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**DIAGEO IRELAND**

**and**

**DIAGEO IRELAND PENSION TRUSTEE DESIGNATED ACTIVITY COMPANY**

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**CONSOLIDATED TRUST DEED and RULES**

**of the Diageo Retirement Savings Plan**

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# DIAGEO RETIREMENT SAVINGS PLAN

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1. **GENERAL**

- (a) The Scheme shall be known as the “Diageo Retirement Savings Plan”.
- (b) The Scheme is a retirement benefits scheme, as defined by Section 771(1) of the Taxes Consolidation Act, capable of being approved by the Revenue Commissioners pursuant to Section 772 of the Taxes Consolidation Act and of being treated by them as an exempt approved scheme pursuant to Section 774 of the Taxes Consolidation Act. Notwithstanding any provision to the contrary in this Trust Deed and the Rules, no benefit shall be provided under the Scheme which would exceed the maximum benefit permitted, or would otherwise conflict with requirements imposed, by the Revenue Commissioners from time to time as a condition of approval under the Taxes Consolidation Act. Any benefit otherwise provided shall be reduced or varied as may be necessary to ensure that such maximum is not exceeded and that there is no conflict with such requirements. The Trustees shall comply, at all times with any undertaking given to the Revenue Commissioners in order to obtain or retain approval.
- (c) This Trust Deed and the Rules are subject to the Pensions Act and shall take effect subject to any modification necessary to comply with it. The duties of the Company and any Associated Employer, the Trustees, the Registered Administrator and the Auditor shall be regulated by, and carried out in accordance with, the Pensions Act.
- (d) The Employers’ contributions to the Scheme shall be not less than such amount as is required by the Revenue Commissioners from time to time.
- (e) In this Deed and in the Rules;
  - (i) unless there is something inconsistent in the subject matter or the context the masculine shall include the feminine and the singular shall include the plural and vice versa,
  - (ii) the expression "Trust Deed" shall mean the provisions contained in this Deed together with all variations of or additions to or substitutions for the same for the time being in force,
  - (iii) the expression "Rules" shall mean the rules contained in the Schedule together with all variations of or additions to or substitutions for the same for the time being in force,
  - (iv) the expressions defined in Rule 1 of the Rules shall have the meanings respectively ascribed to them therein,
  - (v) any reference to an Act of the Oireachtas (or to part of an Act) shall be deemed to include a reference to any statutory modification or re-enactment of such Act (or such part) for the time being in force and any regulations made thereunder for the time being in force,
  - (vi) any reference to a Clause is a reference to a Clause contained in the Trust Deed and any reference to a Rule is a reference to a Rule contained in the Rules, and

- (vii) for so long as a corporate trustee is the sole corporate Trustee any reference to the Trustees shall be to such corporate Trustee.
- (f) The marginal notes or headings to the Trust Deed and Rules are for convenience of reference only and are not to be construed as part of the Trust Deed or the Rules.

2. **SCHEME ASSETS VESTED IN THE TRUSTEES**

- (a) Subject to the provisions of Clause 9 the assets of the Scheme shall be vested in and held by or under the control of the Trustees with and subject to the powers and provisions of the Trust Deed and the Rules and the Scheme shall be governed in accordance therewith.
- (b) The administration and management of the Scheme shall be vested in the Trustees.
- (c) The Trustees shall be the administrator of the Scheme for all the purposes of the Taxes Consolidation Act unless they shall with the agreement of the Company appoint some person or persons to be such administrator.
- (d) The Trustees may accept donations and gifts and hold them as part of the Fund for all or any purposes of the Scheme.
- (e) The main purpose of the Scheme shall be the provision of relevant benefits (as defined in Section 770 of the Taxes Consolidation Act) for and in respect of employees of the Company and any Associated Employers, who become eligible to participate in the Scheme.

3. **BENEFITS TO BE PAID OUT OF SCHEME ASSETS**

The Trustees shall pay to the persons entitled thereto out of the Fund such pensions and other benefits as shall become payable pursuant to the powers and provisions of the Trust Deed and Rules.

4. **APPOINTMENT OF TRUSTEES**

- (a) Subject always to Clause 4 (e) and Clause 23 the Company shall have power to appoint a new or additional trustee or trustees of the Scheme and shall also have power to remove any Trustee from office. Any such appointment or removal shall be made by deed PROVIDED THAT where in pursuance of any power granted by the Pensions Act the Members select or approve of the selection of any person to be a Trustee of the Scheme then the Company shall exercise its powers under this sub-Clause accordingly.
- (b) A Trustee may at any time resign office by giving one month's notice in writing, or written notice of such lesser period as may be agreed between such Trustee and the Company, addressed to the Company and to each of the other Trustees.
- (c) When a Trustee resigns, is removed from office or gives notice under sub-Clause (b) above he shall forthwith do all acts or things necessary to vest the property and investments of the Fund in the joint names of the continuing and/or new Trustees.

- (d) The Company may at its discretion appoint a body corporate (whether or not such a body is a trust corporation) to act as a Trustee or the sole Trustee of the Scheme and the powers, duties, authorities and discretions of such body corporate shall be exercisable by its board of directors or any officer properly appointed by it.
- (e) Except where a body corporate is appointed a Trustee of the Scheme as provided in sub-Clause (d) of this Clause the number of Trustees shall be at least two and the powers of appointment and removal hereinbefore set out shall be exercised accordingly. The sole Trustee (not being a body corporate) may pending a further appointment act in case of emergency.
- (f) Anybody corporate which is a Trustee of the Scheme shall be entitled to charge and be paid such remuneration, if any, for its services as shall from time to time be agreed by the Company.
- (g) Any Trustee of the Scheme being a solicitor, accountant or other person engaged in any profession or business shall be entitled to charge and to be paid all usual professional and other charges for business done by him or his firm or company in connection with the Scheme as he may agree with the Company whether in the ordinary course of his profession or business or not and including acts which a Trustee of the Scheme not being in any profession or business could have done personally.
- (h) Any remuneration payable to a Trustee of the Scheme in accordance with this Clause shall be payable in accordance with Clause 11.
- (i) The Company shall arrange for the Trustees to receive appropriate training by the relevant date as required by the Pensions Act.
- (j) Any Trustee who is eligible for membership of the Scheme may be a Member and may retain for his own absolute benefit all moneys accruing to him as a Member.

## 5. **SPECIAL POWERS OF THE TRUSTEES**

- (a) In addition to and without prejudice to all powers conferred upon trustees whether by statute or general law the Trustees shall have the following powers each to be exercised or not as they think fit namely:
  - (i) power to settle, compromise or submit to arbitration under the Arbitration Acts 1954-2010 any claims, matters or things relating in any way to the Scheme or to any rights under the Scheme of the Members and others; and
  - (ii) power to commence, carry on or defend proceedings relating in any way to the Scheme or to the determination of any rights under the Scheme of the Members and others and to pay the costs thereof out of the assets of the Scheme to the extent that such costs are not paid by the Employers under Clause 11; and
  - (iii) power to employ and, with the consent of the Company, remunerate such consultants, nominees, agents or staff as they may think fit for the proper

administration of the Scheme including the payment of pensions and other benefits and any such remuneration shall be deemed to be an expense under Clause 11 and such payments made in good faith by any such person shall operate as a good and sufficient discharge to the Trustees; and

- (iv) power to delegate such of their powers and duties under the Trust Deed and the Rules as they may think fit, from time to time, to any committee or body corporate appointed by them and approved by the Company and power to revoke any such delegation; and
  - (v) power generally to do all such acts and things as the Trustees think fit for the maintenance and preservation of the assets of the Scheme and of the rights under the Scheme of the Members and others including the power to effect such policies of insurance or assurance as the Trustees consider to be appropriate in respect of benefits payable under the Scheme; and
  - (vi) power to participate in any reference made to the Financial Services and Pensions Ombudsman relating in any way to the Scheme or to any rights of the Members and others under the Scheme.
- (b) The Trustees shall determine all questions and matters of doubt arising under this Deed or the Rules and every such determination whether made upon a question actually raised or implied in the acts or proceedings of the Trustees shall so far as the law permits be conclusive and neither any persons (including any body corporate) being or having formerly been a Trustee of the Scheme nor any of the Employers or former Employers shall subject to Clause 19 be liable for or for the consequences of any act done or omitted to be done or any payment made or omitted to be made in pursuance or purported pursuance of any such determination as aforesaid notwithstanding that such determination is subsequently held to have been wrongly made.

## 6. **PROCEEDINGS OF TRUSTEES**

- (a) Unless a body corporate is the sole Trustee of the Scheme:
  - (i) the Trustees shall meet at such times and places as they decide and may make regulations for the conduct of their business (including the operation of any bank account and the signing and endorsement of cheques in such manner and by such persons as the Trustees think fit), for the appointment of a secretary and, subject to paragraph (ii) of this sub-Clause, for all other matters in connection with their duties as Trustees; and
  - (ii) a Trustee may participate in a meeting of the Trustees by telephone or other form of audio or visual communication if the other attendees are capable of talking to and hearing the Trustees so attending and participation in a meeting in this manner will be deemed to constitute presence in person at such meeting; and
  - (iii) the Company shall, subject to the provisions of the Pensions Act, have the power to select one of the Trustees to act as the chairman of any meeting of the Trustees; and

- (iv) any three of the Trustees may require a meeting of the Trustees to be convened within fourteen days after giving notice in writing to all other Trustees. With the prior agreement of all the Trustees, a meeting of the Trustees may be convened on less than 14 days' notice in writing; and
  - (v) a meeting of the Trustees shall be quorate provided not less than three Trustees are present and each question arising shall be decided by a simple majority of those of the Trustees present and voting and in the case of an equality of votes the chairman of the meeting shall have a second or casting vote; and
  - (vi) a resolution in writing signed by all the Trustees shall be as valid and effectual as if it had been passed at a meeting of the Trustees duly convened and held and may consist of several documents in like form each signed by one or more of the Trustees;
  - (vii) a document certified by the secretary to the Trustees to be a true copy of a resolution of the Trustees shall be sufficient evidence thereof;
  - (vii) a decision made or a resolution passed at a meeting of the Trustees at which a quorum is present shall be binding on all the Trustees, and all the Trustees shall be obliged to join in taking any action (including the signing of authorities and the execution of deeds) necessary or expedient to carry decisions or resolutions into effect.
- (b) Subject to his prior disclosure of his interest to his fellow Trustees or his fellow directors, as the case may be, any of the Trustees or any director of a body corporate which is a Trustee who is also a Member may participate in any discussion in respect of and vote on any resolution which affects or may affect any benefit payable to or in respect of him from the Scheme in any way whatsoever PROVIDED THAT no disclosure shall be required in respect of any matter which any trustee or director of a body corporate which is a Trustee is required by virtue of his contract of employment or otherwise by law not to disclose. No trustee or director of a body corporate which is a Trustee shall be obliged to disclose any information which relates to the Scheme or its Members or potential Members and which he acquires by virtue of his employment or office and which is not otherwise made available to him by reason only of his office as a trustee or any director of a body corporate which is a Trustee.
- (c) No decision of or exercise of a power by the Trustees will be invalidated or shall be questioned on the grounds that the Trustees or any individual Trustees of the Scheme or any member of the board of directors of a corporate Trustee of the Scheme had a direct or personal interest as a beneficiary under the Scheme in the result of any such decision or in the exercising of any such power.

