protected by this Clause 47, such person may rely on this Clause 47 in respect of such part of the liability that is not covered by the external insurance.

(1) The persons protected by this Clause are:

(a) the Trustee, the members of the Committee, and any sub-committee of the Committee;

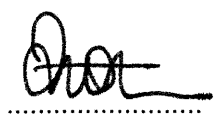
(b) the Secretary;

(c) any other person to whom the Committee shall have determined under Clause 47(5) that this Clause 47 shall apply (but subject to the terms of any determination so made).

(2) Every person protected by this Clause shall together with his estate and effects be indemnified and kept at all times indemnified out of the moneys of the Scheme against all actions, proceedings, claims, demands, costs, charges, losses, damages, expenses and liabilities of any nature whatsoever and however arising which he or his estate or effects shall or may incur or sustain by reason of any act done or omitted in relation to the affairs of the Scheme except as a result of an act or omission which, unless the parties agree otherwise, has been finally determined by a court of competent jurisdiction (without any right of appeal against that determination to a higher court or authority) to be a wilful or reckless act or omission by that person known by him to be a breach of trust or duty in relation to the Scheme or done or omitted by him recklessly as to whether or not it is such a breach of trust or duty. For the avoidance of doubt, the protection provided by this Clause shall continue to apply to persons who cease to hold or have ceased prior to the date of the resolution amending this Clause 47 to hold the positions that entitled them to be persons protected by this Clause in respect of acts done or omitted by such persons whilst they held positions that entitled them to be persons protected by this Clause."

2.2 With effect on and from the date of this Resolution, the Co-ordinator has determined to amend Clause 47 of the Trust Deed by adding a new Clause 47(3A) as follows immediately after the existing Clause 47(3):

"(3A) No person protected by this Clause shall be liable in respect of any acts done (or omitted to be done) under the Scheme or in respect of the exercise of any of their rights or powers under the Scheme except as a result of an act or omission or exercise of a right or power which, unless the parties agree otherwise, has been finally determined by a court of competent jurisdiction (without any right of appeal against that determination to a higher court or authority) to be a wilful or reckless act or omission by that person known by him to be a breach of trust or duty in relation to the Scheme or done or omitted by him recklessly as to whether or not it is such a breach of trust or duty. For the avoidance of doubt, the protection provided by this Clause shall continue to apply to persons who cease to hold or have ceased prior to the date of the resolution amending this Clause 47 to hold the positions that entitled them to be persons protected by this Clause in respect of acts done or omitted by such persons whilst they held positions that entitled them to be persons protected by this Clause."



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On behalf of the Trustee

1 September 2026

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Date

It is resolved by the Co-ordinator to add to the Trust Deed as set out above.

.....

On behalf of the Co-ordinator

1 September 2026

Date