

THE UNITED REFORMED CHURCH
MINISTERS' PENSION FUND

CONSOLIDATED TRUST DEED AND RULES
INCORPORATING AMENDMENTS UP TO AND INCLUDING 1 DECEMBER 2017

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but, for the avoidance of doubt, this Clause 2 does not prevent increases to pensions in payment in accordance with the New Rules.

THIS DEED has been executed and delivered by the parties on the date written at the top of the first page.

EXECUTED as a deed by)

the UNITED REFORMED CHURCH)

acting by following duly authorised persons)

Witness signature:

Witness name:

Witness address:

.....

.....

Witness occupation:

Witness signature:

Witness name:

Witness address:

.....

.....

Witness occupation:

EXECUTED as a deed by)

UNITED REFORMED CHURCH)

MINISTERS' PENSION TRUST LIMITED)

acting by)

Director:

Director/Secretary:

UNITED REFORMED CHURCH MINISTERS' PENSION FUND

MAIN SECTION

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

1.1.1 In these Rules, the following words and phrases have the following meanings:

Actuary: the person appointed as actuary of the Fund under Rule 15.4.2.

Auditor: the person appointed as auditor of the Fund under Rule 15.4.3.

Administrator: the scheme administrator within the meaning in section 270 of the Finance Act 2004.

Assembly the General Assembly of the URC.

Authorised Payments Regulations means the Registered Pension Schemes (Authorised Payments) Regulations 2009.

Cash Equivalent means the cash equivalent of a member's benefits as determined in accordance with Chapter IV of Part IV of the Pension Schemes Act.

Cash Transfer Surplus has the meaning in Section 101AB of the Pension Schemes Act.

Child means a lawful or adopted child of the member.

Civil Partner:

HMRC Her Majesty's Revenue and Customs.

Fund: the United Reformed Church Ministers' Pension Fund.

Ill-Health: means incapacity to undertake the duties of a minister or CRCW or such similar occupation acceptable to the URC.

Inland Revenue Limits the limits which in the opinion of the Pension Trustee would have applied to benefits and contributions, if the tax regime in force before 6 April 2006 had continued to apply on and after that date, in order not to prejudice the Fund's exempt approved status under the tax regime, assuming that HMRC practice (as summarised in the practice note IR12 and in HMRC Updates) and any concessions granted in relation to the Fund by HMRC would have continued on the same basis as applied immediately before 6 April 2006.

Insurance Company means an insurer within the meaning in Section 180A of the Pension Schemes Act.

Investment Regulations the Occupational Pension Schemes (Investment) Regulations 2005.

Normal Pension Age the member's 68 birthday.

Participating Bodies any body admitted to participate in the Fund in accordance with Rule 15.1, and the participating body in relation to any member means that participating body he/she is serving.

Plan for Partnership in Ministerial Remuneration the unified scheme for the remuneration of stipendiary ministers and CRCWs serving the United Reformed Church.

Pension Schemes Act the Pension Schemes Act 1993.

Pensions Act the Pensions Act 1995.

Pensions Act 2004 the Pensions Act 2004.

Pension Commencement Lump Sum has the meaning in Paragraph 1 of Part 1 of Schedule 29 to the Finance Act.

Pensionable Service comprises: (1) all service while a Contributing Member of the Fund or the Congregational Fund or the Presbyterian Fund; (2) any service after age 21 but before joining the Congregational Fund which was

Revaluation Requirements means the revaluation requirements in Chapter 2 of Part IV of the Pension Schemes Act 1993.

Serious Ill-Health Lump Sum has the meaning in paragraph 4 of Part 1 of Schedule 29 to the Finance Act.

State Pension means a pension paid by the state in accordance with the

- 1.2.8 Law: The Fund is established under and governed by the law of England and Wales.
- 1.2.9 Spouse: In the Rules any reference to a spouse includes a person of the opposite sex to whom a person is married, a person of the same sex to whom

1.4.1 Under Section 22 of the United Reformed Church Act 1972 the Presbyterian Fund and Congregational Fund were amalgamated to form the Fund with effect from 1 June 1980.