## 7. APPOINTMENT OF ADVISERS AND OFFICERS

- (a) The Trustees shall, subject to the right of the Company to veto, make such arrangements upon such terms as they think fit for:
  - (i) the provision by an actuary of actuarial advice in relation to the Scheme such actuary to be a Fellow Member of the Society of Actuaries in Ireland



who has been granted and holds a valid Scheme Actuary Practising Certificate under the rules of that Society or is otherwise a person qualified for appointment as the actuary of an occupational pension scheme under the Pensions Act whether or not employed by a corporate body and whether or not employed by or associated in business with a Trustee (in which case the remuneration of the Actuary shall be agreed by the Company) in all the circumstances where the advice of an actuary is explicitly or implicitly required by the Trust Deed and Rules or the Pensions Act; and

- (ii) the annual auditing of the Scheme accounts by an accountant or firm of accountants who or each of the partners of which is a person qualified for appointment as an auditor of an occupational pension scheme under Section 56 of the Pensions Act; and
  - (iii) the provision of such other professional advice as may be required for the proper administration of the Scheme by any reputable person or corporate body qualified to offer such advice; and
  - (iv) the appointment of such other officers including a secretary and the provision of such other services as they may consider necessary for the proper management of the Scheme; and
  - (v) the appointment of a Registered Administrator or Registered Administrators who shall be a person or persons qualified for appointment as the Registered Administrator or Registered Administrators of the Scheme in accordance with the Pensions Act.
- (b) The Trustees may in relation to the Trust Deed and the Rules rely upon the advice or the opinion of any actuary, lawyer, broker, accountant, medical practitioner, pension consultant or other professional person or any firm or company comprised of persons of the foregoing occupations or professions or any mix thereof, who is appointed by them under Clause 7(a) above or who is appointed by the Company, and will not be liable for any loss occasioned thereby. Any costs or expenses incurred under this Clause shall be deemed to an expense under Clause 11.

## 8. **TRUSTEES' DUTIES**

Without prejudice to the duties of trustees generally and in addition to all other requirements of law the Trustees shall:

- (i) ensure, insofar as is reasonable, that the contributions payable under Rules 4 and 19 are received and invested in accordance with the requirements of the Pensions Act;
- (ii) provide for the proper investment of the Fund in accordance with the Trust Deed and the Rules and Section 59(1)(b) of the Pensions Act;
- (iii) make arrangements for the payment of benefits payable under the Rules as they become due net of any taxes and transaction charges which may be applicable;

- (iv) keep such accounts, entries, registers and records as are necessary for the proper working of the Scheme and if required by law or they think fit shall cause the same to be audited, inspected or investigated and a report prepared thereon by the Auditor in accordance with the requirements of the Pensions Act. In such event the Auditor shall have access to all books, papers, vouchers, accounts and documents connected with the Scheme and the Employers and the Trustees shall furnish such information as the Auditor may reasonably request for the purposes of performing his functions and duties under the Trust Deed and Rules;
- (v) ensure that the Scheme is registered with the Pensions Authority under the Pensions Act and provide the Pensions Authority with any information required for registration;
- (vi) furnish information in accordance with the Pensions Act or the Trust Deed and the Rules on the administration and finances of the Scheme, the rights and obligations which arise or may arise under the Scheme and on such other matters as may be prescribed by the Pensions Act to:
  - (I) Members and prospective Members;
  - (II) the spouses and civil partners of Members and prospective Members;
  - (III) persons within the application of the Scheme and qualifying or prospectively qualifying for benefits thereunder; and
  - (IV) any trade union representing the Members to which a negotiation licence has been issued under Part II of the Trade Union Act, 1941;

PROVIDED THAT where so provided by the Pensions Act the Trustees shall not be bound to furnish any of the information specified to any of the persons specified unless so requested by such persons;

- (vii) not disclose to any person (including any Member, former Member or Pensioner) any matter of which the Trustees become aware by reason of their position as Trustees or as directors of a body corporate which is a Trustee and which relates:
  - (I) to the business and affairs of the Employers except with the consent of the Company or as required under the Pensions Act; or
  - (II) to any Member or other beneficiary except to that Member or beneficiary or with his consent or as required under the Pensions Act with the Company's consent;
- (viii) establish an internal disputes resolution procedure which may be amended from time to time in accordance with the Pensions Act;

- (ix) if the Scheme is wound up, apply the resources of the Scheme in discharging their liabilities without undue delay in accordance with the provisions of Clause 16;
- (x) ensure that information is furnished at the Employer's request in relation to the administration of the Scheme and in relation to the benefit entitlements of any Member to the Employer of that Member and for the purpose of its functions under the Pensions Act;
- (xi) ensure that no information is furnished to any person, including any Member or former Member or other beneficiary, in respect of any matter relating to the business and affairs of the Employers, the Scheme, any Member or other beneficiary of the Scheme of which the Trustees become aware by reason of their position as Trustees of the Scheme except as required under paragraph (vi) or paragraph (x) hereof or where the information relates to a Member with the consent of such Member or where the information relates to any other matter with the consent of the Company. The Trustees shall be entitled in carrying out their duties under the Scheme to rely upon a certificate from the Auditor to the Scheme or the auditor of the Company or an actuary that the benefits payment to or in respect of any Member and the contributions payment by or in respect of any Member and the contributions payable by or in respect of any Member have been correctly calculated and paid in accordance with the provisions of the Scheme;
- (xii) where required, prepare and maintain or cause to be prepared and maintained a written statement of investment policy principles applied to the resources of the Scheme in accordance with Section 59(1B) of the Pensions Act;
- (xiii) make all necessary arrangements for dealing with receipts and payments under the Scheme and may by any memorandum signed by the Trustees authorise how bank accounts shall be established and/or operated and in particular may authorise that cheques may be drawn or endorsed by two or more of the Trustees or (in the case of a sole corporate Trustee) by two of the directors of any Trustee of the Scheme or by such other persons being not less than two (if any) as the Trustees may appoint for the purpose and may give vary and revoke instructions as to the custody and disposal of any policies and securities and as to the signature of any proposal forms and certificates of membership of the Scheme and the giving of receipts and discharges (whether or not for policy moneys or payments) in connection with the Scheme on behalf of the Trustees. The production of a written memorandum of authority of the Trustees as aforesaid will be a sufficient protection to any debtor or other person taking any such receipt or discharge as aforesaid and, unless such debtor or other person shall have received express notice in writing of the revocation of such authority, he will be entitled to assume and to act on the assumption that the authority remains unrevoked;
- (xiv) maintain such record of the contributions paid by or in respect of and any transfer of assets into the Fund pursuant to Rule 16 in respect of each

Member as are necessary to enable them to determine the amount of the Member's Personal Pension Account held from time to time in respect of each such Member;

- (xv) not more than nine months after the end of each Scheme year (or such other period required by the Pensions Act) prepare or cause to be prepared an annual report concerning the operation of the Scheme during that Scheme year in such form and containing such information as may be required under the Pensions Act;
- (xvi) make available to the persons and in the manner prescribed by the Pensions Act each set of audited accounts of the Scheme and the Auditor's Report thereon (if any) and each annual report of the Scheme;
- (xvii) ensure that there is a Registered Administrator appointed in compliance with the Pensions Act; and
- (xviii) undergo such training as may be required by the Pensions Act.

## 9. **TRUSTEES' INVESTMENT POWERS**

- (a) The Trustees shall have power to invest the whole of the monies constituting the Fund insofar as they are not required to meet current payments in or upon the security of such stocks, shares, debentures, debenture stocks or other investments including stocks, shares, debentures, debenture stocks or other investments of the Employers or property of whatsoever nature (including land of any tenure) and wheresoever situate and whether or not income-producing and whether or not involving liability and whether or not authorised for the investment of trust funds and to realise, exchange and otherwise deal with such investments at such times and in such manner as the Trustees shall think fit to the intent that the Trustees shall have the same unrestricted powers of making and transposing investments as if absolutely entitled to such money beneficially and without prejudice to the generality of the foregoing trust monies may:
  - (i) be invested in deferred and immediate annuity policies, retirement, endowment and assurance policies, sinking fund policies and any other assurance policies effected with a Life Office on terms that all sums payable under the policies shall be held by the Trustees upon trust for the purposes of the Scheme;
  - (ii) be placed on deposit with or without security or be applied in underwriting, sub-underwriting or guaranteeing the subscription of any security, assets, debentures, stocks or shares;
  - (iii) be invested in stocks, shares, debentures, debenture stocks, bearer securities or other investments;
  - (iv) be invested in any interest in land or property or commodities with power for the Trustees to sell lease mortgage charge license or otherwise deal with any land comprised in the Fund as if the Trustees were the sole beneficial owners thereof;

- (v) be invested in units in unit trusts, exempt funds or mutual funds;
- (vi) be invested by underwriting, sub-underwriting or guaranteeing the subscription of any stocks, shares, debentures, debenture stocks or other investments;
- (vii) be invested by placing the same on deposit or current account with any bank or building society or finance company in their name at such rate of interest (if any) and upon such terms as the Trustees think fit;
- (viii) be invested by participating in any scheme of deposit administration administered by any Life Office;
- (ix) for the purpose of efficient portfolio management or for reduction of investment risks, enter into exchange-traded and over-the-counter (OTC) derivative transactions including, but not limited to, swaps, spot contracts, forward contracts, futures, options, caps, collars, floors, futures, warrants and contracts for difference, in respect of any reference item, rate, index or other benchmark;
- (x) secure or otherwise collateralise on such terms and in such manner as they think fit, any indebtedness or obligation undertaken on behalf of the Scheme, either with or without receiving any consideration or benefit on behalf of the Scheme and whether by covenant of the Trustees or by mortgage, charge, pledge, assignment, trust or any other means involving the creation of security over all or any part of the Fund, or by any other means of collateralisation including, without limitation, by way of transfer of title to all or any part of the Fund.

The Trustees may retain or place any such monies on deposit or current account with any bank or any building society and for such periods as they shall think fit and shall not be chargeable in respect of any interest on any such monies in excess of the interest (if any) actually paid or credited thereon.

