

Deed of declaration of trust

This deed of declaration of trust (the “**Deed**”) is made on the day set out below (the “**Commencement Date**”) by the Principal Employer.

Scheme Name:	Aberystwyth University Group Life Assurance Scheme and Ill-Health Benefits
Principal Employer/Trustee:	Aberystwyth University
Company Number of the Principal Employer:	Charity Number: 1145141
Registered Address of the Principal Employer:	REGISTRY PO BOX 2 ABERYSTWYTH DYFED SY23 2AX
Commencement Date:	1 April 2015

RECITALS:

- (A) The person by or on behalf of whom this Deed has been executed (the “**Principal Employer**” which expression, where the context so admits, shall include any other company, firm, undertaking, organisation or person which or who shall as a result of reconstruction, amalgamation, purchase or otherwise be the successor in business of the Principal Employer and which or who shall have assumed expressly or by implication the obligations of the Principal Employer under this Deed) desires to establish a pension scheme (as defined in Section 150 of the Finance Act 2004 (the “**Act**”)) (the “**Scheme**”) to provide benefits in respect of such persons as are admitted to membership (the “**Members**”) and to be treated as a registered pension scheme under Section 153 of the Act; and
- (B) The establishment of the Scheme and the main provisions thereof have been or will be made known to all persons eligible for membership.

IT IS AGREED THAT:

- 1 The Scheme is hereby constituted and established under irrevocable trusts to commence on and operate from the Commencement Date (as defined above) and the Principal Employer hereby declares itself to be the trustee of the Scheme (the "**Trustee**") and the administrator thereof for the purposes of Section 270 of the Act. The Trustee may by deed retire from office as a trustee of the Scheme. The power of appointing new or additional trustees and the trusts hereby established and the power of removing trustees shall be vested in the Principal Employer and shall be exercisable by deed. If the Trustee is not a sole corporate trustee the Trustees shall make such arrangements for their meetings and for the conduct of their affairs (in addition to the provisions of this Deed and the rules appended hereto (the "**Rules**")) as they, with the consent of the Principal Employer, may consider to be necessary.
- 2 The Trustee shall administer and manage the Scheme in accordance with the Rules.
- 3 The Scheme shall provide benefits in respect of employees of the Principal Employer and/or of any Participating Employer (as defined below) and any other persons eligible for membership.
- 4 For the purposes of the Scheme, "**Participating Employer**" means any employer (other than the Principal Employer) which, with the consent of the Principal Employer, has made an arrangement with the Trustee to be included in the Scheme as a Participating Employer. A Participating Employer shall enter into a deed by which it covenants with the Trustee to comply with and observe the provisions of the Scheme as they apply to a Participating Employer. A Participating Employer will cease to participate in the Scheme on notice from the Principal Employer.
- 5 The benefits under the Scheme shall be secured by a policy or policies effected by the Trustee with a United Kingdom branch or office of any insurance society company (as that term is defined in Section 275 of the Act). Contributions shall be made to the Scheme in accordance with the provisions of this Deed and shall be applied by the Trustee to pay the premiums under such policy or policies.
- 6
 - (i) The Trustee may (without prior notice to the Members) at any time with the consent of the Principal Employer by deed alter, amend, extend, modify or add to all or any of the provisions of this Deed and may amend the Rules in accordance with the provisions thereof.
 - (ii) The Principal Employer may at any time at its absolute discretion discontinue the Scheme and the trusts hereinbefore declared shall thereupon be determined and the Principal Employer shall notify the Trustee, all Participating Employers and Members of any such discontinuance.

(iii) The Scheme shall in any event be discontinued and the trusts hereinbefore declared shall be determined no later than on the expiry of a period of one hundred and twenty five years (or such longer period as may be lawful) after the Commencement Date.

7 The Scheme and the trusts established hereby shall in all respects be governed by and interpreted according to the laws of England and Wales.

8 (i) References in this Deed to an employee of the Principal Employer and of any Participating Employer shall, where appropriate, be deemed to include a reference to a director of the Principal Employer and of any Participating Employer.

(ii) References in this Deed to any statute shall be deemed to include a reference to any statutory amendment modification or re-enactment thereof and any statutory regulations made thereunder for the time being in force".

