

THE STONEPORT PENSION SCHEME
(PREVIOUSLY THE BGJ PENSION SCHEME)
(THE SCHEME)

PROCEDURE FOR THE APPOINTMENT OF TRUSTEES

MAY 2021

BACKGROUND

The Stoneport Pension Scheme (the “Scheme”) is totally separate from the Company. The Scheme is established as a ‘trust’ administered by Trustees. The Trustees are appointed to run the Scheme in accordance with the Scheme’s Trust Deed and Rules. The Trustees, not the Company, control the assets of the Scheme and are responsible for the proper operation of the Scheme.

All Trustees operate as individuals and by law must act in good faith to protect the interest of all the members of the Scheme.

Power of Appointment of Trustees

Under the Deed and Rules,

1. Stoneport Pensions Alliance Limited is the Principal Employer and has power by deed to appoint and remove trustees to administer the Scheme.
2. the minimum number of trustees is 3, unless a corporate trustee is appointed as the sole Trustee.
3. the trustees may act by a majority vote or by written resolution signed by a majority of the Trustees.

Current Trustees

The current Trustees are:

John Batting

Stuart Southall

Will Wolfenden

Will’s current term of office expires on 1 August 2021. We are pleased to advise that he has indicated he is willing to stand again.

Member Nominated Trustees

The Pensions Act 2004 requires that at least one-third of the Trustees are member nominated, that active and pensioner members should be able to nominate MNTs and that at least some of the members should be involved in the selection process if there are more nominees than vacant MNT posts.

All members of the Scheme are entitled to stand as an MNT or nominate an MNT.

PROCEDURE FOR THE APPOINTMENT OF MNTs

Date of Procedure

This procedure has been put in place with effect from May 2021.

Date of review of procedure

This process will be reviewed before the end of 2024.

Number of MNTs

1. The number of MNTs shall be sufficient at any time to ensure that MNTs represent at least 1/3 of the trustees.
2. If the company appoints additional trustees such that the appointed MNTs (including any unfilled MNT vacancy) is less than 1/3 of the total number of trustees, the trustees shall take steps to bring the number up to 1/3 following the procedure outlined in this document for the appointment of MNTs.
3. If the required proportion of MNTs required by legislation shall be raised the trustees shall take steps to bring the number of MNTs up to the proportion required under legislation following the procedure outlined in this document for the appointment of MNTs.

Eligibility

All members of the Scheme are eligible.

There are legislative provisions as to who cannot be appointed as a Trustee and you should have regard to these when considering eligibility. Examples of these are:

- anyone under age 18;
- undischarged bankrupts;
- anyone either disqualified from being a director or convicted of an offence involving dishonesty or deception.

Term of office

The term of office of the MNT shall continue until the earliest of:

- 5 years from the date of the MNT's appointment.
- the date on which the MNT ceases to be eligible to be a MNT.
- the date on which a MNT resigns from office.
- the date on which the number of Employers participating in the Scheme reaches five.

Once appointed, until the expiry of the term of office, a MNT can only be removed:

- on ceasing to be eligible to be a MNT, or
- with the unanimous agreement of all the other Trustees, or
- if he or she is unable or unwilling to continue as a MNT and resigns from office.

An MNT may be nominated and, if necessary elected, to hold office for any number of terms which may or may not be consecutive terms of office.

Who will be entitled to nominate MNTs?

- Any eligible member of the Scheme can nominate themselves or another eligible Scheme member.
- Existing MNTs may nominate themselves for another term of office without the need to be seconded.

Seconders

Except for existing MNTs standing again, nominees must be seconded by one other eligible Scheme member.

Who will be entitled to elect MNTs if there are more nominees than vacancies for MNTs?

If the number of eligible nominees exceeds the number of vacancies a selection panel would be formed to elect the MNT(s). The selection panel would ordinarily include 2 Trustees.

What will happen if there are fewer nominees than vacancies?

The MNT position(s) will remain unfilled.

In the event that a vacancy exists for a continuous period of twelve months from the last request for nominations, the Trustees will seek to fill any such vacancy using this procedure.

General

- MNTs will be provided with training and the costs of training courses and out of pocket expenses will be met by the Scheme. This training will be supplied by a suitably qualified organisation and by regular updates at trustee meetings.
- MNTs will be expected to attend meetings of the Trustees. Normally there will be at least two ordinary meetings each year but additional extraordinary meetings may be held at any time. Notice of the time, date and venue of all meetings will be provided in advance as required by legislation.
- MNTs may be consulted on issues and/or be required to sign documents approved by them between meetings.
- MNTs are not paid for their time but reasonable expenses for travel, etc. will be met by the Scheme where they are not met by the Company as part of employment.

REQUEST FOR NOMINATIONS TO THE TRUSTEE BOARD

In the event of a requirement to fill a vacancy for one or more MNT appointment the Trustees will seek nominations.