- (b) Investments may be made by the Trustees either in their own name or in the name as nominee for them of any corporate body approved by the Company and in the latter event the corporate body shall comply with any directions issued to it by the Trustees concerning the investments, the capital and income thereof and any rights attaching thereto without being obliged to ascertain whether or not such directions are in accordance with the Trust Deed.
- (c) The Trustees may, with the consent of the Company, at any time appoint one or more companies, firms or individuals as investment managers of the Fund and may subject always to the terms of any agreement with such manager revoke or terminate any such appointment. The terms of the appointment shall be agreed from time to time between the Trustees and the investment manager or investment managers with the prior approval of the Company. The Trustees may empower any such investment manager either unconditionally or subject to any terms, conditions and provisions to exercise all or any of the powers and discretions of the Trustees in regard to the selecting, making, changing and realising of investments or arising from or in connection with the holding of

investments or the securing or collateralising of any indebtedness or obligation of the Scheme

- (d) Any investments of the Fund may, where necessary, be made in the name of or transferred or delivered to or otherwise vested in such investment manager or its nominee and may be left indefinitely or for any period or periods in the name or possession of or vested in that manager or nominee provided that the investment manager shall agree to reflect in its books and records that such investments are held solely on behalf of and belong to the Fund and that the investment manager shall segregate and keep such investments separate from its proprietary assets or those of any nominee or third party.
- (e) Any appointment of an investment manager in accordance herewith shall be on such terms and subject to such conditions and provisions for remuneration, liability to termination of the appointment and indemnification of the investment manager from any liability and otherwise howsoever as may be agreed with such manager by the Trustees with the prior consent of the Company.
- (f) Notwithstanding Clause 9(a), the Company may from time to time direct the Trustees to delegate to individual Members the power to choose between investment options made available by the Trustees. The provision of investment options shall be subject to the following conditions:
  - (i) the choice of investment options may apply to the whole or any part of the Member's Personal Pension Account and conditions and limitations may be imposed;
  - (ii) the Trustees, in consultation with the Company, but otherwise in their absolute discretion shall determine the investment options to be made available and the conditions and limitations which apply to them;
  - (iii) the Trustees, in consultation with the Company, but otherwise in their absolute discretion, at any time may vary or withdraw an investment option or may vary or waive any of the conditions or limitations attaching to the options or any of them;
  - (iv) the Company, at any time by written notice, may direct the Trustees to withdraw the choice of investment options (or any particular option or options) from the Members or any group of them howsoever described and the Trustees shall forthwith do so;
  - (v) provided the choice of investment options granted to a Member has not been withdrawn, the Trustees shall apply the Member's Personal Pension Account, or such part thereof as is subject to the options, in accordance with the Member's selection, but subject always to the conditions and limitations attaching to the investment options. Neither the Trustees nor the Company shall have any liability for any loss, damage, depreciation, or lack of appreciation resulting from this application by the Trustees. If the Member fails to exercise his choice within such period as the Trustees may specify, the options shall lapse and the Trustees shall make a selection instead. Neither the Trustees nor the Company shall be liable

for any loss, damage, depreciation, or lack of appreciation resulting from this application by the Trustees;

(vi) provided the choice of investment options granted to the Member has not been withdrawn, the Trustees shall furnish the Member information relating to:

(1) the investment options being made available, and the conditions and limitations which apply to them which constitute the different types of investment that could be made at the direction of the Member; and

(2) the default option described at Clause 9(f)(v).

In the discharge of their obligations under this Clause 9(f)(vi) the Trustees shall take all reasonable steps to provide such further information as may be necessary to enable the Member to make an informed decision as to which of the options provided he selects; and

(vii) the Trustees may, in circumstances that they consider exceptional, cease to have regard to an investment option choice previously made by the Member. In this event the Trustees will inform the Member as soon as is practicable. Neither the Company nor the Trustees shall have any liability for any loss, damage, depreciation or lack of appreciation resulting from this application by the Trustees.

(g) Any expenses relating to the investment of the Fund shall be payable out of the Fund and will be levied on the Members' Personal Pension Accounts in such manner as the Trustees shall decide at their absolute discretion subject to prior consultation with the Company.

(h) In connection with the exercise of their powers under the foregoing provisions of this Clause, the Trustees may give guarantees, indemnities, and undertakings and bind all or any part of the Fund to give effect thereto.

(i) If so required by the Pensions Act, the Trustees shall possess, or employ or enter into arrangements with advisers who possess qualifications and experience appropriate and relevant to the investment of the resources of the Scheme.

#### 10. **POWER TO ALTER TRUST DEED AND RULES**

The Company may at any time amend any of the provisions of the Trust Deed and the Rules provided that no amendment shall be made which:

(a) varies the main purpose of the Scheme namely the provision of relevant benefits as described in Section 770 of the Taxes Consolidation Act or results in loss of the approval of the Revenue Commissioners so long as the same shall be necessary for exemption or relief from taxation or shall otherwise be necessary or desirable or

- (b) authorises the accrual or enjoyment of any benefits under the Scheme by the Company or any Associated Employer except in respect of any surplus remaining after termination of the Scheme.

**11. EXPENSES OF MANAGEMENT**

The Company and the other Employers shall, in addition to their liability to contribute to the Scheme in accordance with the Trust Deed and the Rules, meet all the costs and expenses incurred by the Trustees in connection with the Scheme other than investment expenses payable out of the Fund under Clause 9(g) in such proportion as shall be decided by the Company to be appropriate unless the Company decides that such expenses be met out of Members' Personal Pension Accounts PROVIDED THAT in default of payment by the Employers as aforesaid such expenses may be paid by the Trustees out of Members' Personal Pension Accounts and may be allocated on a pro-rata basis to Members' Personal Pension Accounts in respect of the Members to whom the expenses relate as the Trustees may decide and PROVIDED THAT in the event of expenses including the Trustees' expenses of defending any dispute or proceedings in respect of a Member or Members, to the extent that the expense is not met by the Employers, the Trustees shall first be reimbursed from the Member's Personal Pension Account in respect of that Member and thereafter from the Fund comprising the Members' Personal Pension Accounts of all Members PROVIDED FURTHER THAT irrespective of the manner in which they are ultimately paid, all expenses are subject to verification by the Trustees.

**12. ADMISSION OF EMPLOYERS TO PARTICIPATION IN THE SCHEME**

Any employer whether or not incorporated that wishes to become a party to the Scheme and whose participation therein would not prejudice Approval and whose participation is consistent with the requirements of the Revenue Commissioners and approved by the Company shall by deed covenant to observe such of the provisions of the Trust Deed and the Rules as may apply to it and to perform its obligations thereunder and shall thereby become an Associated Employer as from the date specified in such deed.

**13. TERMINATION OF LIABILITY**

Any of the Employers may at any time (but without prejudice to its liability for the payment of any contribution or expenses then already due) terminate its liability to contribute to the Scheme by notice in writing to the Trustees.

**14. REORGANISATION OF THE COMPANY**

If the Company desires to be discharged of its duties as the Company under the Scheme and a new company is willing to enter into a formal agreement to undertake the obligations of the Company under the Scheme or if the Company be wound up for the purposes of reconstruction or if the Company be amalgamated with another company or companies into an amalgamated company or if the Company ceases to trade for any reason and its assets are transferred to another company (hereinafter referred to as the "Transferee Company") and if the new company or reconstructed company or amalgamated company or Transferee Company (all hereinafter referred to as the "New Company") and the Trustees consent the Scheme shall continue as heretofore and the New Company shall take the place of the Company under the Trust Deed and the Rules



and in that event the New Company shall for all the purposes of the Trust Deed and the Rules be substituted for the Company, and shall thenceforth observe and carry out all the obligations of the Company hereunder, and thereafter the expression "the Company" shall mean such New Company and the Company shall thereafter be released from all obligations under the Trust Deed and Rules.

**15. EVENTS LEADING TO TERMINATION OF THE SCHEME**

- (a) The Scheme shall be terminated and the Fund wound up upon the happening of any of the following events that is to say:
- (i) the Company either:-
    - (1) terminates its liability to contribute to the Fund under Clause 13, or
    - (2) is wound up or ceases to carry on business without a New Company, as defined in Clause 14, assuming its liabilities,  
  
unless the Trustees at their sole discretion decide to continue the Scheme for the benefit of the then existing Members without further liability on the part of the Company and defer the determination of the Scheme until such time as the Trustees in their absolute discretion shall decide;
  - (ii) the Trustees decide to terminate the Scheme at any time after it would have been determined under sub-paragraph (i) of this sub-clause but for a decision by the Trustees that the determination thereof should be deferred; or
  - (iii) the Employers failing to make a payment to the Trustees of any contribution or expenses due under Clause 11 within thirty days or such longer period as the Trustees may allow from the receipt of a written demand therefore from the Trustees or failing to remedy any breach of their obligations under the Trust Deed within ninety days or such longer period as the Trustees may allow from the receipt of a written notice by the Trustees of such breach, and (in either case) the Trustees then resolving to wind up the Scheme; or
  - (iv) the expiry of notice by all the Employers under Clause 13 of their intention to terminate contributions.
- (b) Upon the Scheme being determined the trusts referred to in the Trust Deed shall cease and (if not already terminated) the liability of each of the Employers and Members to contribute to the Scheme shall terminate but without prejudice to the liability of the Employers and Members or any of them for the payment of any contributions or expenses then already due and the Fund shall be applied in accordance with Clause 16.

**16. WINDING UP OF SCHEME**

- (a) Upon the determination of the Scheme and winding-up of the Fund:

- (i) without prejudice to the liability of the Employers to pay contributions to the Fund and expenses of the Scheme in respect of the period prior to such determination and winding-up under Clause 15 and to pay expenses which are estimated by the Trustees (and agreed with the Employers) to arise in connection with such determination and winding-up (other than the investment expenses payable out of the Fund in accordance with Clause 9) the liability of the Employers to pay such contributions and expenses under Clause 11 will cease;
  - (ii) the Trustees shall notify the Members of such determination and winding-up; and
  - (iii) the Fund shall be realised and the net proceeds of such realisation shall be applied by the Trustees in accordance with Clause 16(b).
- (b) The Trustees shall, out of the net proceeds of such realisation of the Fund and the other monies to hand (if any), reserve the amounts which they consider necessary to meet any expenses of the administration and management and of the determination of the Scheme and of the winding up of the Fund which in the opinion of the Trustees may not be payable by and recoverable from the Employers, and in paying any tax or duty for which the Trustees may be liable or accountable. The amount of the Member's Personal Pension Accounts then remaining for each Member shall then be applied in providing benefits for that person in accordance with the Rules on the assumption in the case of a Member that he left service on the date of termination of the Scheme and qualified for benefit under Rule 14(a). Any balance of the Fund which may remain after completion of the above purposes shall be refunded to the Employers in such proportions as the Trustees after consultation with an actuary (if the Trustees decide that such consultation is necessary) may in their entire discretion determine.
- (c) The benefits to be secured for any person under Clause 16(b) shall be secured by such one or more of:
- (i) the assignment to the Member or other person concerned of any policy issued by a Life Office and approved by the Revenue Commissioners for the purposes of receiving transfer payments and held by the Trustees under the Scheme;
  - (ii) the application of the Member Personal Pension Account held in respect of any Member in:
    - (a) the purchase of a policy from a Life Office that is approved by the Revenue Commissioners for the purposes of receiving transfer payments or the making of a contribution to a PRSA in the name of the Member concerned in accordance with Rule 16;
    - (b) the payment to the Member of a lump sum to the extent that they are immediately payable in lump sum, subject always to Approval of the Scheme not being prejudiced;

such other manner as the Trustees may deem appropriate including (but without limitation) the making of a transfer payment in accordance with Rule 16; or

- (iii) making such other arrangements as the Trustees may deem appropriate for the provision of retirement benefits prescribed by the Pensions Act or approved by the Revenue Commissioners for the purposes of the Taxes Consolidation Act;

PROVIDED THAT the Trustees may assign or purchase a policy or make a contribution to a PRSA or make a transfer payment without the consent of the person concerned.

- (d) A policy purchased by the Trustees in accordance with Clause 16(c) for a person who is a Member on the date of the determination of the Scheme which provides for benefits in annuity form may if the Trustees so determine contain all or any of the following provisions:
  - (i) a provision allowing such person to elect to receive an appropriately reduced annuity payable from a date earlier than Normal Retirement Age (but not earlier than age fifty other than in the event of incapacity);
  - (ii) a provision allowing such person to commute for a lump sum the whole of such annuity on the date upon which it commences if at that date such person is in exceptional circumstances of serious ill-health and satisfactory arrangements have been made for the payment of tax due under Section 781 of the Taxes Consolidation Act;
  - (iii) a provision allowing such person on the commencement of such annuity to commute part of it for a lump sum;
  - (iv) a provision allowing such person on the commencement of such annuity to surrender part of it for an annuity to a Dependant but any such annuity will be subject to such restrictions as are consistent with the approval of the Scheme as an Approved Scheme; and
  - (v) any other provision that is permitted under the Taxes Consolidation Act or would not prejudice Approval.
- (e) The Trustees may on the determination of the Scheme in their absolute discretion pay to any person otherwise entitled to an annuity under this Clause a lump sum in lieu of such annuity if such annuity is in substitution for a pension satisfying the requirements of Rules 10(b) or (c) subject to the provisions thereof.
- (f) If in any case where a Member's Personal Pension Account is to be applied and its application would result in a Trivial Pension the Trustees (having regard to the advice of an actuary (if the Trustees decide that such advice is necessary) and subject to the provisions of Clause 28 may apply the Account by making an immediate cash payment to the Member.
- (g) The Trustees may at their discretion instead of distributing the remaining assets of the Fund (hereinafter called "the Assets") in the manner described in sub-

Clause (c) of this Clause transfer the Assets to the trustees of an Approved Scheme to the intent that:

- (i) persons in receipt of pensions from the Scheme shall be entitled to receive the same pensions from that Approved Scheme, and
- (ii) the Members and other persons entitled to future and contingent pensions or other benefits from the Scheme shall be entitled to such rights under the other scheme as may be agreed between the Trustees and the trustees of that Approved Scheme.

Where a transfer is made pursuant to this sub-Clause no Member or other person in respect of whom the Assets are so transferred shall have any further right to benefit from the Scheme.

The receipt of the trustees or administrators of that other scheme shall be a complete discharge to the Trustees of any liability in respect of such Member or other person under the Scheme and the Trustees shall be under no liability to see to the application of the Assets or the interests transferred. Any transfer made pursuant to this sub-Clause shall be subject to the terms and conditions set out in Rule 16 except that the consent of the Member or other person will not be required.

- (h) When all the Employers have ceased to participate and the Trustees have disposed of all the assets of the Scheme in accordance with the Trust Deed and the Rules the termination of the Scheme shall be complete and the Trustees shall be discharged from the trusts thereof without the necessity of written discharges or resignations.

## 17. **WITHDRAWAL OF ASSOCIATED EMPLOYER**

- (a) Upon the association in business between any Associated Employer and the Company ceasing or changing to such a degree that the continued participation of such Associated Employer in the Scheme would prejudice Approval such Associated Employer shall notwithstanding such cesser or change be deemed to remain an Associated Employer for such period (if any) as such Associated Employer and the Trustees shall agree with the approval of the Company and with the consent of the Revenue Commissioners.
- (b) On whichever of the following dates (hereinafter referred to as "the Appropriation Date") shall apply that is to say:
  - (i) the date of the termination of the liability of such Associated Employer to contribute to the Scheme under Clause 13; or
  - (ii) the date on which such Associated Employer ceases to be an Associated Employer or such later date as may have been agreed under sub-Clause (a) of this Clause;

those Members who are then employed by such Associated Employer and whose employment is not immediately transferred to another of the Employers shall cease to be Members and the Trustees shall appropriate in respect of those

Members assets representing their respective Members' Personal Pension Accounts.

- (c) The Trustees shall in respect of those Members who cease to be Members under sub-Clause (b) of this Clause apply that part of the Fund appropriated to such Members in accordance, mutatis mutandis, with the provisions of Clause 16 subject to Part III of the Pensions Act unless the Company shall otherwise determine in which event the Members' Personal Pension Accounts shall continue to be held as part of the Fund subject to this Trust Deed and Rules.

**18. DISCRETIONARY BENEFITS**

At the request of the Company (or at the discretion of the Trustees but in that event subject to the agreement of the Company) the Trustees shall subject to the payment to the Fund of such additional contribution (if any) as the Trustees determine to be necessary (having regard to such actuarial advice, if any, as the Trustees decide is necessary):

- (i) augment all or any of the pensions and other benefits payable under the Scheme; or
- (ii) provide benefits not otherwise being provided under the Scheme for any Member or Members or former directors or former employees of any of the Employers or for the Dependants of any such persons;

PROVIDED THAT Approval would not thereby be prejudiced.

**19. TRUSTEES' EXCLUSION OF LIABILITY AND INDEMNITIES**

- (a) No Trustee or officer or director of a Trustee which is a corporate Trustee shall be responsible, chargeable or liable in any manner whatsoever for, or in respect of, any loss or depreciation of or default upon any of the investments or bank or other deposits, annuities or policies in or upon which the Fund or any part of it may at any time be invested or deposited, or for any delay which may occur from whatever cause in the investment of any moneys belonging to the Fund, or for the safety of any securities or documents of title deposited by the Trustees for safe custody, or for the exercise of any discretionary power vested in the Trustees by this Trust Deed or by the Rules, including any act or omission by any committee appointed by the Trustees or by reason of any other matter or thing except:

- (i) fraud or wilful default on the part of the Trustee who is sought to be made liable, or
- (ii) a breach of trust knowingly and intentionally committed by him in bad faith, or
- (iii) in the case of a corporate Trustee which is engaged in the business of providing trustee services for a fee, negligence.

- (b) Subject to Clause 19(a), the Trustees or officers or directors of a Trustee which is a corporate Trustee shall have the benefit of all indemnities conferred upon trustees generally by statute or otherwise and the Company shall keep the

Trustees indemnified against any actions, claims and demands arising out of anything lawfully done or caused to be done by them in the exercise of the powers and discretions vested in them by this Trust Deed or the Rules and, to the extent that the Company fails to indemnify the Trustees and/or such officers and directors, they shall be indemnified by the Associated Employers and, to the extent that the Associated Employers fail to indemnify the Trustees and/or such officers and directors, they shall be indemnified out of the Fund.

- (c) In respect of liabilities incurred by the Trustees under Clause 9(h) the Trustees shall be indemnified directly out of the Fund save in circumstances where the Trustees would incur personal responsibility or liability pursuant to the foregoing provisions of this Clause 19.
- (d) The Trustees may, with the consent of the Company, insure the assets of the Scheme against any loss caused by any Trustee or former Trustee or any of their delegates or any other or any employee of a corporate Trustee. The Trustees may also with the consent of the Company insure themselves and any of those persons against liability for breach of trust. The premiums of any such insurance policy shall be an expense of the Scheme and payable by the Company and the other Employers in accordance with Clause 11. To the extent that a Trustee obtains insurance, the protections and indemnities in this Clause 19 shall not apply in circumstances where, and to the extent that, a Trustee obtains and receives payment under an insurance policy protecting them against liability in connection with the Scheme.
- (e) The foregoing provisions of this Clause shall, mutatis mutandis, apply to any director or officer of a body corporate which is a Trustee.

20. **UNCLAIMED BENEFITS**

Any benefit (or instalment of benefit) payable to or in respect of a person under the Scheme shall be forfeited if not claimed within six years after the date on which it first became due and payable PROVIDED THAT the Trustees may at their discretion pay all or any part of such benefit despite its having been so forfeited.

21. **DISCRETIONS AND POWERS**

Every discretion or power hereby conferred upon the Trustees or on the Company shall, in the absence of an express indication to the contrary, be an absolute and uncontrolled discretion or power PROVIDED THAT no such discretion or power shall be exercised in a manner which would prejudice Approval.

22. **GOVERNING LAW AND JURISDICTION**

The trusts of the Scheme and the rights of all parties thereunder shall be governed by the law of the Republic of Ireland, which shall be the proper law and will govern this Trust Deed and Rules and all transactions and proceedings in or concerning the Scheme. The jurisdiction of the Courts of the Republic of Ireland shall be the jurisdiction appropriate to all actions, claims, disputes and proceedings arising under or in connection with the Scheme.

23. **REVENUE APPROVAL AND RELEVANT LEGISLATION**

- (a) No provision of this Trust Deed or the Rules shall operate to prejudice Approval.
- (b) The Scheme shall be operated in conformity with the provisions of the Pensions Act and all other relevant legislation. The duties of the Company and any Associated Employer, the Trustees, the administrator, the Auditor and the Registered Administrator shall be regulated by, and carried out in accordance with, the Pensions Act and all other relevant legislation.

24. **RELATIONSHIP TO TERMINATION OF EMPLOYMENT**

Nothing in this Trust Deed and Rules will in any way restrict the right of an Employer to terminate the employment of an Employee whilst in the employment of that Employer or be used in aggravation of damages in any action, counterclaim or suit brought by such Employee against such Employer in respect of the termination of his employment.

25. **PURCHASE OF POLICIES FOR PAID-UP BENEFITS**

- (a) In any case where a person is entitled or prospectively entitled or contingently entitled to a benefit under the Scheme, the Trustees may at any time in their discretion (and shall in any case in which they are required to do so under Section 34 of the Pensions Act) purchase or provide in the name of such person or persons or in the name of a trustee or trustees for the benefit of such person or may assign to such person or Trustee as aforesaid a policy with an Life Office securing the benefit which would otherwise be payable under the Scheme.
- (b) Any such policy may contain provisions permitting the exercise of an open-market option when the policy matures or the surrender value to be transferred directly to a Retirement Benefits Scheme of a subsequent employer of which the Member becomes a member, being a scheme to which the Revenue Commissioners would permit such a transfer, but so that the terms and conditions applying under any such policy shall be such as would not prejudice approval of the Scheme as an Approved Scheme.
- (c) Any person for whom any benefit otherwise payable under the Scheme has been secured by means of the issue or assignment of a policy to him (or to the Member through whom that person claims) or to a trustee or trustees for that person's or that Member's benefit pursuant to this Clause will cease to have any rights under the Scheme in respect of that benefit.
- (d) Subject to compliance with all applicable laws the Trustees may (and in any case where the Member so directs shall) in lieu of their powers under Clause 25(a) make a transfer to an overseas arrangement or PRSA (in respect of which the member is a beneficiary or Contributor) for the benefit of the affected person or persons.

26. **CONSEQUENCES OF PURPORTED ASSIGNMENT**

- (a) Subject to Section 36 of the Pensions Act, if any person (the "Protected Beneficiary") assigns or charges any present or future benefit arising under the Scheme or attempts or purports to do so or if any other act is done or event

happens whereby such benefit, if belonging absolutely to the Protected Beneficiary, would be vested in or payable to or charged in favour of any other person firm or company, the Protected Beneficiary will forfeit all rights to such benefit.

- (b) If any benefit is forfeited in accordance with Clause 26(a), the Trustees shall as from the date upon which they receive notice of the act or event causing such forfeiture hold the forfeited benefit with the power, if the Trustees think fit, to pay or to apply the same (or any part thereof) at their absolute discretion to or for the benefit of all or any one or more exclusively of the other or others of the Protected Beneficiary or his or her wife or husband (if any) and any dependant or dependants of the Protected Beneficiary.

## **27. PAYMENT OF DEBTS OWED TO EMPLOYER**

The beneficial interest of any Member or other person in any benefit under the Scheme (including any payment which may fall to be made on his death but excluding any benefit which is attributable to a transfer into the Scheme under Rule 16 (a)) will stand charged with the payment of any debts or liabilities to the Employer owing and arising out of any criminal, negligent or fraudulent act or omission by such Member or other person, but so that:

- (i) no such charge shall be exercised by the Employer unless such Member or other person has received a certificate in writing showing the debt or liability recoverable and its effect on his benefits;
- (ii) production of a certificate signed by the Secretary of the Employer that any amount is so owing to it will be sufficient evidence thereof;
- (iii) if such Member or other person disputes such debt or liability, no such charge shall be exercised unless such debt or liability has become enforceable under a Court Order or the award of an Arbitrator; and
- (iv) any such charge will not affect a Member's Preserved Benefit.

## **28. DEDUCTION OF TAX**

- (a) In the event of that portion of a Member's Personal Pension Account referable to his Member's Contributions being repaid to him or in any case in which a cash sum is paid under the Scheme in relation to which (or to some part thereof) the Trustees are liable or accountable for tax or other imposition of any kind, the Trustees shall be entitled to deduct therefrom any such tax or other imposition for which they are so liable or accountable.
- (b) The Trustees shall also be entitled to withhold all or any part of any sums payable to any person on the death of a Member unless the Trustees are satisfied either that adequate provision has been made for payment of all tax or duty payable on the death of such Member or that the Trustees are not accountable for such tax or duty, and the Trustees may apply the moneys so withheld to the payment of any such tax or duty for which they may be accountable.



- (c) The Trustees shall also be entitled to have recourse to each Member's Personal Pension Account to satisfy any liability to any tax, duty or levy imposed upon the Trustees or the Scheme or for which the Trustees may otherwise be liable PROVIDED THAT where the Trustees exercise their power under this Clause 28 (c) the Trustees shall do so in such manner as they in their absolute discretion determine to be just and equitable.

29. **POWERS OF COMPANY**

- (a) The Company shall have the power (after consultation with the Trustees) to make such regulations or other provisions (not being inconsistent with the Trust Deed and Rules) as it thinks fit relating to any matter or thing not provided for in respect of the Scheme or for the administration of the Scheme and to vary or revoke the same.
- (b) The Company shall be entitled to exercise any power vested in it hereunder by reference solely to its own interests and in its absolute discretion unless and to the extent that such power is a fiduciary power.
- (c) At the Company's request, the Trustees will provide such information and data to the Company in respect of the Scheme as the Company may require to comply with any applicable law or regulatory requirement binding on the Company, provided that such provision of data would not contravene any applicable law or regulatory requirement binding on the Trustees.

## **THE SCHEDULE**

(hereinbefore referred to being the Rules of the Scheme)

### **1. DEFINITIONS**

Throughout the Rules words and expressions defined in the Trust Deed shall have the same meanings herein and in the Trust Deed and in these Rules the following expressions shall have the meanings hereinafter respectively ascribed to them:

“Application Date” in respect of a Member who is entitled to benefit under any of Rules 6, 7, 8 and 14 means the date specified in the relevant Rule as the date at which all or part of his Member’s Personal Pension Account is to be applied in providing benefits.

“Apprentice” means a person engaged on a contract of apprenticeship and the Employer’s decision shall be final as to whether a person has a contract of apprenticeship.

“Approval” means approval of the Scheme by the Revenue Commissioners as an exempt approved scheme under the Taxes Consolidation Act.

“Approved Retirement Fund” means an approved retirement fund within the meaning of Section 784A of the Taxes Consolidation Act, or an approved minimum retirement fund within the meaning of Section 784C of the Taxes Consolidation Act.

“Approved Scheme” means a Retirement Benefits Scheme approved or capable of approval under the Taxes Consolidation Act or any other arrangement otherwise approved for the purpose of transfers of assets out of the Scheme by the Revenue Commissioners.

“Associated Employer” means any employer that has been admitted to participation in the Scheme in accordance with Clause 12 of the Trust Deed.

“Auditor” means any auditor or firm of such auditors qualified to be auditor to the Scheme under the Pensions Act.

“Children” of a Member or Life Assurance Only Member or a former Member (or Eligible Employee or Apprentice, where applicable) means:

- (a) his marital children (including any step child or legally adopted child), and
- (b) his non marital children who are accepted by the Trustees as such who are living or en ventre sa mere at the date of his death and are:
  - (i) under the age of 18 years, or
  - (ii) under the age of 23 years and in receipt of full time educational or vocational training, or
  - (iii) for the time being in the opinion of the Trustee suffering from mental or physical incapacity of a nature or degree which renders them unable to maintain

themselves as independent adults provided that such incapacity arose before the child ceased to come within the terms of paragraph (i) or (ii) as the case may be;

and “Child” means any one of such Children.

“Commencement Date” means 1 January 2015.

“Company” means Diageo Ireland or any other company, person or firm which, pursuant to the provisions of the Trust Deed, is for the time being substituted therefore as the person liable to perform the obligations of the Company under the Trust Deed and Rules.

“Contributor” has the meaning ascribed to it by Section 91 of the Pensions Act.

“Dependant” means an individual who in the opinion of the Trustees after taking the advice of the Employer is or was at the time of the Member's or Life Assurance Only Member's (or Eligible Employee's or Apprentice's, where applicable) death (or at any time within the preceding three years) wholly or partly maintained or regularly financially assisted by the Member or Life Assurance Only Member (or Eligible Employee or Apprentice, where applicable) PROVIDED THAT a Child or Spouse of the Member or Life Assurance Only Member (or Eligible Employee or Apprentice, where applicable) shall qualify as a Dependant without evidence of such maintenance or assistance.

“Eligible Employee” means any person over the age of 18 years and under the age of 65 years, who is declared by the Employers to be an employee of the Employers who is eligible to become a member of the Scheme in accordance with the Appendix that applies to them and who is resident for tax purposes in Ireland but shall not include an Apprentice.

“Employer” means in relation to any individual that one or more of the Company or Associated Employers by which he is for the time being or was last employed and “Employers” means collectively the Company and every Associated Employer.

“Fund” means the assets held by the Trustees for the purposes of the Scheme and shall include all income, profits and accretions thereto.

“Index” means the Consumer Price Index or such other index as may from time to time be agreed for the purposes of the Rules between the Trustees and the Revenue Commissioners.

“Life Assurance Only Member” means an employee in Service who is ordinarily employed in Ireland or such country as may be agreed by the Company subject to not prejudicing Approval (and shall be deemed to include a director) and who is designated by the Employer to be a Life Assurance Only Member to be entitled to benefits solely under Rule 11(a) such employee not being a member of any other retirement benefits scheme of the Employer.

“Life Office” means a life office authorised under the terms of the European Communities (Life Assurance) Regulations 1984 or permitted or authorised under the terms of the European Communities (Life Assurance) Framework Regulations, 1994 to carry on life assurance business in the Republic of Ireland.

“Member” means any person who has been admitted to membership of the Scheme pursuant to the provisions of the relevant Appendix and includes each person admitted in accordance with the Appendices to these Rules so long as, but only so long as, he is entitled or prospectively entitled to any benefit from the Scheme.

“Member’s Personal Pension Account” has the meaning given in Rule 5(a) in respect of a Member.

“Member’s Contributions” in relation to a Member in Service means the contributions made by him to the Fund under Rule 4 (a) and Rule 19 if any, together with any contributions deemed to have been made by him to the Fund under Rule 16(a).

“Normal Retirement Age” means the Member’s 65th birthday except that where a different date for normal retirement (being not earlier than the 60th birthday and not later than the 70th birthday) has been agreed between the Member and the Employer the Normal Retirement Age shall be that agreed date.

“Pay Period” has the meaning set out in the relevant Appendix.

“Pensionable Pay” has the meaning set out in the Appendix.

“Pensions Act” means the Pensions Act, 1990 as amended and any regulations made thereunder.

“PRSA” means a personal retirement savings account as defined in Section 787A of the Taxes Consolidation Act.

“PRSA provider” shall have the meaning ascribed to it in Section 787A of the Taxes Consolidation Act.

“Preserved Benefit” shall have the meaning ascribed to it by the Pensions Act.

“Registered Administrator” means the Registered Administrator as described in Clause 7(a)(v).

“Retirement Benefits Scheme” means a retirement benefits scheme as defined in the Taxes Consolidation Act.

“Rules” means these Rules together with all variations of, additions to and substitutions for the same for the time being in force.

“Scheme” means the Diageo Retirement Savings Plan as governed by this Trust Deed and Rules as same are amended from time to time.

“Scheme Anniversary Date” means:

- (a) from the Commencement Date to 30 June 2016, 1 January 2016, 1 January 2015 and 1 January 2016; and
- (b) from 1 July 2016, 1 July 2016 and each subsequent 1 July or such other date as the Trustees shall select with the agreement of the Company.

“Service” means service in the employment of any of the Employers.

“Spouse” means in respect of a Member or Life Assurance Only Member (or Eligible Employee or Apprentice, if applicable) the spouse to whom he was married at the date of his death or the civil partner with whom he was in a civil partnership registered under the terms of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act, 2010 at the date of his death.

“Taxes Consolidation Act” means the Taxes Consolidation Act, 1997 as amended and any regulations made thereunder.

“Transfer Payment” means a transfer of assets received under Rule 16(a) in respect of any Member.

“Transfer Payment Proceeds” means at any time or on the happening of any event, the amount which the Trustees, on such advice as they consider appropriate, determine to be available for payment or application under these Rules in respect of any Member at that time or on the happening of that event, having regard to the amount of any Transfer Payments received in respect of the Member and the manner in which they have been invested from time to time under Clause 9.

“Trivial Pension” means a pension which including any pension or pension equivalent of any benefits not in pension form to be provided under the Scheme and any other scheme of the Employers or to which any of the Employers contributed would not exceed €30 per annum or such higher sum as is consistent with Approval.

“Trust Deed” means the Deed to which these Rules are scheduled and all deeds supplemental thereto.

“Trustees” means the trustees named in the Trust Deed (including their successors) or any other trustee or trustees for the time being of the Scheme (including the survivor or survivors of them).

“20% Director” means a director of any of the Employers who either alone or together with his spouse and minor children is or becomes or at any time within three years of the specified Normal Retirement Age or earlier retirement or leaving service was the beneficial owner of shares which when added to any shares held by the trustees of any settlement to which the Director or his spouse has transferred assets, carry or carried more than 20% of the voting rights of that one of the Employers relevant to the Director or in a company which controls that one of the Employers.

## 2. **ADMISSION TO MEMBERSHIP**

- (a) An Eligible Employee shall be admitted to membership of the Scheme in accordance with the provisions of and subject to the terms of the Appendix that applies to him or otherwise as provided by the Company under the remaining provisions of the Rule 2.
- (b) The Company may waive any of the qualifications for membership in respect of any current or former employee of any of the Employers in any particular case subject to any limitation on the benefits in respect of such employee under the Scheme as the Company may stipulate.

- (c) The Company may, from time to time by notice in writing to the Trustees and to the Member concerned, direct that any Member shall cease to be an Eligible Employee and thereupon the provisions of Rule 15 shall apply.
- (d) Notwithstanding the provisions of sub-Rule (a) of this Rule, the membership of the Scheme of any Member may be subject to such terms and conditions as the Company may stipulate and notify to the Trustees and the Member concerned.
- (e) No employee of any of the Employers who is or has been a 20% Director shall be eligible for membership of the Scheme.
- (f) A Member may, from time to time by notice in writing to the Trustees or the Company, opt out of the Scheme and thereupon shall cease to be an Eligible Employee the provisions of Rule 15 shall apply.

### 3. **PRODUCTION OF INFORMATION**

- (a) Subject always to Part VII of the Pension Act, Eligible Employees and Life Assurance Only Member shall provide such relevant particulars (including evidence of age, state of health, marital status and the identities of any Dependants) as may from time to time be required by the Trustees. If any Eligible Employee or Life Assurance Only Member fails to provide any such particulars when required to do so or such particulars prove to be inaccurate or if any evidence of age or health so provided is unsatisfactory to the Trustees or if the Eligible Employee's or Life Assurance Only Member's particulars render it impossible for the Trustees to obtain at reasonable rates of premium any insurance which they may require for the benefits to be provided in respect of the Eligible Employee or Life Assurance Only Member the Trustees may, with the advice of an actuary where actuarial calculations are required, modify the benefits provided or to be provided in respect of such Eligible Employee or Life Assurance Only Member under the Scheme in such manner as they consider to be appropriate or withhold or cease payment of any benefit payable under these Rules.
- (b) Payment of all benefits under the Scheme shall be subject in each case to the production to the Trustees of such information and evidence as they may reasonably require in respect of the person or persons on whose survival or death payment of the benefit depends.

### 4. **CONTRIBUTIONS**

- (a) (i) A Member shall contribute to the Scheme in accordance with the provisions of the relevant Appendix that applies to him in respect of his current Employer or at such other rate as is determined by the Company from time to time and notified to the Trustees.
- (i) Members may, in addition to any ordinary contributions under paragraph (i), make additional voluntary contributions to the Scheme in accordance with the provisions of Rule 19.

- (b) Each Employer shall contribute to the Scheme in respect of each Member employed by it who has not yet attained Normal Retirement Age at the rate of Pensionable Pay set out in the relevant Appendix or at such other rate as may be determined by the Employer at its absolute discretion and notified to the Trustees.
- (c) Each Employer shall, in addition to any amount contributed in accordance with the foregoing provisions of this Rule, in respect of each Eligible Employee employed by it, contribute to the Scheme such amounts as may be required to secure the benefits provided under Rule 11.
- (d) The contributions paid or payable by or in respect of a Member under the Scheme shall be restricted as may be necessary to ensure that Approval shall not be prejudiced.
- (e) Each Employer shall pay to the Trustees the costs and expenses required of them under Clause 11.

5. **MEMBER'S PERSONAL PENSION ACCOUNT**

- (a) The Trustee shall keep an account in respect of each Member (to be called the "Member's Personal Pension Account"). Each Member's Personal Pension Account shall at any time equal the then value (taking into account investment performance), as determined by the Trustees, of the aggregate of:
  - (i) the amounts, contributed by the Employers in respect of the Member in accordance with Rule 4 and Clause 18 of the Trust Deed, if any;
  - (ii) the amounts contributed by the Member in accordance with Rule 4 and Rule 19; and
  - (iii) any Transfer Payment received by the Trustees in respect of the Member in accordance with Rule 16;

after due allowance for the Member's proportionate share of any expenses, disbursements, taxes, levies or liabilities of the Scheme. The Member shall have no claim, right or interest to or in respect of his Member's Personal Pension Account except under or in accordance with the provisions of the Rules.

- (b) A Member's Personal Pension Account shall on a Member's retirement in accordance with Rule 6, Rule 7, Rule 8 or otherwise in the case of a Member who has left Service in accordance with Rule 14, be applied by the Trustees to secure one or more of the following benefits as the Member shall decide:
  - (i) an annuity on the life of the Member which may be of fixed or increasing annual amount and which may be expressed to be payable for a specified minimum period whether or not the Member survives until the end of that period;
  - (ii) a cash sum immediately payable to the Member subject to the provisions of Rule 10;

- (iii) an annuity on the life of a Dependant (not being a Child) of the Member which may be of fixed or increasing annual amount, beginning on or after the Member's death;
- (iv) an annuity or annuities on the life or lives of any one or more of the Member's Children, which may be of fixed or increasing annual amount, beginning on or after the Member's death and continuing (subject to the survival of the life or lives assured) until the Child or Children cease to be such or earlier death;
- (v) any other benefit which will not prejudice Approval; or
- (vi) a payment, subject to Clause 23, to such one or more Approved Retirement Funds as the Member directs;

PROVIDED THAT a Member's Personal Pension Account shall not be so applied unless the Member has also elected to receive benefits under the corresponding provision of any other Retirement Benefits Scheme to which the Employers or any of them contribute and under the terms of which he has an entitlement to benefit.

- (c)
  - (i) Any benefit to be provided under the Scheme payable to a Member may be paid from the Scheme or may be secured by means of the purchase of a policy from a Life Office and any such policy shall be purchased in the name or names of the Trustees and assigned to the Member or other person or in the name or names of the person or persons concerned.
  - (ii) Any benefit to be provided under the Scheme, other than a lump sum payable to a Member, may be secured by means of the transfer of all or part of the Member's Personal Pension Account to the trustees of another Approved Scheme to the intent that the trustees or administrators of that other scheme shall provide the appropriate benefit or to an Approved Retirement Fund.
- (d) Subject to Approval not being prejudiced, the Trustees may, with the consent of a Member, postpone the application of some or all of that Member's Personal Pension Account under this Rule on such terms and conditions as the Trustees in their absolute discretion shall decide.
- (e) A Member shall, if so requested by the Trustees, prior to the application of his Member's Personal Pension Account under this Rule, sign an acknowledgement of the options available to him on the application of his Member's Personal Pension Account and confirm in writing the options he requires PROVIDED THAT if the Member fails or neglects to advise the Trustees as to the manner in which his Member's Personal Pension Account is to be applied within a period of six months from the date of his retirement the Trustees shall have the power to apply the Member's Personal Pension Account to secure one or more of the benefits described in paragraphs (i) to (vi) of sub-Rule (b) as the Trustees shall decide.



- (f) Every determination made by a Member under this Rule shall be made at the sole discretion of the Member. The Trustees and the Employers shall have no duty to advise any Member in relation to a determination under this Rule, nor (whether or not they have advised the Member) any liability to any person claiming through or in respect of any Member in consequence of the Member making or not making a determination under this Rule.

**6. RETIREMENT AT NORMAL RETIREMENT AGE**

Subject to the provisions of Rule 17, a Member who retires from Service at Normal Retirement Age shall be entitled to have his Member's Personal Pension Account applied in accordance with Rule 5.

**7. RETIREMENT AFTER NORMAL RETIREMENT AGE**

- (a) If at the request of the Company a Member remains in Service after Normal Retirement Age with the Employer's consent the application of his Member's Personal Pension Account shall be postponed until his eventual retirement from Service and he shall, subject to the provisions of Rule 17, then be entitled to have his Member's Personal Pension Account applied in accordance with Rule 5 PROVIDED THAT a Member may opt to receive a cash sum under Rule 5 (b) (ii) with effect from his Normal Retirement Age and postpone the application of the balance of his Member's Personal Pension Account until his actual retirement from Service.

- (b) In lieu of the benefit under sub-Rule (a) of this Rule a Member who continues in Service after Normal Retirement Age may elect to have his Member's Personal Pension Account applied in accordance with Rule 5 with effect from his Normal Retirement Age or at any date between Normal Retirement Age and his later date of retirement and if he so elects he shall for the purposes of the Scheme be deemed to have retired at Normal Retirement Age.

**8. EARLY RETIREMENT**

- (a) A Member who, in the opinion of the Employer, becomes mentally or physically incapacitated to the extent that he is permanently unfit to remain in the employment of his Employer may retire with the consent of the Employer and become, subject to the provisions of Rule 17, entitled to have his Member's Personal Pension Account applied in accordance with Rule 5.
- (b) A Member who has attained the age of 50 years may with the agreement of the Employer retire from Service and become entitled, subject to the provisions of Rule 17, to have his Member's Personal Pension Account applied in accordance with Rule 5.

**9. APPLICATION OF MEMBERS' PERSONAL PENSION ACCOUNTS**

A pension which becomes payable on the application of a Member's Personal Pension Account shall be payable by equal monthly, quarterly, half-yearly or yearly instalments in advance or in arrears as the Member shall decide on the application of his Member's Personal Pension Account.

10. **OPTIONAL LUMP SUM IN LIEU OF PENSION**

- (a) If he has given prior notice in writing to the Trustees and subject to the provisions of Rule 17, a Member may, in accordance with Rule 5 (b)(ii), request the Trustees to pay, at the date on which any annuity as is referred to in Rule 5(b)(i) to him is due to commence or at any earlier date which is not earlier than his Normal Retirement Age, all or part of his Member's Personal Pension Account as a lump sum payment which (when added to all other lump sum retirement benefits provided for the Member under other Retirement Benefits Schemes of the Employer) shall not exceed such amount as the Trustee may at their discretion allow provided that it does not prejudice Approval.
- (b) If he has given prior notice in writing to the Trustees and subject to the consent of the Company, any Member who is in exceptional circumstances of serious ill-health may surrender any pension becoming payable to him under the Scheme at the date on which it would otherwise have commenced for a lump sum payment equal to the amount of the Member's Personal Pension Account less any deduction of tax required to be made by the Trustees under the provisions of Clause 28 PROVIDED THAT a Member's Personal Pension Account shall not be so applied unless the Member has also elected to receive benefits under the corresponding provision of any other Retirement Benefits Scheme to which the Employers or any of them contribute and of which he is a member.
- (c) If on application of a Member's Personal Pension Account the annuity under Rule 5(b)(i) would be a Trivial Pension, the Trustees may in lieu of applying the Member's Personal Pension Account to purchase the annuity and subject to the provisions of Clause 28 pay a lump sum equal to the amount of the Member's Personal Pension Account to the Member.
- (d) A Member may irrevocably surrender the right to exercise his option under sub-Rule (a) of this Rule by giving the Trustees such notice as they may require for the purpose.

11. **BENEFITS ON DEATH OF MEMBER**

- (a) If a Member, Life Assurance Only Member, Eligible Employee or Apprentice dies before Normal Retirement Age while in Service and before the application of his Member's Personal Pension Account, if any, under Rule 5, there shall be payable such amount as is set out in the Appendix applicable to him.
- (b) If a Member dies while in Service on or after Normal Retirement Age and before application of his Personal Pension Account there shall be payable such amount as is set out in the Appendix applicable to him.
- (c) If a Member dies after leaving Service and before the application of his Member's Personal Pension Account under Rule 5 there shall be payable to his legal personal representatives an amount equal to the transfer payment under Rule 16(k) which would have been payable under Rule 16(f) immediately before the death of the Member.