This Deed has been executed as a deed and is delivered and takes effect on the Commencement Date.

Executed for and on behalf of the Principal Employer by:

.....(Director)

.....(Director/Company Secretary)

Appendix RULES OF THE SCHEME

1. Definitions

In the Rules the following expressions shall have the meanings ascribed to them below.

'Act' means the Finance Act 2004 or any statutory amendment modification or re-enactment thereof for the time being in force.

'Assurance Company' means insurance society, company or institution as may for the time being secure benefits under the Scheme by a policy or policies effected by the Trustee.

'Capital Sum' means the total of any benefits payable under the Policy on a Member's death as: (i) a lump sum to be applied in accordance with Rule 4(A)(i) and (ii) a lump sum cash equivalent to be applied in accordance with Rule 4(A)(iii).

'Civil Partner' means, in relation to a Member who has died, the Member's civil partner, for the purposes of section 1 of the Civil Partnership Act 2004, immediately prior to his death provided that a person shall only be regarded as a Civil Partner if details of such person and of such person's registration of civil partnership to the Member are supplied to the Trustee at such time and in such form as the Trustee may require.

'Commencement Date' means the date the Scheme is to commence and operate from and is referred to in clause 1 of the Declaration of Trust to which these rules are appended.

'Declaration of Trust' means the deed to which the Rules are appended and (where the context admits) such other deed or deeds by which all or any of the provisions of such deed are amended, extended, modified or added to in accordance with the provisions thereof.

'Defined Benefits Lump Sum Death Benefit' has the meaning given in paragraph 13 of Schedule 29 to the Act.

'Dependant' means in relation to a Member: (i) the Member's spouse or Civil Partner; (ii) a child of the Member who is under age 23 or who has reached that age and who in the opinion of the Trustee, at the date of the Member's death is dependent on the Member because of physical or mental impairment; or (iii) any other individual who, in the opinion of the Trustee is financially dependent on the Member, or whose financial relationship with the Member is one of mutual dependence, or who is dependent on the Member because of physical or mental impairment at the date of the Member's death. For the purpose of this definition: (a) a child of the Member shall include any step-child of the Member and any child whom the Member has legally adopted; and (b) in any case of doubt, the decision of the Trustee as to whether or not a person is a Dependant shall be final and binding.

'Dependants' Scheme Pension' has the meaning given in paragraph 16 in Part 2 of Schedule 28 to the Act.

'Employers' means collectively the Principal Employer and each Participating

Employer (as defined in the Declaration of Trust). In respect of any Member 'the Employer' means that one or more of the Employers in whose business he is for the time being engaged provided that, for the purposes of the Scheme, a Member who transfers from one to another of the Employers shall not be regarded as having ceased to be in Service.

'Member' means a member of the Scheme.

'Policy' means the policy or policies for the time being in force in connection with the Scheme and effected by the Trustee with the Assurance Company to secure benefits in accordance with the Rules.

'Principal Employer' means the Principal Employer as defined in the Declaration of Trust.

'Qualifying Child' means in relation to a Member who has died any person who is: (i) a natural or legally adopted child of the Member at the time of the Member's death; and (ii) who is under age 23, provided that any child who was financially dependent on the Member at the time of the Member's death or in respect of whom the Member then stood in loco parentis and who, in either case, satisfies sub-clause (ii) above may, at the Trustee's discretion and with the agreement of the Assurance Company be treated as a Qualifying Child. 'Qualifying Children' shall be interpreted accordingly.

'Qualifying Dependant' means in relation to a Member who has died such person as is selected by the Trustee and who was either the Member's Spouse, Civil Partner or Qualifying Child or was, in the opinion of the Trustee, either financially dependent on the Member or dependent on the Member because of physical or mental impairment, at the time of his death, or whose financial relationship with the Member was one of mutual dependence.

'Relative' means in relation to a Member a person (other than a Dependant) who is the Member's: (i) child (or the spouse or civil partner of such child) or grandchild; or (ii) father or mother; or (iii) brother or sister (whether of the whole or half blood) or any child of such brother or sister or any spouse of any person mentioned in this subparagraph (iii). For the purposes of this definition: (a) a relationship acquired by process of legal adoption shall be as valid as a blood relationship, child shall include step-child and father and mother shall include step-father and step-mother and; (b) in any case of doubt the Trustee's decision as to whether or not a person is a Relative shall be final and binding.