- The Trustees will invite all eligible Scheme members to nominate an MNT. The invitations will be sent by post to the members' last known home addresses or delivered by hand or email.
- Eligible members may nominate themselves or they may nominate another eligible Scheme member.
- Eligible members wishing to nominate another person must have the permission of that person before making such nomination.
- Except for existing MNTs standing again, all nominees must be seconded by one other eligible Scheme member.
- All nominations must be on the nomination form provided with this procedure and will include the following information prepared by the nominee:
 - full name
 - contact address
 - contact telephone number
 - email address (if you have one)
 - occupation
 - approximate period of contributory membership of the Scheme
 - a note of why they think they might make a good MNT.

This will help other members choose in the event that an election is held because there is more than one nominee for a vacancy. Any nominee wishing to have guidance on the form may seek help from the secretary to the Trustees.
- Completed nomination forms must be sent to Tim Jowers at Barnett Waddingham on Tim.Jowers@Barnett-Waddingham.co.uk within 4 weeks of a notification of a vacancy for one or more MNT.
- The Trustees will determine from its records, and if necessary check with the company records, that a nominee is eligible to be an MNT and will disregard any nominees who are not eligible.

When considering the above proposals, members should bear in mind the responsibilities of trustees and the knowledge skills and judgement required to fulfil the role satisfactorily. If you would like more information on becoming a trustee (or on the Scheme generally) you should contact Ann Geer, secretary to the Trustees.

THE TRUSTEE SELECTION PROCESS

- If the number of nominees is the same as the number of vacancies those nominees will automatically be appointed as MNTs.
- If there are fewer nominees than vacancies, any vacancy or vacancies unfilled by nominees will remain unfilled. In this event the selection process will be re-run after no more than 12 months from the last selection process.
- If there are more nominations than vacancies, a selection panel will be formed to decide on the candidate(s) to be appointed. The selection panel will ordinarily include 2 Trustees.
- The Secretary to the Trustees will inform all nominees of the names of the nominee(s) that will be appointed as MNTs, within 3 weeks after the appointee(s) can be selected either because there are the same or fewer nominees than vacancies or following the decision of the selection panel.
- The names of the appointed MNTs will be notified to members after the MNT(s) have been informed of their appointments.
- The process for nomination, selection and appointment will not take longer than 6 months.

APPENDIX

THE ROLE OF A PENSION SCHEME TRUSTEE

For a variety of reasons, it is usual for occupational pension schemes in this country to be operated on the basis of a trust. This means that once a company has decided upon the benefits with which it wants to provide its workforce, the benefit structure is set out in the pension scheme's trust deed and rules.

It is the responsibility of pension scheme trustees to ensure that the provisions of the Trust Deed and Rules and legislation are honoured. While trusteeship is an onerous responsibility, it does not call for professional pension expertise. This expertise is provided by professionals employed by the company or by external consultants to whom they will turn from time to time.

Under the Pensions Act 2004 it is a requirement for trustees to know their scheme's documentation, have a sound knowledge of pension and trust law, and understand the principles of their scheme investment and funding. Each trustee will be provided with training. However the technical content of this training is intended to familiarise the trustees with the law and practice that governs their operation rather than to make them experts. Trustees need a mixture of self confidence, a willingness to ask questions and sufficient humility to seek professional advice when it is appropriate.

The trustees of a pension scheme will make sure that the administration is as efficient as it can be. They will review the means by which members receive information about the scheme in order to make sure that the members know what is happening. Although the rules will clearly define individual entitlement, trustees sometimes have to exercise their discretion in difficult cases. Finally, trustees must make sure that the assets set aside to finance pension promises are effectively invested until they are needed to pay out benefits.

Although they may come from a range of backgrounds, trustees do not represent any sectional interests. Instead, all trustees must act in the best interest of the scheme members as a whole and it is not the trustees' role to negotiate changes to scheme benefits. Any amendments to the rules of the scheme in this regard are a matter for the company to decide. Any reasonable expenses incurred whilst carrying out trustee responsibilities will be reimbursed.

THE STONEPORT PENSION SCHEME

Nomination Form

FOR MNT OF THE STONEPORT PENSION SCHEME .

Member Nominated

Full Name
(BLOCK CAPITALS PLEASE)

Nominated by

(this can be the member nominated or another member eligible to nominate MNTs)

Full Name

Address

.....

Post code

Email

Status

Signed Date

Seconded by

Full Name

Address

.....

Post code

Email

Status

Signed Date

Declaration by member nominated:

I confirm that

- I am eligible to be an MNT.
- I agree to my name being put forward for the role of MNT.
- I am not disqualified from being a trustee (see "Eligibility" section).
- I have completed the description of myself (see overleaf).

Signed Date **PTO**