12. **PAYMENT OF LUMP SUM DEATH BENEFITS**

- (a) Subject to Section 30(3) of the Pensions Act, and having regard to the requirement not to prejudice Approval, any lump sum becoming payable under the Scheme on the death of a Member, Life Assurance Only Member, Eligible Employee or Apprentice shall be held by the Trustees with power to be exercised within 24 months after that death to pay or apply the same or any part thereof to or for the maintenance or support or otherwise for the benefit of all or any one or more exclusively of the others or other and in such proportions as the Trustees decide of such Member's, Life Assurance Only Member's, Eligible Employee's or Apprentice's Beneficiaries (as hereinafter defined).

For the purpose of this Rule, "Beneficiaries" means in relation to any Member, Life Assurance Only Member, Eligible Employee or Apprentice:

- (i) the Spouse, ancestors and descendants (however remote) of the Member, Life Assurance Only Member, Eligible Employee or Apprentice and the spouses and civil partners of such ancestors and descendants and the brothers, sisters, uncles and aunts (whether of the whole or half blood) of the Member, Life Assurance Only Member, Eligible Employee or Apprentice and the spouses, civil partners and descendants of them, and shall be construed as if the stepchild or adopted child of any person were that person's natural child;
- (ii) any Dependant;
- (iii) any Child; and
- (iv) any other individual whom the Member, Life Assurance Only Member, Eligible Employee or Apprentice shall have requested the Trustees in writing to treat as a Beneficiary.
- (b) That part of any benefit payable under Rule 11 which the Trustees cannot pay in the form of a lump sum shall be applied in accordance with Rule 5(b)(iii) and/or Rule 5(b)(iv), mutatis mutandis, in the provision of benefits to or in respect of such Dependant as the Trustees in their absolute discretion shall decide.
- (c) Those moneys or any part of them which the Trustees in their discretion decide not to dispose of under the powers referred to in the foregoing provisions of this Rule shall be paid by the Trustees to such Member's, Life Assurance Only Member's, Eligible Employee's or Apprentice's legal personal representatives.
- (d) In applying any moneys to or for the maintenance or support or otherwise for the benefit of any person under the foregoing provisions of this Rule the Trustees shall be entitled to pay the same by way of settlement or otherwise to trustees for the benefit of such person (subject as provided by sub-Rule (c) of this Rule) and may delegate to such trustees any powers or discretions which could be exercised by the Trustees under this Rule.

- (e) The power of the Trustees under the foregoing provisions of this Rule to pay any moneys to or to apply the same or any part thereof for the maintenance or support or otherwise for the benefit of any person shall be limited to payment or application at such time or times and in such manner that all interests therein shall become vested interests within the period of 21 years of the death of such Member, Life Assurance Only Member, Eligible Employee or Apprentice.

**13. TEMPORARY ABSENCE**

- (a) If a Member, Eligible Employee, Apprentice or Life Assurance Only Member is temporarily absent from active Service for any reason, the benefits provided under Rule 11 may be payable in respect of him solely if the Employer so decides at its absolute discretion and notifies the Member, Eligible Employee, Life Assurance Only Member or Apprentice and the Trustees.
- (b) If a Member is temporarily absent from active Service for any reason then, except in circumstances where the Member continues to receive Pensionable Pay and continues to make contributions from that Pensionable Pay as provided in Rule 4, the Employer shall not be obliged to contribute to his Member's Personal Pension Account unless the Employer shall decide at its absolute discretion to do so and may contribute at such rate as it decides at its absolute discretion.

**14. LEAVING SERVICE**

- (a) Any Member who leaves Service before Normal Retirement Age otherwise than by death and without becoming entitled to an immediate benefit under Rule 8 and who is entitled to a Preserved Benefit in respect of his Member's Personal Pension Account shall be entitled to such benefits as may be secured by his Member's Personal Pension Account commencing at Normal Retirement Age (if he is then living).
- (b) Any Member who leaves Service before Normal Retirement Age otherwise than by death and without becoming entitled to an immediate pension under Rule 8 and who is not entitled to a Preserved Benefit shall be entitled to such benefits as may be secured by that portion of his Member's Personal Pension Account that comprises the value of the contributions he has paid to the Scheme pursuant to Rule 4 and Rule 19 and any transfer payment received in accordance with Rule 16 (which value shall be determined by the Trustees having regard to the advice of an actuary, if the Trustees consider such advice is required) commencing at Normal Retirement Age (if he is then living) PROVIDED THAT he may request a refund of the value of the contributions he has paid to the Scheme pursuant to Rule 4 and Rule 19 and any contributions deemed to have been paid in accordance with Rule 16 (which value shall be determined by the Trustees having regard to the advice of an actuary if the Trustees consider such advice is required) in lieu of the benefit described in the forgoing provisions of this sub-Rule (b) AND PROVIDED THAT the Trustees may exercise their powers under Clause 28 in respect of any payment made pursuant to this Rule AND PROVIDED THAT the balance of the Member's Personal Pension Account remaining after the application of the relevant portion of the Member's Personal Pension Account or the payment of the refund and any tax liability attaching

thereto, as the case may be, may be remitted to the Employer or held by the Trustees for the general purposes of the Scheme.

- (c) Where a Member is entitled to benefits at Normal Retirement Age under this Rule any provisions of the Rules regarding the application of his Member's Personal Pension Account shall apply to the benefits payable under this Rule in the same manner as they apply to the benefits payable to a Member retiring from Service.
- (d) With the agreement of the Trustees, any Member entitled to deferred benefits under the provisions of sub-Rule (a) of this Rule on leaving Service may at any time thereafter if he becomes incapacitated through ill-health or other disability or at any time on or after attainment of age 50 elect to receive in lieu of such deferred benefits such immediate benefits as may be secured at that time by his Member's Personal Pension Account.
- (e) With the agreement of the Trustees, any Member entitled to deferred benefits under the provisions of sub-Rule (b) of this Rule on leaving Service may at any time thereafter if he becomes incapacitated through ill-health or other disability or at any time on or after attainment of age 50 elect to receive in lieu of such deferred benefits such immediate benefits as may be secured at that time by that portion of his Member's Personal Pension Account that comprises the value of the contributions he has paid to the Scheme pursuant to Rule 4 and Rule 19 and any transfer payment received in accordance with Rule 16.
- (f) Where a Member is entitled to deferred benefits under the provisions of sub-Rule (a) or (b) of this Rule on leaving service and the value of the Member's Personal Pension Account is less than €10,000 (or such other amount as the Revenue Commissioners permit) then if more than two years has elapsed since the Member left Service, the Trustees shall if so requested by the Company, transfer out the amount equal to the Member's Personal Pension Account in accordance with Rule 16(f). The Member may elect the arrangement to which the value of his Personal Pension Account is transferred in accordance with Rule 16(f) and in the absence of such an election, the arrangement shall be determined by the Trustees in their absolute discretion.

#### 15. **MEMBER CEASING TO BE ELIGIBLE**

Any Member who ceases to be an Eligible Employee shall cease to contribute to the Scheme and the Employers' contributions to his Member's Personal Pension Account shall also cease and he shall be treated for all of the purposes of the Scheme as if he had left Service with entitlement to benefit under Rule 14 except that no benefit shall be payable until such Member leaves Service. In the event of the death of a Member who has opted out of the Scheme in accordance with Rule 2(f) while such a Member is still in Service, benefits shall be payable under Rule 11(a).

#### 16. **TRANSFER OF ASSETS**

- (a) If any Member is entitled to benefit:
  - (i) under another Retirement Benefits Scheme, or

ii) under a contract with a Life Office approved by the Revenue Commissioners for the purpose of receiving transfer payments from retirement benefits schemes, or

(iii) under a PRSA,

the Trustees may, and shall if required by the Pensions Act, accept any transfer of assets offered in respect of that Member from the other scheme or Life Office or PRSA provider (as the case may be).

(b) A Member in respect of whom a Transfer Payment has been received shall, subject to Clause 23, be entitled or contingently entitled to additional benefits:

(i) to be calculated on a defined contribution basis by the application at his Application Date of the Transfer Payment Proceeds which form part of his Member's Personal Pension Account at the Application Date, or

(ii) of any lower value necessary to ensure the continued Approval.

(c) The Trustees shall give the Member written notice of the basis upon which his Transfer Payment Proceeds will be applied.

(d) On accepting any Transfer Payment, the Trustees shall endeavour to obtain all the information which they need to enable them to administer the Transfer Payment and the benefits provided in respect of it in accordance with Clause 23.

(e) If a Transfer Payment is offered to the Trustees in respect of any Member subject to conditions as to the way in which it is to be administered or as to the benefits to be provided in respect of it, the Trustees may undertake to comply with those conditions. Notwithstanding any other provision of these Rules, the Trustees shall observe that undertaking and no Member shall be entitled to any benefit which, if granted, would breach that undertaking.

(f) Subject to Rule 16(i) and 16(j), a transfer of assets out of the Fund may be made in respect of any Member or former Member to:

(i) the trustees or other persons having the necessary power of an Approved Scheme in which the Member or former Member concerned participates;  
or

(ii) a Life Office either:

(1) for the application under a contract, written in the name of the Member or former Member, which is approved by the Revenue Commissioners for the purposes of receiving transfer payments from retirement benefits schemes, or

(2) to purchase an immediate or deferred annuity policy written in the name of the beneficiary to secure some or all of the benefits

payable to, or in respect of, the Member or former Member under these Rules; or

- (iii) to the trustees, custodians, managers or administrators of any arrangement for the provision of retirement benefits established outside the Republic of Ireland, in accordance with Section 34(3)(e) of the Pensions Act, or
  - (iv) any other arrangement for the provision of retirement benefits prescribed by the Pensions Act or approved by the Revenue Commissioners for the purposes of the Taxes Consolidation Act.
- (g) Subject to Section 772 (3D) of the Taxes Consolidation Act and Rule 16(h), a transfer of assets out of the Fund may be made in respect of any Member or former Member to a PRSA provider for application under a PRSA operated by that provider in which the Member or former Member concerned is a Contributor.
- (h) Before a transfer is made under Rule 16(g) the Trustees shall, if required under Section 113 of the Pensions Act, furnish in accordance with the section to the PRSA provider or an intermediary acting on its behalf a statement of the benefits which may accrue from the Scheme in respect of the Member.
- (i) The Trustees shall make a transfer under Rule 16(f)
- (i) if so required by law, or
  - (ii) upon the request of any former Member entitled to benefits which have not yet come into payment, in respect of the benefits payable to or in respect of him.
- (j) In any other case, the Trustees may make a transfer under Rule 16(f):
- (a) with the consent of the Company, and
  - (b) either
    - (i) with the consent of any Member or former Member concerned, or
    - (ii) without his consent, if
      - (A) if a Member or group of Members cease to be Members by reasons of the disposal of the whole or part of the business of any Employer; if a Member or group of Members becomes a Member or Members of another exempt approved scheme of the Employer; or if the Trustees decide to make a transfer in accordance with Clause 16(c)(iv) or 16(g) hereof, subject always to the provisions of the Pensions Act, or

- (B) in such circumstances as are prescribed in the Pensions Act.
- (k) Subject to the requirements of Section 34 of the Pensions Act, a transfer under Rule 16(f) or Rule 16(g) shall be of an amount equal to the Member's Personal Pension Account or to some part of his Member's Personal Pension Account at the date of the transfer or on another date selected by the Trustees.
- (l) The Trustees shall, in respect of each Member or former Member concerned, notify the person or persons to whom a transfer is made under Rule 16(f) or Rule 16(g) of the information needed to administer the transfer and any benefits payable in respect of it in accordance with the Pensions Act and with any requirements imposed by the Revenue Commissioners under the Taxes Consolidation Act.
- (m) Any person in respect of whom a transfer is made under Rule 16(f) or Rule 16(g) shall have no further entitlement to any pension or benefit arising from the application of such of the Member's Personal Pension Account as is transferred, and the Trustees shall not be responsible for benefits arising from any transfer.