2. MEMBERSHIP

2.1 Joining the Fund

2.1.1 The following persons may become Contributing Members of the Fund:

2.1.1.1 any minister of the URC below Normal Pension Age at the date of ordination

3.1 Transfers from other pension schemes and arrangements

3.1.1

for each year of Pensionable Service after 1 June 1971, based on years and months of Pensionable Service.

6.2 Late Retirement

6.2.1 A Contributing Member who chooses to remain in Pensionable Service after Normal Pension Age shall be entitled upon retirement from service to a pension calculated in accordance with Rule 6.1.1.

6.3 Early Retirement

6.3.1 A Contributing Member who retires from Pensionable Service after reaching age 55 but before Normal Pension Age shall be entitled to receive immediate payment of a pension calculated in accordance with Rule 6.1.1, but then reduced by an amount advised as appropriate by the Actuary having regard to the period between the date on which the pension commences and the member reaching Normal Pension Age, except that:

6.3.1.1 Any reduction applied to pension in respect of Pensionable Service up to and including 31 December 2012 shall be calculated only having regard to the period between the date on which the pension commences and the member reaching his or her 65th birthday; and

6.3.1.2 No reduction shall be applied to pension in respect of Pensionable Service up to and including 30 November 2006 if on the date the pension commences he or she has completed 40 years of stipendiary service to the URC (or its constituent denominations).

6.4 Postponed Pension

6.4.1 A Contributing Member who reaches Normal Pensio and 0.9(M)3166h()10(e)-6(r8(m)

6.5.6 A member who has between 10 and 20 years' service as a Contributing Member shall be entitled to a pension calculated under Rule 6.5.4 plus an additional amount of pension calculated as follows:

$$(\text{Pension B} - \text{Pension A}) \times (\text{C} / 120)$$

Where:

Pension A is the pension calculated under Rule 6.5.4;

Pension B is the pension calculated under Rule 6.5.5 (but disregarding the requirement that the member must have completed 20 years' service as a Contributing Member for that Rule to apply); and

C is the number of complete months' in excess of 120 that the member has been in service as a Contributing Member.

6.5.7 Where this Rule 6.5 applies to a Pre-2013 Member, if it would result in a higher pension than that calculated under whichever of Rule 6.5.4, 6.5.5 or 6.5.6 applies in his or her case, he or she shall instead be entitled to a pension calculated under Rule 6.5.8.

6.5.8 The pension under this Rule 6.5.8 is whichever is the higher of:

6.5.8.1

6.5.8

- 6.6.1 When a pension commences payment under this Rule 6 any voluntary contributions that the member has paid will be applied in accordance with Rules 5.2.6 or 5.2.7 and may include the provision of a Pension Commencement Lump Sum.
- 6.6.2 Subject to Rule 6.6.3 the amount of any lump sum paid in respect of voluntary contributions cannot (when aggregated with any lump sum paid under Rule 6.7.1) exceed the permitted maximum calculated in accordance with paragraph 2 of Part 1 of Schedule 29 to the Finance Act.
- 6.6.3 Where paragraphs 31 to 34 of Part 3 to Schedule 36 of the Finance Act apply to a member the permitted maximum (referred to in Rule 6.6.3) is calculated in accordance with those paragraphs.

6.7 Cash Sum

- 6.7.1 A member (for the avoidance of doubt, including a member entitled to a pension under Rule 8) may choose to exchange part of his or her pension for a Pension Commencement Lump Sum, any such election being made in writing to the Pension Trustee before the date on which the pension is due to commence.
- 6.7.2 Subject to Rule 6.7.3 the amount of any lump sum paid under Rule 6.7.1 cannot (when aggregated with any lump sum paid under Rule 6.6.1) exceed the permitted maximum calculated in accordance with paragraph 2 of Part 1 of Schedule 29 to the Finance Act.
- 6.7.3 Where paragraphs 31 to 34 of Part 3 to Schedule 36 of the Finance Act apply to a member the permitted maximum (referred to in Rule 6.7.2) is calculated

Where the Pension Trustee is satisfied that the member is entitled to a Pension Commencement Lump Sum under Rule 6.7.1, the amount of the Pension Commencement Lump Sum shall be determined in accordance with Rule 6.7.2 and shall be paid to the member in accordance with Rule 6.7.3.

