

The Church of England Funded Pensions Scheme Deed to amend the Rules

This deed is made on 25 August 2009 by The Church of England Pensions Board.

Introduction

- (A) The Church of England Pensions Board are the trustees for the time being of The Church of England Funded Pensions Scheme (the "**Trustees**").
- (B) The Trust Deed and Rules of The Church of England Funded Pensions Scheme (the "**Scheme**") were made on 5 December 1997 in accordance with the Pensions Measure 1997 (the "**Measure**").
- (C) Clause 2 of the Trust Deed says that the Deed and the Rules may be amended or replaced from time to time by the Trustees with the approval (actual or, when permitted by the Measure, deemed) of the General Synod, and subject to Section 67 of the Pensions Act 1995.
- (D) In exercise of its powers under Clause 2, the Trustees with the approval of the General Synod, amends the Scheme as described in this deed.

Exclusion of Members

- 1** A new Rule 2.3 is added with effect from the date of this deed by inserting the following:

"2.3 Persons who are not eligible for membership

In spite of any other provision of these Rules:

- (a) an Ineligible Person will not be permitted to join the Scheme; and
- (b) a Member who becomes an Ineligible Person after joining the Scheme will cease to be eligible for membership of the Scheme and he or she will be treated as having left Service on ceasing to be eligible for membership of the Scheme."

For this purpose a person is an "Ineligible Person" if it would be unlawful or a breach of any statutory applicable obligation for the Trustee to accept contributions or provide benefits in respect of him or her. Without limitation:

- (i) this includes where a person is a "qualifying person" for the purposes of the Occupational Pension Schemes (Cross-border Activities) Regulations 2005 and, if the Trustee were to accept contributions in respect of the Member, it would be in breach of Section 287 of the Pensions Act 2004 (occupational pension scheme receiving contributions from European employer); and
- (ii) this includes where the Scheme has not received any authorisation or permission which would otherwise allow it to receive such contributions, provide benefits or would otherwise mean it is not in breach of obligations as referred to above (and the Trustee shall not be obliged to seek such authorisation or permission)."

Revaluation

- 2 Rule 4.1 is amended with effect from 6 April 2009 by inserting the following note at the end of the Rule:

Note: As at 6 April 2009, the Revaluation Laws require increases broadly in line with the rise in the cost of living for complete years (ending on a 31 December) between the Member's leaving Service and Retiring Age. However, these increases are limited to a maximum of 5% a year compound for pension that is attributable to Pensionable Service before 6 April 2009 and 2.5% a year compound for pension that is attributable to Pensionable Service on and after 6 April 2009.

It is not intended that the amendment referred to should adversely affect any subsisting right of any person at the date of this deed. These amendments shall therefore have effect only insofar as they are consistent with this intention. For this purpose "subsisting right" means the same as in Section s67A to 67I of the Pensions Act 1995 (the subsisting rights provisions)."

Additional retirement lump sum

- 3 A new Rule 5A is added with effect from 1 January 2010 by inserting the following:

"In addition to the lump sum referred to in Rule 3.1, 3.2, 4.1, 5.1 or 5.2 (as appropriate to the Member) (the "Basic Lump Sum"), a Member may with the consent of the Trustee give up pension for an additional lump sum payable when the pension is due to start. If the Member's pension is big enough, the Member can choose a lump sum of any amount up to the amount which (when aggregated with the Basic Lump Sum and any lump sum provided from the Member's AVCs) is permitted as a "pension commencement lump sum" under Part 4 of the Finance Act 2004. The Trustee may impose restrictions on the exercise of this option from time to time.

The Trustee will convert pension to lump sum on a basis decided by the Trustee after considering actuarial advice.

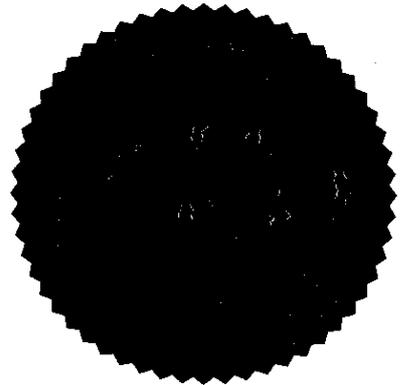
Note: If the Member's Basic Lump Sum is equal to the maximum amount permitted as a "pension commencement lump sum" under Part 4 of the Finance Act 2004, the Member will not be permitted to choose an additional retirement lump sum under this Rule 5A."

Member dies after pension starts

- 4 Rule 7.3 is deleted with effect from 1 January 2010 and replaced by the following:

"If the Member dies after starting to receive a pension, the spouse's pension will be equal to two thirds of the pension payable to the Member at the date of death or, if the Member gave up pension for a lump sum or Dependant's pension on retirement, two thirds of the pension that would have been payable if the Member had not done so."

The common seal of
The Church of England Pensions Board
was put on this deed in the presence of:




Assistant Secretary.