



DATED

14 March

2018

(1) MEDICAL RESEARCH COUNCIL

- and -

(2) MRC PENSION TRUST LIMITED

**MRC PENSION SCHEME
SECOND AMENDING DEED**



WE HEREBY CERTIFY THIS TO BE A TRUE COPY
OF THE ORIGINAL.

DATE 15 MARCH 2018

SIGNED DLA PIPER UK LLP
DLA PIPER UK LLP

THIS SECOND AMENDING DEED is made on

14 March

2018

BETWEEN:

- (1) **MEDICAL RESEARCH COUNCIL** (company number RC000346) of 14th Floor, One Kemble Street, London WC2B 4AN ("**Principal Employer**"); and
- (2) **MRC PENSION TRUST LIMITED** (company number 01218492) whose registered address is at 2nd Floor, David Phillips Building, Polaris House, North Star Avenue, Swindon, Wiltshire, United Kingdom SN2 1FL ("**Trustee**").

BACKGROUND:

- A This deed is supplemental to a Third Definitive Trust Deed ("**Definitive Trust Deed**") and Rules ("**Rules**") dated 20 December 2011 by which the MRC Pension Scheme ("**Scheme**") is governed. A full list of documents to which this deed is supplemental is set out in the appendix of this deed.
- B Under Rule 16.1 the Principal Employer may, subject to the provisions of clause 9 of the Charter of The Medical Research Council dated 26 October 1966 and with the written consent of the Trustee, at any time, by deed, alter or repeal all or any of the Rules for the time being in force or make any new Rules to the exclusion of or in addition to all or any of the existing Rules aforesaid, and any Rules so made shall be deemed to be Rules of the same validity as if originally embodied herein and shall be subject in like manner to be altered or modified.
- C The Principal Employer, with the consent in writing of the Trustee, has determined to amend the Rules in the manner and to the extent set out in the Schedule to this deed with effect on and from 1 April 2018 ("**Effective Date**"), except new Rule 14.10 (Scheme Pays) which shall come into effect as if it has always been in force since 6 April 2011.

NOW THIS DEED WITNESSES that pursuant to Rule 16.1 of the Rules and any and every other power enabling it, the Principal Employer, with the consent of the Trustee (hereby given) as required by Rule 16.1, hereby declares that the Rules shall be altered in the manner and to the extent set out in the Schedule to this deed with effect as on and from the Effective Date, except new Rule 14.10 (Scheme Pays) which shall come into effect as if it has always been in force since 6 April 2011.

THIS DEED may be executed in as many parts as there are signatories to it. When each signatory has executed at least one part of this deed, it shall be as effective as if all of the signatories had executed all of the parts of it. Each part of this deed may be treated as an original of this deed. It will be delivered when it has been dated.

THIS DOCUMENT is executed as a Deed and is delivered on the date stated at the beginning of this Deed.

Executed as a deed by **MEDICAL**)
RESEARCH COUNCIL by the affixing of its)
Common Seal in the presence of:)



Director



Director/Secretary

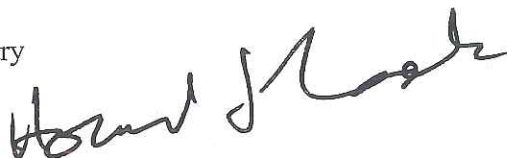


Executed as a deed by **MRC PENSION**)
TRUST LIMITED acting by two directors or a)
director and secretary:)

Director



Director/Secretary





SCHEDULE

1. The following definitions are amended and/or added to Rule 1.1 in alphabetical order:

"CARE Member" means any Member who joins the Scheme on and from 1 April 2018;

"CARE Pensionable Salary" means the Member's Salary as at 1 April in the relevant Year but so that:

- (a) the Principal Employer shall have power, where Salary increases to which there was a commitment on the part of the Employer have been withheld to comply with Government Policy, to declare that a notional higher Salary to include such increases shall be substituted for the Salary for any period of twelve months payable to any particular Member or group of Members or Members generally; and
- (b) in cases where the Member is on sick leave at retirement, he shall be deemed to be in receipt of the Salary which he would have been receiving in the post he held immediately prior to going on sick leave;

"CARE Reckonable Service" means in relation to any CARE Member any period of Reckonable Service accrued in the Scheme on and after 1 April 2018;

"Final Salary Members" means those Members who joined the Scheme prior to 1 April 2018;

"Increase Anniversary" means for pension accrued in any Year, 1 April which is 12 months after 1 April that immediately follows the end of that Year, and then on each anniversary of that date prior to the Relevant Date; and

"Revaluation Percentage" means a percentage increase determined on each 1 April which is equal to the increase in the Consumer Prices Index plus 1.5% over the 12 months ending with the preceding September or such other date as the Trustee shall decide, or at such other percentage increase as the Trustee and the Principal Employer may agree, subject to the Revaluation Percentage having a zero percent minimum;".

2. The following definitions are deleted in their entirety and replaced with the following new definitions:

"Members" means an employee who is for the time being a Member of the Scheme under rule 2.3 (including Final Salary Members and CARE Members) and a former employee or a former Member for the limited purposes set out in rule 2.4;

"Normal Retiring Age" means for:

- (a) CARE Members, their State Pension Age;
- (b) Members holding appointments in a tropical country for whom the Normal Retirement Age is:
 - (i) the age of 60, for those in Service prior to 1 March 2006; and

- (ii) the age of 65, for those who commence Service on and after 1 March 2006;
- (c) Members who did not elect to have a Normal Retirement Age of 65 when given the choice in 1997, the age of 60; and
- (d) all other Members, the age of 65;

"Reckonable Service" means the period of Service which is credited to the Member under the Rules for the purpose of calculating his pension. In the case of a Member:

- (a) who was in Qualifying Service before 1 April 2018 his Reckonable Service shall not exceed 40 years of Service at Normal Retirement Age and 45 years of Service in total however late retirement takes place;
- (b) who was in Qualifying Service before 1 April 2018 and continues in Qualifying Service including Qualifying Service after 1 April 2018 his Reckonable Service shall not exceed 40 years of Service at Normal Retirement Age and 45 years of Service in total however late retirement takes place; and
- (c) who has only been in Qualifying Service after 1 April 2018, his Reckonable Service shall not exceed 45 years of Service;"

"Year":

- (a) for all Members shall include a fraction of a year calculated by reference to the number of days in the fraction of the year in question divided by 365; and
- (b) for CARE Members, shall be calculated during the period on and from 1 April to and including the following 31 March;"

3. The Rules of the Scheme are amended as follows:

- 3.1 Rule 2.1.2 is amended by the insertion of a new rule 2.1.2.5 after Rule 2.1.2.4 :

"all employees who were not Members of the Scheme prior to 1 April 2018, save for those employees who are invited to be a Member of the Scheme by the Principal Employer on and after 1 April 2018, with the consent of the Trustee;" and

- 3.2 Rule 4.1.1 is deleted in its entirety and replaced with the following new Rule 4.1.1:

"4.1.1 Members whose Normal Retiring Age is 65 or State Pension Age - 6.5%";

- 3.3 Rule 4.1.2 is deleted in its entirety and replaced with the following new Rule 4.1.2:

"4.1.2 Members who have a Normal Retiring Age other than 65 or State Pension Age - 6.25%";

- 3.4 Rule 6.2 is deleted in its entirety and replaced with the following new Rule 6.2:

"6.2 Retirement at or after Normal Retiring Age

The benefits payable to a Member on his retirement with entitlement to immediate pension will consist of:

6.2.1 an annual pension calculated, as follows:

- (a) for Final Salary Members, at the rate of 1/80th of his Pensionable Salary at the date of retirement for each year of his Reckonable Service; and
- (b) for CARE Members, at the rate of 1/60th of his CARE Pensionable Salary for each Year, such pension for each Year of CARE Reckonable Service being increased by the Revaluation Percentage on the Increase Anniversary ; and

6.2.2 for Final Salary Members, a lump sum calculated at the rate of 3/80ths of his Pensionable Salary for each year of a Member's Reckonable Service but so the amount of the lump sum payment shall be reduced in those cases to which the provisions of rule 3.4 apply except in those cases where the former member of NHSSS has elected to pay additional contributions pursuant to rule 4.4."

3.5 Rule 6.5.3 is deleted in its entirety and replaced with the following new Rule 6.5.3:

"6.5.3 shall be entitled on retirement to a pension and lump sum (where relevant) calculated in the manner described in rule 6.2.1 and rule 6.2.2 but with his Reckonable Service or CARE Reckonable Service equalling Scheme Service; and"

3.6 Rule 6.6 shall be amended by the addition of the words "or CARE Reckonable Service (as appropriate)" immediately after the words "Reckonable Service" in the first line.

3.7 Rule 6.7 is deleted in its entirety and replaced with the following new Rule 6.7:

"6.7 Where the Member's retirement is Approved Retirement the Member shall become entitled to the immediate payment of benefits calculated in the manner described in rule 6.2.1 and 6.2.2."

3.8 Rule 6.9 shall be amended by deleting the word "Where" and replacing it with the words "Other than for CARE Members, where".

3.9 Rule 6.14.1 shall be amended by adding the words "or CARE Reckonable Service" immediately after the words "Reckonable Service" in line 1.

3.10 Rule 7.1.2 shall be amended by adding the words "or CARE Pensionable Salary (as appropriate)" after the words "Pensionable Salary".

3.11 Rule 7.3 shall be amended by adding the words "or CARE Pensionable Salary (as appropriate)" after the words "Pensionable Salary".

- 3.12 Rule 9.3 shall be amended by the addition of the words "or CARE Reckonable Service (as appropriate)" after the words "Reckonable Service" in line 2 and the addition of the words "or CARE Pensionable Salary (as appropriate)" after the words "Pensionable Salary" in line 3.

- 3.13 The following new Rule 14.10 is inserted after Rule 14.9:

"14.10 Scheme Pays

14.10.1 If a Member incurs an annual allowance charge (as defined in section 227 of the FA 2004) and the Trustee becomes jointly liable to pay the annual allowance charge (either following receipt of a notice under section 237B(3) of the FA 2004 or otherwise), the Trustee may:

- (a) pay the annual allowance charge by the due date advised by HMRC in accordance with arrangements prescribed by HMRC; and
- (b) make a corresponding adjustment to the Member's benefits in the Scheme;

and shall do so where legally required.

14.10.2 In adjusting a Member's benefits in the Scheme to reflect the annual allowance charge paid on his behalf under 14.10.1, the Trustee may take such steps as it considers appropriate after consulting the Principal Employer and the Member, including (without limitation) capping the Member's Pensionable Salary and/or CARE Pensionable Salary, adjusting the Member's accrual rate or otherwise applying the Member's benefits in such other way as permitted under the Rules of the Scheme, provided that the adjustment is just and reasonable having regard to normal actuarial practice as determined by the Actuary.

14.10.3 In discharging the powers contained in Rules 14.10.1 and 14.10.2, the Trustee and Principal Employer may rely on any information provided by the Member (or his personal representatives). If the Member becomes liable to pay any charge or penalty in connection with an annual allowance charge for which the Trustee has become jointly liable under Rule 14.10.1 (including an unauthorised payments charge as defined in section 208 of the Finance Act 2004), neither the Trustee nor the Principal Employer are liable to pay such charge or penalty if either has relied in good faith on information provided by the Member."

- 3.14 Rule 16.1 is deleted in its entirety and replaced with the following new Rule 16.1:

"16.1 Power of alteration

The Principal Employer may, subject to the consent of the Department for Business, Energy and Industrial Strategy or any replacement Government department as may be from time to time, at any time, by deed, alter or repeal all or any of the Rules for the time being in force or make any new Rules to the exclusion of or in addition to all or any of the existing Rules aforesaid, and any Rules so made shall be deemed to be Rules of the same validity as if originally embodied herein and shall be subject in like manner to be altered or modified."

APPENDIX

8 July 1975	Interim Trust Deed
19 December 1978	Definitive Trust Deed
27 February 1981	First Amending Deed
3 June 1981	Second Amending Deed
8 April 1987	Third Amending Deed
3 December 1987	Fourth Amending Deed
30 March 1988	Fifth Amending Deed
17 October 1989	Sixth Amending Deed
17 October 1989	Seventh Amending Deed
9 March 1990	Eighth Amending Deed
18 February 1991	Ninth Amending Deed
23 October 1991	Tenth Amending Deed
22 May 1992	Eleventh Amending Deed
12 August 1993	Twelfth Amending Deed
27 September 1993	Thirteenth Amending Deed
29 March 1995	Fourteenth Amending Deed
16 August 1996	Fifteenth Amending Deed
15 April 1997	Sixteenth Amending Deed
15 October 1997	Seventeenth Amending Deed
1 May 2000	Eighteenth Amending Deed
5 January 2001	Nineteenth Amending Deed
5 January 2001	Twentieth Amending Deed
22 April 2003	Twenty First Amending Deed
22 April 2003	Twenty Second Amending Deed
4 April 2005	Twenty Third Amending Deed
20 December 2005	Second Definitive Deed
6 April 2006	First Amending Deed
20 December 2011	Third Definitive Trust Deed and Rules
17 December 2013	Deed of Sectionalisation and Amendment