- 7.1.1.1 Where the member leaves a surviving spouse and/or one or more Children who are Dependant and any such person survives the member by 30 days or longer, a lump sum equal to 3 years' Stipend at date of death or, in any other case, a lump sum equal to 2 years' Stipend at date of death. Upon the death of a member in part-time service who was never paid the full Stipend, the lump sum shall be 3 or 2 times (as the case may be) a proportion of Stipend. For these purposes the proportion used when calculating the lump sum shall be the highest proportion of Stipend that the member was paid in any year in Pensionable Service;
- 7.1.1.2 A surviving spouse will be entitled to a pension for life equal to one half of the pension to which the member would have been entitled at Normal Pension

- (a) in respect of Pensionable Service up to and including 31 December 2012, benefits calculated in accordance with Rule 7.3 as if the member retired on the day before his or her death; and
- (b) in respect of Pensionable Service on and from 1 January 2013 half of the deferred pension calculated under Rule 8. If the surviving spouse is more than 10 years' younger than the member the pension will be reduced on a basis advised by the Actuary

7.3 Death in Retirement

- 7.3.1 Upon the death of a member who is in receipt of pension and who leaves a surviving spouse to whom he or she was married (or in Civil Partnership with) before the later of the date when his or her Pensionable Service ended or the date on which his or her pension came into payment, the surviving spouse shall be entitled to a pension payable for life. The amount of the pension shall be one half of the pension the member would have continued to receive had he or she not died and had he or she not elected to exchange any pension for a Pension Commencement Lump sum under Rule 6.7.1 (or any predecessor

accordance with Rule 10.5 and pensions for the Spouse or Dependents of the Former Spouse as it shall decide. For the purposes of this Rule, references to "deceased member" in Rule 10.5 shall be replaced by references to the "Former Spouse". Any pension so payable shall be paid for life or in the case of a Child of the Former Spouse for so long as the Child would qualify for payment of a pension under Rule 7.6.

7.8 Trivial Commutation

7.8.1 The Pension Trustee may direct that a pension otherwise payable to a under this Rule 7 following the death of a member is exchanged for a Trivial Commutation Lump Sum Death Benefit.

8. LEAVING BENEFITS

8.1

- 8.2.1 If a member leaves Pensionable Service having completed less than 3 months' Qualifying Service, he or she may elect for:
 - 8.2.1.1 a refund of contributions (including any additional voluntary contributions),

8.5.1 A member entitled to a pension under Rule 8.1 who reaches Normal Pension Age may choose to postpone payment of his or her pension. The Pension payable under this Rule 8.5 will be calculated under Rule 8.1 and then increased:

8.5.1.1

12.3.1 The Pension Trustee and any directors of the Pension Trustee can be paid out of the assets of the Fund for acting as a trustee. The amount of any such remuneration must be agreed between the URC and the Pension Trustee.

12.4 Trustees may benefit

12.4.1 A director of the Pension Trustee may benefit from the Fund as a member or person entitled to benefit in respect of a member.

12.5 Conflicts of interest and duty

12.5.1 No decision or exercise of a power by the Pension Trustee is invalidated solely on the grounds that a director of the Pension Trustee has any personal interest in the outcome or owes a duty which conflicts or might conflict with his or her duty as director of the Pension Trustee.

13. TRUSTEES' MEETINGS

13.1 Exercise of powers

13.1.1 Meetings of the Pension Trustee shall be held in accordance with its articles of association.

13.1.2 Any power or discretion conferred on the Pension Trustee by the Rules shall be exercised by the board of trustees.