'Revenue' means Her Majesty's Revenue and Customs.

'Rules' means these rules together with any special rules appended thereto (if any), and shall include any amendments to such rules for the time being in force.

'Scheme' means the scheme named in clause A of Recitals of the Declaration of Trust.

'Service' means in relation to a Member his total service with the Employers.

'Spouse' means in relation to a Member who has died the person who was married to the Member immediately prior to his death provided that a person shall only be regarded as a Spouse if details of such person and of such person's marriage to the Member are supplied to the Trustee at such time and in such form as the Trustee may require.

'Trustee' means the Trustee or Trustees appointed by the Principal Employer under and/or in accordance with the Declaration of Trust to which these Rules are appended.

In the Rules where the context so admits words importing the singular number shall include the plural and vice versa and words importing the masculine gender shall include the feminine provided that this shall not make references to the widow of a male Member include the widower of a female Member.

References to any statute shall be deemed to include a reference to any statutory amendment modification or re-enactment thereof and any statutory regulations made thereunder for the time being in force.

2. Constitution and commencement

The Scheme was constituted by the Declaration of Trust, commenced on the Commencement Date and is administered by the Trustee in accordance with the Rules.

The purpose of the Scheme is to provide benefits on the death of any Member.

Benefits under the Scheme are secured by the Policy.

Each of the Employers shall contribute to the Scheme such amounts as are required to pay the premiums under the Policy in respect of that Employer's Members. No contributions are payable by Members to the Scheme.

A Member may not assign or in any way charge any benefit which may become payable in respect of him under the Scheme. For the purposes of this paragraph Member shall include any person to or for the benefit of whom any benefit under the Scheme is or may become payable through or in respect of the Member.

Details of the Scheme shall be given to all persons who are eligible for membership.

3. Membership

A person is eligible for membership of the Scheme if he satisfies the eligibility conditions agreed from time to time between the Trustee and the Assurance Company for the purposes of the Policy.

An eligible person's membership of the Scheme shall commence on the date on which he first satisfies such conditions.

At the discretion of the Trustee and with the approval of the Employer and subject to any special terms and restrictions required by the Trustee, the Employer and the Assurance Company, a person may be included in the Scheme before he satisfies the eligibility conditions and a person who would not otherwise be (or remain) eligible for membership of the Scheme may nevertheless be deemed to be (or remain) so eligible.

The decision of the Employer as to the category of any person is final.

4. Benefits

- (A) (i) If the Policy specifies that a lump sum will be payable on a Member's death, it will be payable in accordance with Rule 5 (*Payment of Lump Sum Benefit*) below. The amount of the lump sum will be the amount appropriate to the Member under the Policy subject to section (B) below.
- (ii) If the Policy specifies that a pension will be payable on a Member's death, it will be payable in accordance of Rule 6 (*Payment of Pension Benefit*) below. The amount of the pension will be the amount appropriate to the Member under the Policy subject to section (B) below.
- (iii) If the Policy specifies that the lump sum cash equivalent value of a pension will be payable on a Member's death it will be payable in accordance with Rule 7 (*Application of Capital Sum*) below.
- (B) Where under the Policy the Assurance Company is entitled to require evidence of a Member's insurability or to require certain conditions to be satisfied before assuring the whole or a part of a Member's benefit, the benefit in respect of the Member under the Scheme shall be limited to the amount (if any) for which he has been accepted by the Assurance Company. The payment of benefit is subject to any evidence required by the Assurance Company of the age of the Member and (where the benefit is a pension) of the person to whom the pension is payable.

In order to be included in the Scheme for a pension benefit a Member must give the Trustee such details of the prospective beneficiaries as the Trustee may require and must notify the Trustee of any alteration in his circumstances which may at any time affect the benefits applicable to him under the Scheme.

If a pension benefit is payable to a Qualifying Dependant (other than the Member's Qualifying Child) in accordance with the Terms of Rule 6 (v) or 6 (vi) and the age of the Member at the date of his death exceeds by more than 10 years the age of the Qualifying Dependant at that date, the pension benefit shall be reduced by 2½ per cent. for each complete year in excess of 10 years by which the Qualifying Dependant is younger than the Member.

- (C) At the discretion of the Trustee and with the approval of the Employer a Member may be included in the Scheme for a benefit or benefits other than that or those normally applicable to him under the Rules. The provision of such benefits will be subject to any special terms and restrictions by the Assurance Company.

5. Payment of Lump Sum Benefit

(A) The Trustee shall have power to pay or apply any lump sum benefit which becomes payable under the Scheme on the death of a Member aged less than 75 years as a Defined Benefits Lump Sum Death Benefit on the terms of the Act to or for the benefit of such one or more of:

- (i) the Member's Dependants;
- (ii) his Relatives;
- (iii) his personal representatives;
- (iv) any persons (including any charities, societies or clubs) who or which are entitled to an interest in the Member's estate in accordance with his will; or
- (v) any persons (including any charities, societies or clubs) who or which have been named in writing by the Member to the Trustee for consideration as possible recipients of the benefit,

in such shares and in such manner as the Trustee shall in its sole discretion decide after the Member's death.

(B) To such extent (if any) as the said benefit shall not have been paid or applied in accordance with section (A) of this Rule 5 within a period of 2 years from the earlier of:

- (i) the day on which the Trustee first knew of the Member's death, or
- (ii) the day on which the Trustee could reasonably have been expected to know of the Member's death,

the benefit shall be paid to the Member's personal representatives provided that if the benefit would vest in the Crown, the Duchy of Lancaster or the Duke of Cornwall as bona vacantia, or in a creditor, the Trustee shall instead, pay the benefit to that one of the Employers by which the Member was employed immediately prior to his death.

(C) (i) In the event of the Trustee becoming liable for tax in respect of a benefit under the Scheme the Trustee may deduct such tax from the amount payable as benefit.

- (ii) In the case of a beneficiary who is a minor, the benefit or any part thereof may be paid by the Trustee to any parent or other lawful guardian of such beneficiary or to any other individual whom the Trustee considers to be suitable and who undertakes to apply such payment for the benefit of such beneficiary. The receipt of any individual to whom payment is made as aforesaid will constitute a full discharge to the Trustee without the Trustee having to see to the application thereof.

6. Payment of Pension Benefit

In the event of the death of a Member in respect of whom a pension benefit is payable under the Scheme, on death such pension will be payable as a Dependents' Scheme Pension on the terms of the Act in accordance with the following provisions of this Rule 6:

- (i) The pension will be payable by monthly instalments in advance, the first falling due on the date of the Member's death. In special circumstances the frequency and date of first payment of pension may, at the discretion of the Trustee, be varied in such manner as the Trustee considers to be appropriate and equitable but such variation shall not cause the pension to be paid less frequently than once a year or to commence more than 3 months after the normal due date.
- (ii) If the pension payable is a spouse's pension it will be payable to the Member's Spouse or Civil Partner (as determined by the Trustee in accordance with Rule 6 (vii) below) and will cease on the due date next preceding the death of the Spouse or Civil Partner.
- (iii) If the pension payable is a spouse's and orphan's pension it will be payable until the due date next preceding the date on which there ceases to be either a Spouse, Civil Partner or a Qualifying Child.

If on the date of death of the Member there is a Spouse or Civil Partner the pension will be payable to the Spouse or Civil Partner (as determined by the Trustee in accordance with Rule 6 (vii) below) for the remainder of his/her lifetime and if there are any Qualifying Children on his/her death the pension will thereafter be applied by the Trustee for the benefit of such one or more of the Member's Qualifying Children in such manner and in such shares as the Trustee shall decide. If on the date of death of the Member there is no Spouse or Civil Partner the pension will be applied by the Trustee for the benefit of the Qualifying Child or Children as aforesaid.

- (iv) If the pension payable is a children's pension it will be applied by the Trustee for the benefit of such one or more of the Member's Qualifying Children in such manner and in such shares as the Trustee shall decide, and will be payable until the due date next preceding the date on which there ceases to be a Qualifying Child.
- (v) If the pension payable is a dependant's pension it will be payable to the Member's Qualifying Dependant (if any) and will cease on the due date next preceding the Qualifying Dependant's death, provided that if the Qualifying Dependant is a Qualifying Child the pension will be payable until the due date next preceding the date on which he ceases to be a Qualifying Child, and will be applied by the Trustee for the benefit of such one or more of the Member's Qualifying Children in such manner and in such shares as the Trustee shall decide.
- (vi) If the pension payable is a dependant's and orphan's pension it will be payable in accordance with provision (v) above, except that after the Qualifying Dependant dies (or otherwise ceases to be a Qualifying Dependant) it will continue for so long as there are any Qualifying Children. Any pension continuing as aforesaid will be applied by the Trustee for the benefit of such one or more of the Member's Qualifying Children in such manner and in such shares

as the Trustee shall decide, and will be payable until the due date next preceding the date on which there ceases to be a Qualifying Child.

- (vii) In the event of 2 or more persons claiming to be the Member's Spouse, Civil Partner, widow or widower the Trustee shall have absolute discretion to decide which one (if any) of such persons is the Member's beneficiary for the purposes of the Scheme.
- (viii) The Trustee will deduct tax from each instalment of pension payable in accordance with this Rule as required by the Revenue before paying such instalment.

7. Application of Capital Sum.

In the event of the death of a Member in respect of whom a Capital Sum is applicable such benefit will be applied as follows:

- (i) That part of the Capital Sum which is to be paid as a lump sum benefit will be determined by the Trustee who will take account of the circumstances of the case. The amount payable as a lump sum will be applied in accordance with the terms of Rule 5 (*Payment of a Lump Sum Benefit*) as a Defined Benefits Lump Sum Death Benefit.
- (ii) The remainder of the Capital Sum will be applied by the Trustee to secure a non-assignable and non-commutable pension or pensions payable as a Dependants' Scheme Pension in accordance with the terms of such one or more of the provisions (ii) to (vi) of Rule 6 (*Payment of Pension Benefit*) as the Trustee shall determine, and subject always to provisions (i) and (vii) of that Rule.

8. Cessation of Membership

Membership of the Scheme shall cease on the date on which cover under the Policy ceases in respect of the Member.

9. Temporary Absence

- (A) A Member who is temporarily absent from Service shall continue to be included in the Scheme during such absence as though still in active employment, in accordance with the provisions of the Policy and as the Trustee with the approval of the Employer, may arrange with the Assurance Company.
- (B) A Member's benefit under the Scheme during a period of temporary absence shall be the amount for which he was included immediately before the commencement of absence, increased as and when necessary in accordance with the provisions of the Policy.

10. Cover for employees whose Employer is not resident in the United Kingdom

- (A) Notwithstanding the terms of Rule 3 (*Membership*), an employee whose Employer is not resident in the United Kingdom shall only be eligible for

membership of the Scheme if he satisfies the Revenue requirements for a relevant UK individual.

An employee who is eligible for membership of the Scheme in accordance with the terms of this Rule shall, subject to the agreement of the Trustee, the Employer and the Assurance Company, be included as a Member when he meets the specified requirements.

- (B) In addition to the circumstances specified in Rule 8 (*Cessation of Membership*) an employee whose Employer is not resident in the United Kingdom shall cease to be a Member if he ceases to satisfy the special eligibility conditions specified in paragraph (A) above, or on such earlier date as may be agreed between the Trustee, the Employer and the Assurance Company.

11. Amendment of Rules

The Trustee may, with the consent of the Principal Employer, at any time amend the Rules and may make such amendment without prior notice to the Members. After the amendments have been implemented the Trustee shall give details of any such amendment to any Members affected thereby.

12. Discontinuance

On discontinuance of the Scheme in accordance with Clause 6 (ii) and (iii) of the Declaration of Trust the Trustee shall make appropriate provision to meet any outstanding liabilities of the Scheme at the date of its discontinuance. Any assets then remaining shall be equitably distributed by the Trustee between the Employers, subject to the deduction of any amounts of tax due under Section 207 of the Act or any other provision in relation to such distribution and to accounting to the Revenue in respect of such amounts.