17. **LIMITS ON BENEFITS**

- (a) Notwithstanding any other provisions of the Rules, benefits payable on application of the Member's Personal Pension Account shall be subject to the limits specified in this Rule and in this Rule the expression "Final Remuneration" means in relation to any Member at any date the greatest of:
  - (i) the highest annual average of the Member's total remuneration (including director's fees) from the Employers for any continuous period of three or more years which ended not more than ten years before such date;
  - (ii) the Member's highest total remuneration (including director's fees) from the Employers for any one of the five years in the five year period immediately preceding such date; and
  - (iii) the Member's annual rate of remuneration at such date;

Any reduction in or discontinuance of a Member's remuneration which may have occurred by reason of ill health within the ten year period ended on any such date shall be ignored for this purpose and a Member's remuneration for any year other than the year ending immediately prior to such date shall be deemed to be his total remuneration for such year calculated as aforesaid and increased in proportion to the increase in the Index for the period from the end of the relevant year up to such date PROVIDED THAT:

- A the amount of any fluctuating emoluments to be taken into account when calculating total remuneration in any such year shall in the case of (i) above be the amount of such emoluments received for such year and in the case of (ii) above be the average annual amount of such emoluments for such year and the two immediately preceding years or for the period



(if shorter) for which the basis of the Member's remuneration has included fluctuating emoluments; and

B in the case of (iii) above:

firstly, any fluctuating emoluments which may form part of the Member's remuneration will be averaged over a period of three or more consecutive years ending on such date; and

secondly, unless otherwise agreed with the Revenue Commissioners the Member's basic remuneration shall be averaged over the three years ending on such date if within that period the Member is promoted or if the total increase in his annual rate of remuneration over the relevant three year period is greater than it would have been if it had been calculated by reference to the greater of the increases in the Index or the increases applicable to the Member's employment arising from a national wage agreement during the same period.

- (b) The total yearly pension payable to a Member on application of the Member's Personal Pension Account whose Account is applied before, at or after Normal Retirement Age when aggregated with the annuity equivalent at the date of commencement of such pension of all other retirement benefits payable to him under all other Retirement Benefits Schemes of the Employers or to which the Employers or any of them have contributed) shall not exceed the greater of:
- (i) 1/60th of his Final Remuneration at the date of ceasing to be in Service (or, if earlier, at the date of any surrender of pension by the Member under Rule 11(a)) for each year of Service PROVIDED THAT the Service taken into account for this purpose shall not exceed 40 years prior to Normal Retirement Age or 45 years in total.
  - (ii) The greatest amount which would not prejudice Approval.
- (c) Any increase in a Member's yearly pension on application of the Member's Personal Pension Account after the date of its commencement shall not be so great as to cause such pension to exceed the greater of:
- (i) the maximum yearly pension which could be paid to the Member under the Scheme on application of the Member's Personal Pension Account in accordance with the limits specified in sub-Rule (b) of this Rule, increased in proportion to the increase in the cost of living since the date of commencement of the Member's pension, as determined from the Index; and
  - (ii) the greatest amount which would not prejudice Approval.
- (d) Any lump sum benefit (exclusive of any refund of the Member's own contributions) payable on the death of a Member or Life Assurance Only Member (or Eligible Employee or Apprentice, if applicable) while in Service or (having left Service with deferred benefits) before the commencement of his

pension shall not, when aggregated with all like benefits under all Retirement Benefits Schemes of the Employers, exceed the greater of:

- (i) €6,350, and
- (ii) the value of the Member's or Life Assurance Only Member's own contributions as determined by the Trustees having regard to the advice of an actuary, if the Trustees consider such advice to be necessary, together with four times the greater of (a) the annual rate of the Member's or Life Assurance Only Member's remuneration from the Employer at the date of his death and (b) his Final Remuneration,

less

any lump sum (other than a refund of his contributions) payable on the death of the Member or Life Assurance Only Member (or Eligible Employee or Apprentice, if applicable) under all schemes of previous employers, if the aggregate of such lump sums exceeds €1,270.

- (e) Any pension becoming payable in respect of a Member on application of the Member's Personal Pension Account on or after his death shall not be so great as to prejudice Approval when aggregated with all other benefits becoming payable in respect of the Member on or after his death in non-commutable pension form under all Retirement Benefits Schemes of the Employers or to which the Employers or any of them have contributed.
- (f) Any increase after the date of its commencement in any yearly pension becoming payable in respect of a Member on application of the Member's Personal Pension Account on or after his death shall not be so great as to cause such pension to exceed the greater of:
  - (i) the maximum appropriate to such pension at its commencement under sub-Rule (e) of this Rule, increased in proportion to the increase in the Index since the date of its commencement, and
  - (ii) the greatest amount which would not prejudice Approval.
- (g) The amount of lump sum received by a Member pursuant to the provisions of sub-Rule 10(a) shall not be so great that the lump sum payable (when aggregated with the lump sum value of all other retirement benefits in other than non-commutable pension form provided for the Member under all Retirement Benefits Schemes of the Employers or to which the Employers or any of them have contributed) would exceed the greater of:
  - (i) 3/80ths of the Member's Final Remuneration at the date of surrender (or at the date of leaving Service, if earlier) for each year of Service PROVIDED THAT the Service taken into account for this purpose shall not exceed 40 years prior to Normal Retirement Age or 45 years in total;
  - (ii) the greatest amount which would not prejudice Approval.

- (h) The Trustees shall have power to adjust all or any of the benefits provided under the Scheme as necessary to comply with any requirements of the Revenue Commissioners in relation to any undertaking given by the Trustees to the Revenue Commissioners.

**18. INCAPACITY OF BENEFICIARY**

In the event of any beneficiary under the Scheme being in the opinion of the Trustees unable to act by reason of mental disorder or otherwise they may at their discretion either themselves apply any benefit arising on application of the Member's Personal Pension Account in respect of such beneficiary (or any part thereof) for the benefit of such beneficiary, or pay the same to such other person as they think fit for the benefit of such beneficiary and the receipt of such other person for any payments so made shall be a full discharge to the Trustees for the moneys so paid or applied.

**19. VOLUNTARY CONTRIBUTIONS**

- (a) A Member may with the consent of the Trustees elect to make regular voluntary contributions or special voluntary contributions to the Scheme to increase the benefits payable to or in respect of him. The amount of such voluntary contributions shall not be such as would:
  - (i) cause the Member's total benefits under the Scheme to exceed the limits set out in Rule 17, nor
  - (ii) when the regular voluntary contributions are added to any contributions made by the Member to other Retirement Benefit Schemes of the Employers or to a PRSA amount to more than the appropriate percentage of his total taxable remuneration from the Employers specified in Section 774(7) of the Taxes Consolidation Act in any fiscal year.
- (b) The terms upon which a Member may make voluntary contributions shall be as determined by the Trustees and advised to the Member from time to time.
- (c) Subject to the consent of the Trustees, payment of regular voluntary contributions may be continued or commenced during any period of Service after Normal Retirement Age.
- (d) Any voluntary contributions made by a Member shall be credited to his Member's Personal Pension Account and used to provide benefits in accordance with the Rules PROVIDED THAT a Member who has made voluntary contributions may exercise the pre-retirement access option as described in Section 782A of the Taxes Consolidation Act and the Trustees shall have all of the requisite powers to give effect to such exercise.

## **Appendix I – applicable to employees of Diageo Ireland**

The Trust Deed and Rules of the Scheme shall, save to the extent that the same are modified or extended by the provisions of this Appendix I, apply in respect of Members, Life Assurance Only Members, Eligible Employees and Apprentices who are employees of Diageo Ireland.

1. For the purposes of the Trust Deed and Rules and this Appendix, the following definitions shall apply:

1.1 “Pay Period” means a week in the case of a weekly paid Member, Life Assurance Only Member, Eligible Employee or Apprentice and a calendar month in the case of a monthly paid Member, Life Assurance Only Member, Eligible Employee or Apprentice.

1.2 “Pensionable Pay” means, in relation to a Member, Life Assurance Only Member, Eligible Employee or Apprentice in respect of a Pay Period, that Member’s, Life Assurance Only Member’s, Eligible Employee’s or Apprentice’s basic salary paid in that Pay Period together with such other remuneration as the Company authorises to be included for this purpose.

2. For the purposes of Rule 2 (a) the following shall apply:

2.1 Rule 2 (a):

An Eligible Employee shall be admitted to membership of the Scheme on the first day of the month coincident with or next following their completion of six months’ continuous service and on completion of such forms as the Company and the Trustees require or at such other date as the Company shall notify to the Trustees and communicate to the Eligible Employee

3. For the purposes of Rule 4(a)(i) and 4(b), the following shall apply:

3.1 Rule 4(a)(i):

Each Member who is employed by Diageo Ireland shall contribute to the Scheme at the rate of 5% of Pensionable Pay. Such Members may opt on a date or dates to be determined by the Company, to increase their contributions to 6%, 7% or 8% of Pensionable Pay (in whole percentages).

3.2 Rule 4(b):

Diageo Ireland shall contribute to the Scheme in respect of each Member employed by it who has not yet attained Normal Retirement Age at the following rates of Pensionable Pay:

(i) in respect of such a Member who contributes 5% of Pensionable Pay, 7.5%;

(ii) in respect of such a Member who contributes 6% of Pensionable Pay, 9%;

- (iii) in respect of such a Member who contributes 7% of Pensionable Pay, 10.5%;
- (iv) in respect of such a Member who contributes 8% of Pensionable Pay, 12%

or at such other rate as may be agreed between Diageo Ireland and such Member in writing and notified to the Trustees.

4. For the purposes of Rule 11(a) and (b) the following shall apply:

4.1 Rule 11(a):

“(a) If a Member, Life Assurance Only Member, Eligible Employee or Apprentice who is employed by Diageo Ireland dies before Normal Retirement Age while in Service and before the application of his Member’s Personal Pension Account, if any, under Rule 5, there shall be payable in accordance with Rule 12, a lump sum equal to the aggregate of the value of his Member’s Personal Pension Account, if any, and a lump sum of four times such Member’s, Life Assurance Only Members, Eligible Employee’s or Apprentice’s Pensionable Pay as at the date of death.”

4.2 Rule 11(b):

“(b) If a Member employed by Diageo Ireland dies while in Service on or after Normal Retirement Age and before application of his Personal Pension Account there shall be payable from his Member’s Personal Pension Account in accordance with the provisions of Rule 12 a lump sum equal to such amount as shall not prejudice Approval.”