15.5.1 The expenses of the management of the Fund may be provided out of the income of the Fund.

15.6 Investment

15.6.1 Investment Powers

15.6.1.1 Subject to Rule 15.6.1.2, the Pension Trustee may, in the manner which it

- 17.3.1.2 Any member or other beneficiary included in the transfer consents to the transfer or their consent is not required under the Preservation Regulations (or any other applicable legislation);
- 17.3.1.3 The transfer payment is sufficient to provide benefits that are equivalent in value to the benefits in respect of those members and other beneficiaries included in the transfer; and
- 17.3.1.4 The transfer would be a Recognised Transfer.
- 17.3.1.5

greater or different benefits) under the Fund after the application of Fund assets under this Rule;

18.3.2.2 secondly, to make provision for the continued payment of pensions in payment at the Determination Date and any contingent pensions payable to surviving Spouses and Children;

18.3.2.3 thirdly, to make provision for the payment of pensions for all other members and any contingent pensions payable to surviving Spouses and Children. For the purposes of this Rule 18.3.2.3 any member in Pensionable Service on the

SCHEDULE 1

5. A pension payable to or in respect of a member who was previously a member of the Presbyterian Fund is increased in payment in accordance with Rule 10.1, but Rule 10.1 does not apply to any other pension payable under this Schedule 1.

- 1.2 Paragraph 1.2 is modified to the effect that the accrual rate in respect of Pensionable Service completed prior to 1 January 1964 is 1.125% of Pensionable Stipend.
- 2. Rule 7.1
 - 2.1 In Paragraph 2.1 "£17.34" is replaced with "25% of the amount payable under Paragraph 1.1 above".
- 3. Rule 7.3
 - 3.1 In Paragraph 3 "£17.34" is replaced with "25% of the amount payable under Paragraph 1.1 above".

SCHEDULE 4
MODIFICATIONS TO MAIN SECTION RULES FOR 2013 OPT-OUT MEMBERS

1. Objective:the aim of this Schedule 4 is to describe the modifications required to the Main Section of the Rules in order to ensure that a member who opted out of the benefit changes adopted by the URC in 2012 (effective from 1 January 2013) is entitled to benefits consistent with him or her having opted out of those changes. In the event of any

THIS DEED OF AMENDMENT made on

2017

BETWEEN

- (3) UNITED REFORMED CHURCH (URC); and
- (4) THE UNITED REFORMED CHURCH MINISTERS' PENSION TRUST (The URC Pension Trustee").

WHEREAS:

- (A) The United Reformed Church Ministers' Pension Fund (Fund) was established by an

- 6.5.1.2** *The member agrees to inform the Pension Trustee if he or she commences paid employment.*
- 6.5.2** *The Pension Trustee must review the state of health of any member who receives a pension on the grounds of Ill-Health at regular intervals and at least once every 5 years unless it considers that it would be inappropriate to do so.*
- 6.5.3** *Where a member in receipt of a pension paid on the grounds of Ill-Health:*
- 6.5.3.1** *Does not agree to any medical examination that the Pension Trustee may require for the purposes of a review being carried out in accordance with Rule 6.5.2;*
- 6.5.3.2** *In the opinion of the Pension Trustee is no longer suffering from Ill-Health; or*
- 6.5.3.3** *In the case of a member who is not a Pre-2013 Member, and is, in the*

6.5.6 *A member who has between 10 and 20 years' service as a Contributing Member shall be entitled to a pension calculated under Rule 6.5.4 plus an additional amount of pension calculated as follows:*

$$(Pension\ B - Pension\ A) \times (C / 120)$$

Where:

Pension A is the pension calculated under Rule 6.5.4;

Pension B is the pension calculated under Rule 6.5.5 (but disregarding the requirement that the member must have completed 20 years' service as a Contributing Member for that Rule to apply); and

C is the number of complete months' in excess of 120 that the member has been in service as a Contributing Member.

6.5.7 *Where this Rule 6.5 applies to a Pre-2013 Member, if it would result in a pension of less than 3.4% of the member's final average salary, the pension shall be 3.4% of the member's final average salary.*

3.3 In the first sentence of Rule 7.1.1.2 the following words are deleted:

", except that in the case of a spouse who is of the same sex as the member or who is the Civil

EXECUTED as a deed by)

UNITED REFORMED CHURCH)

MINISTERS' PENSION TRUST LIMITED)

acting by the following duly authorised person)

Witness signature:

Witness name:

Witness address:

.....

.....

Witness occupation: