

DATED 27 January 2015

- (1) CLFIS (U.K.) LIMITED**
- (2) TRUSTEE SOLUTIONS LIMITED**

TRUST DEED

Canada Life Group Life Master Trust



Pinsent Masons

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THIS TRUST DEED is made on 27 January 2015

BETWEEN:-

- (1) **CLFIS (U.K.) LIMITED** (company number 04356028) of Canada Life Place, High Street, Potters Bar EN6 5BA (the "**Sponsor**"); and
- (2) **TRUSTEE SOLUTIONS LIMITED** (company number 2698755) of 1 Park Row, Leeds LS1 5AB (the "**Trustee**").

RECITALS

- (A) The Sponsor has decided to establish a pension scheme (as defined in section 150 of the Finance Act 2004) to be known as the Canada Life Group Life Master Trust (the "**Plan**") to provide lump sum benefits on death in service for such Employees of Participating Employers as are admitted to Membership. The Plan is to be treated as a registered pension scheme under section 153 of the Finance Act 2004.
- (C) Execution of this deed confirms the establishment under irrevocable trusts of the Plan with effect from the date of this deed.
- (D) The Trustee shall be the first Trustee of the Plan.
- (E) Trustee Solutions Limited shall be the first Scheme Administrator of the Plan for the purposes of section 270 of the Finance Act 2004.
- (F) The Benefits under the Plan shall be secured by a Policy or Policies effected by the Trustee in respect of Participating Employers.
- (G) The Trustee shall administer and manage the Plan in accordance with this deed and any amendments to this deed as follows:

IT IS AGREED as follows:-

1. GENERAL INTERPRETATION AND DEFINITIONS

1.1 Interpretation

- 1.1.1 In this deed where the context so allows, words in the singular shall include the plural and vice versa, and any term of a masculine gender may be read to include the feminine gender.
- 1.1.2 References in this deed to any statute or regulation made under it shall include a reference to any statutory amendment or re-enactment.
- 1.1.3 Third Party Rights under the Contracts (Rights of Third Parties) Act 1999 do not apply.
- 1.1.4 The Plan and the trusts established by this deed shall in all respects be governed by and interpreted according to the laws of England and Wales, and the Courts of England and Wales shall have exclusive jurisdiction.

1.2 Definitions

In this deed and any subsequent amendment the following expressions shall have the meaning given to them below:-

- "Beneficiary"** means such persons named below as are living at the date of the death of the Member:-
- (a) the Spouse or Civil Partner of the Member;
 - (b) a Cohabitee;
 - (c) the children and remoter descendants of the Member;

- (d) any other children and remoter descendants of the parents of the Member, and of the parents of the Spouse, Civil Partner or Cohabitee of the Member;
- (e) any Spouse, Civil Partner, Cohabitee, widow or widower, surviving Civil Partner or surviving Cohabitee of any of the persons described in paragraphs (c) and (d) above;
- (f) the parents of the Member, the parents of the Spouse, Civil Partner or Cohabitee of the Member;
- (g) any person to whose advancement, maintenance, education or support the Member shall, in the opinion of the Trustee, have contributed or who in the opinion of the Trustee was at any time wholly or partially dependent on or was regularly assisted financially by the Member;
- (h) any person or charity (including an unincorporated body or association) notified by the Member to the Trustee as a person or body who the Member wishes to be considered as a recipient of Benefit in the event of their death;
- (i) the trustees of a trust independent of the Plan for the benefit of one or more of the above Beneficiaries;
- (j) any legal personal representative(s) of the Member whether such Member dies testate or intestate;
- (k) any individual who is a legatee or devisee under the Member's will or who benefits from the Member's estate or would have done had the Member died intestate and the estate been of sufficient amount; and/or
- (l) in the absence of there being any person in the categories described in sub-paragraphs (a) to (k) above, the Member's Participating Employer.

The relationships described above shall include adoptive and step-relationships and relationships of the half-blood, any former Spouse, Civil Partner or Cohabitee of the Member and children conceived but yet to be born at the Member's death

"Benefit"

means the lump sum amount payable on the death of a Member. The Policy specifies the amount of the Benefit in respect of each Member and shall include without limitation any ex-gratia payments made by the Product Provider in respect of such Policy

"Civil Partner"

means a person in a registered Civil Partnership under the Civil Partnership Act 2004, or treated as being in a registered Civil Partnership under that Act

"Cohabitee"

a person (not being a Spouse or Civil Partner of the Member) who when the Member died:

- (i) was living in the same household as the Member;
- (ii) was living as the husband or wife of the Member; and
- (iii) had received reasonable financial provision from the Member being such financial provision as it would be reasonable in all the circumstances of the case for a husband or wife to receive, whether or not that provision is required for his or her maintenance

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| "Employee" | means an individual who is in the Service of a Participating Employer |
| "Lifetime Allowance" | means the standard Lifetime Allowance as defined in Section 218 of the Finance Act 2004 |
| "Member" | means an Employee in respect of whom Benefit is payable under a Policy |
| "Participating Employer" | means any person or body accepted by the Sponsor to participate in the Plan under clause 9. In respect of any Member 'the Participating Employer' means that one or more of the Participating Employers by which they are for the time being employed |
| "Plan" | means the Canada Life Group Life Master Trust constituted by this deed, as defined in the recitals |
| "Policy" | means a policy for the time being in force issued by the Product Provider to the Trustee covering a Participating Employer or Participating Employers to secure Benefits to be held on the trusts of the Plan with Policies meaning more than one such Policy |
| "Product Provider" | means the company called Canada Life Limited (company number 00973271), incorporated under the laws of England and Wales with its registered office at Canada Life Place, Potters Bar EN6 5BA |
| "Professional Adviser" | means any qualified solicitor, barrister, accountant, actuary, broker, medical practitioner or any other professional person |
| "Registered Scheme" | means a scheme which is registered with HM Revenue & Customs under the Finance Act 2004 |
| "Scheme Administrator" | means the person(s) appointed in accordance with section 270 of the Finance Act 2004 |
| "Service" | means service with any of the Participating Employers and Service shall be deemed continuous although performed with more than one of the Participating Employers, on such terms as are set out in the Policy |
| "Sponsor" | means CLFIS (U.K.) Limited or any company, firm or person who becomes the Sponsor under clause 10 |
| "Spouse" | means the surviving legal husband or wife (including a same sex husband or wife) |
| "Trust Deed" | means this deed and any other formal documents governing the operation of the Plan at any time |
| "Trustee" | means Trustee Solutions Limited or any person who becomes the trustee or trustees of the Plan under clause 2.2 |
| "Trustee Appointment Letter" | means the appointment letter between the Trustee and the Sponsor that sets out the Trustee's duties and obligations in relation to the Plan |

2. TRUSTEE

2.1 General provisions

- 2.1.1 The Trustee shall ensure the sole purpose of the Plan remains at all times the payment of lump sum benefits on death in respect of any Member and that at all times the Plan meets the requirements for being a Registered Scheme and no actions or omissions are made which would or might prejudice the Plan being a Registered Scheme.

- 2.1.2 The Benefits shall be secured by a Policy or Policies effected by the Trustee with the Product Provider.
- 2.1.3 Contributions shall be made to the Plan in accordance with the document executed pursuant to clause 9.3 of this Deed and shall be applied by the Trustee to pay the premiums under such Policy or Policies.
- 2.1.4 Unless agreed otherwise by the Trustee, the Participating Employer and the Product Provider, the Trustee requests that each Participating Employer pay any premium or premiums in relation to the Policy direct to the Product Provider to be applied in the purchase of the Policy.
- 2.1.5 The Trustee shall at all times observe the terms and conditions of the Trust Deed and any amendments made from time to time to the Plan or as required by overriding legislation.
- 2.1.6 Subject to the powers given to the Sponsor by the Trust Deed, the decision of the Trustee shall be final on all matters of doubt arising under the Plan, all questions which are left to its determination or decision in relation to the Plan, and on all matters relating to the management and administration of the Plan on which the Trust Deed is silent. The Trustee need not give reasons for any decision.
- 2.1.7 The Trustee shall have the power to make or revoke any regulation or other provision (not being inconsistent with the Trust Deed) as they think fit relating to any matter or thing not provided for under the Trust Deed, or for the administration of the Plan. The Trustee shall have the power generally to do all such acts and things as they may consider necessary or expedient for the maintenance and preservation of the Plan and of the rights of the Members and the Beneficiaries in it.

2.2 **Appointment and removal of Trustee**

- 2.2.1 The Sponsor may by deed remove a Trustee or appoint a new or additional Trustee without any limit on numbers provided that any requirements relating to the removal of the Trustee in the Trustee Appointment Letter shall be complied with before that Trustee is removed. Unless a body corporate (whether or not a trust corporation) is the sole Trustee there must always be at least two Trustees.
- 2.2.2 A Trustee may resign as a Trustee by serving notice in accordance with the Trustee Appointment Letter provided that if following such resignation there would be less than the minimum number of Trustees specified in clause 2.2.1 the Sponsor shall immediately appoint a new Trustee or Trustees, failing which the Sponsor will instead become the Trustee.
- 2.2.3 The resigning Trustee shall execute such documents and do all such things as may be necessary to give effect to their resignation.

2.3 **Payment of Trustee**

- 2.3.1 Any Trustee may be paid such fees as may be agreed with the Sponsor.
- 2.3.2 The Sponsor shall facilitate the payment of the agreed trustee fees unless they arise from the administration and payment of Benefit, in which case the Sponsor may consent to the Trustee deducting the fees from Benefit and the Trustee may make such deduction and shall hold the remainder under the trusts of the Plan.

2.4 **How Trustee may act**

- 2.4.1 If a corporate body is sole Trustee its procedures and the conduct of its internal affairs shall be governed by its constitution.
- 2.4.2 Where there is more than one Trustee, the Trustees shall decide, in consultation with the Sponsor, how to conduct their meetings.
- 2.4.3 The Trustee shall keep written records of their proceedings and decisions, and of all receipts and payments of Plan assets.

2.5 **Governance**

The Trustee shall ensure the Plan complies with all applicable legislative requirements concerning the governance and administration of the Plan.

2.6 **Delegation and professional advice**

2.6.1 The Trustee may with the consent of the Sponsor delegate (and if the Trustee so decides permit a delegate to sub-delegate) any business relating to the Plan for such periods and on such terms (including protection in favour of the delegate) and at such remuneration (if any) as the Trustee thinks fit excepting the exercise of any discretion under the trusts of the Plan. Any such delegation (or sub-delegation) shall be authorised in writing before the exercise of any such delegated authority.

2.6.2 The Trustee may, as it thinks fit, obtain the advice of any professional advisor. The Trustee shall not be liable for any loss or error that results from having acted on any such advice.

2.7 **Trustee protection**

2.7.1 No Trustee (nor any director or officer of a corporate Trustee) shall be liable for any loss to the trust fund however arising except as a result of the fraud or dishonesty of such Trustee (or director or officer) or in the case of a professional trustee entitled to charge for its or his or her services as a trustee for the negligence of such Trustee or breach of trust by such Trustee.

2.7.2 No Trustee shall be bound to take any proceedings against a co-trustee or former trustee or the personal representatives of a co-trustee or former trustee for any breach or alleged breach of trust committed or suffered by such co-trustee or former trustee.

3. **SCHEME ADMINISTRATOR**

3.1 The Sponsor may in writing appoint and remove from time to time a person or persons to act as the Scheme Administrator.

3.2 The Scheme Administrator shall ensure that they carry out all duties and responsibilities conferred or imposed on the Scheme Administrator of the Plan by Part 4 of the Finance Act 2004 or any other legislation.

3.3 Within three months of the date on which the Trustee makes payment of Benefit under clause 8 the Scheme Administrator will notify the Member's personal representatives of the percentage of the Member's Lifetime Allowance that such payment represents pursuant to the Registered Pension Schemes (Provision of Information) Regulations 2006.

3.4 The Scheme Administrator may with the consent of the Sponsor authorise a person to act on their behalf in connection with any matters within the responsibility of HM Revenue & Customs.

3.5 The Sponsor shall facilitate the payment of the Scheme Administrator's fees. The Trustee will not be liable for the payment of fees to the Scheme Administrator and such payment may not be made from Benefit or the Plan assets.

3.6 The Scheme Administrator may, as they think fit, obtain the advice of any professional advisor (the Sponsor or the Scheme Administrator shall (as shall be agreed between them) facilitate the payment of the costs of such advice. The costs shall not be borne by the Trustee, Benefit or the Plan assets). The Scheme Administrator shall not be liable for any loss or error that results from having acted on any such advice.

4. **PLAN ASSETS**

4.1 Plan assets (the "**Plan Assets**") shall consist of:-

4.1.1 all Policies issued to the Trustee by the Product Provider to secure Benefit;

4.1.2 monies held by, for or on behalf of the Trustee representing the payment of Benefit; and

4.1.3 interest paid on the sums referred to in 4.1.2 above.

4.2 The Trustee will hold all the Plan Assets and the property representing them and all the income on trust to pay the Benefits under the Plan.

4.3 For the avoidance of doubt, any interest paid on sums referred to in 4.1.2 whilst the monies are held by the Product Provider for or on behalf of the Trustee shall not form part of the Plan Assets.

5. **EXPENSES**

The Sponsor or the Trustee shall, as agreed in the Trustee Appointment Letter, facilitate the payment of any costs, charges and expenses (including interest thereon) of operating the Plan. Any expenses or costs under clause 8.1.5 shall be payable by the Trustee, subject to the provisions of that clause.

6. **MEMBERSHIP**

6.1 **Membership**

6.1.1 An Employee is eligible to be a Member of the Plan as long as he is an eligible employee under the Policy.

6.1.2 The decision of the Product Provider as to the eligibility of any Employee under the Policy is final.

6.2 **Termination of Membership**

An Employee ceases to be a Member on the earliest date on which cover under the Policy ceases in respect of that Employee as set out in the Policy.

7. **BENEFITS**

7.1 A lump sum will be payable in respect of a Member's death to the Member's Beneficiaries in accordance with clause 8. The amount of the lump sum will be the amount paid in respect of the Member from the Policy subject to any deductions which are made pursuant to the provisions of this deed.

7.2 The Product Provider shall have full power to determine whether the Benefit is payable in respect of any Policy or Policies, in accordance with the terms of the relevant Policy or Policies.

7.3 Unless agreed otherwise by the Trustee, the Participating Employer and the Product Provider, the Trustee requests that the Product Provider pay any Benefits in relation to the Policy directly to the relevant Beneficiary or Beneficiaries.

7.4 No Benefit shall be capable of being assigned or applied for the benefit of any person other than the person entitled or contingently entitled to that Benefit.

7.5 For the avoidance of doubt, no payments or benefits shall be provided under the Plan to any person other than a Beneficiary.

8. **DEATH BENEFIT TRUST**

8.1 **Trusts of the Plan**

8.1.1 Benefit payable under the Plan shall be held by or to the order of the Trustee on the trusts of the Plan with power to pay it (or direct that it is paid) in such shares (and by one payment or a series of two or more payments) as the Trustee in its sole discretion shall decide to any or all of the Member's Beneficiaries.

8.1.2 To the extent (if any) the Benefit has not been paid in accordance with clause 8.1.1 above within 2 years of the date that the Trustee is notified by the Sponsor of the Member's death (or any earlier date they could reasonably have been expected to know of the Member's death) the Trustee shall pay any balance to the Member's personal representatives other than where the residue of the Member's estate passes as bona vacantia to the Crown, the Duchy of Lancaster or the Duchy of Cornwall, in which case it will instead be paid to such charity or charities as the Trustee chooses.

- 8.1.3 The Trustee shall take reasonable steps to establish the identity of, but is not obliged to identify all, potential Beneficiaries of a Benefit or the legal right of the Beneficiary to receive the Benefit and shall be entitled to rely upon, amongst other things, information provided by the appropriate Participating Employer if it so decides.
- 8.1.4 The Trustee may exercise its power under this clause by transferring or paying the Benefit (or any part of it) to trustees to hold on revocable or irrevocable trusts (including discretionary trusts) for any one or more of the Member's Beneficiaries as it shall decide. The Trustee shall have the power to appoint or remove a trustee or trustees to such trust as it shall decide and may provide for the payment of the appointee.
- 8.1.5 Any expenses or costs incurred in the establishment of a separate trust in connection with any payment under clause 8.1.4, may be deducted from the Benefit if the Trustee so decides.

8.2 Incapacity and minority

- 8.2.1 If in the opinion of the Trustee, a Beneficiary is incapable of acting by reason of illness, mental disorder, minority or otherwise the Trustee may retain any money due to the Beneficiary for any period and then pay it to the Beneficiary or to their estate or to any other person who is or appears to the Trustee to be responsible for their care.
- 8.2.2 The Trustee shall not be obliged to attempt to determine whether any person has a legal right to be responsible for the care of the Beneficiary and the receipt of such person will be a complete discharge to the Trustee.

8.3 Taxation

- 8.3.1 The Trustee may deduct from any Benefit any tax for which they or the Scheme Administrator may be liable or jointly liable in respect of such Benefit. Where the Trustee or the Scheme Administrator is liable or jointly liable to tax or any other fiscal imposition under the Finance Act 2004 or otherwise in respect of any Benefit under the Plan, the Trustee may apply the Benefit in whole or in part in the payment of such liability (including any interest due) and deduct the amount so paid from the Benefit, or postpone payment of the Benefit until the liability has been met or provision satisfactory to the Trustee made for its discharge.
- 8.3.2 The Trustee shall be under no duty to determine whether the amount of Benefit payable under the Plan in respect of a Member would exceed the Member's Lifetime Allowance.

9. PARTICIPATION OF EMPLOYERS

9.1 Participation of employers

- 9.1.1 The Sponsor may admit any company, firm or person to participate in the Plan as a Participating Employer provided that they are covered by a Policy with the Product Provider and all other companies, firms or persons covered by the Policy also participate in the Plan.
- 9.1.2 The Participating Employer shall give the Sponsor notice of its intention to participate in the Plan in the form specified by the Sponsor from time to time. Participation will take effect on the date agreed by the Sponsor.
- 9.1.3 The Sponsor shall notify the Trustee when a new Participating Employer agrees to participate in the Plan.

9.2 Employer ceasing to participate

- 9.2.1 A Participating Employer shall automatically cease to participate in the Plan on the date their cover under the Policy with the Product Provider ends.
- 9.2.2 Where cover under a Policy with the Product Provider has not ended, a Participating Employer may nonetheless cease to participate in the Plan by giving prior written notice to the Sponsor.

9.3 **Obligations of Participating Employers**

- 9.3.1 By executing a deed of participation (or such other document as the Sponsor shall specify from time to time) each Participating Employer agrees to be bound by the provisions of the Trust Deed and the provisions of the Policy and to comply with all the conditions of the Policy that apply to the Participating Employer.
- 9.3.2 Nothing in the Trust Deed or the Policy restricts the right of a Participating Employer to terminate the employment of any of its Employees who is a Member.

10. **SUBSTITUTION OF SPONSOR**

- 10.1 Subject to the consent of the Sponsor at the time (unless it has been dissolved) any company, firm or person may become the Plan's sponsor (the new Sponsor) provided that they execute a deed of substitution in favour of the Trustee (whose agreement shall not be required) under which they assume the responsibilities of the Sponsor under the Plan and agree to observe and perform the provisions of the Plan applicable to them as the Sponsor.
- 10.2 From a date that the Sponsor and the new Sponsor agree, the Sponsor shall be released from all obligations in relation to the Plan and all other provisions of the Plan shall take effect as if the new Sponsor had originally been and is the Sponsor.

11. **AMENDMENT**

- 11.1 The Sponsor may without prior notice to the Members add, delete or alter the terms of the Trust Deed (and any subsequent deed). Any alteration shall be effected in writing by the Sponsor and may have retrospective or prospective effect and shall be notified in writing to the Trustee.
- 11.2 The Sponsor shall notify the Participating Employers in writing where, in the reasonable opinion of the Sponsor, such alteration materially affects the Participating Employers' participation in the Plan.
- 11.3 The alteration shall not alter the purpose of the Plan or prejudice the Plan being a Registered Scheme.

12. **TERMINATION**

12.1 **Termination of the Plan by notice**

The Sponsor shall at any time have the right to terminate the Plan provided that:-

- 12.1.1 termination shall not have retrospective effect; and
- 12.1.2 such written notice as shall have been agreed between the Sponsor and the Trustee and previously notified to the Product Provider and the Participating Employers must be given to the Trustee, Participating Employers and the Product Provider.

12.2 **Insolvency of the Sponsor**

The Plan shall be terminated if the Sponsor enters into liquidation or its undertaking is acquired by or vested in another person or it is dissolved, provided a new Sponsor has not been substituted and the Trustee is of the opinion there is no reasonable expectation of a new Sponsor being substituted.

12.3 **Winding up the Plan following termination**

- 12.3.1 Where Benefit is being held by the Trustee upon trust or where any claims in respect of Benefit have been notified to the Product Provider, the provisions of the Plan shall continue to apply and termination under clauses 12.1 and 12.2 shall not have effect until the last remaining Benefit is paid or applied.
- 12.3.2 Other than the payment of Benefit due under clause 8 on termination of the Plan the Trustee shall not be responsible for the payment of any outstanding liabilities of the Plan at the date of its termination except to the extent there are Plan assets available to it that are not Benefit being held on trust. Such liabilities may include fees and expenses payable to the Trustee under clauses 2.3 and 5.

12.3.3 After the Sponsor has given the Participating Employers notice of its intention to wind-up the Plan pursuant to clause 12.1.2, the Sponsor reserves the right to charge each Participating Employer a fee in respect of any expenses, costs, fees, charges incurred by the Sponsor in relation to the administration of the Plan and the payment of Benefits. For the avoidance of doubt, this may include any fees charged by the Trustee.

12.3.4 Upon completion of the matters detailed above the Plan trusts shall be dissolved.

12.4 **Perpetuity**

If the perpetuity rules apply to the Plan, the perpetuity period applicable to the Plan shall be 125 years from the date of commencement of the Plan or such other period as may be permitted by law.

EXECUTED AS A DEED by the parties on the date which first appears in this Trust Deed.