

THE INDUSTRY-WIDE MINeworkERS' PENSION SCHEME (THE "SCHEME")

This Resolution is made on 22 September

2014

1. **RECITALS**

1.1 **Background**

- (A) UK Coal Operations Limited ("**UKCOL**") is the sole participating employer in the UK Coal Operations Limited Employer's Fund of the Scheme (the "**UKCOL Fund**").
- (B) The UKCOL Fund was established by a deed of adherence dated 8 December 2012 during a restructuring of the UK Coal group known as "Project Juniper", under which the employment of all the DB Contributors in the UK Coal Mining Limited Employer's Fund (the "**UKCML Fund**") transferred to UKCOL on 7 December 2012 by operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("**TUPE**"). In line with that transfer of employment, the transferring employees transferred to the UKCOL Fund of the Scheme in respect of benefits accrued on and from 7 December 2012. In addition, the past service liabilities of these employees also transferred to the UKCOL Fund.
- (C) The UK Coal group underwent a further restructuring, under which the employment of certain of the DB Contributors in the UKCOL Fund (the "**Transferring Employees**") transferred to UK Coal Kellingley Limited (the "**Employer**") by operation of TUPE (the "**Transfer**") on 9 July 2013 (the "**Transfer Date**").
- (D) As a result, a new Single Employer's Fund was established in the Scheme (the "**Kellingley Fund**") by a deed of adherence dated 9 July 2013. All of the Transferring Employees transferred to the Kellingley Fund of the Scheme in respect of benefits accrued on and from the Transfer Date.
- (E) While members of the UKCML Fund of the Scheme, the transferring employees' benefits for service in that Fund on and after 1 January 2012 had been modified pursuant to resolution IWMPs/2011/RA3 and in accordance with the terms set out in Appendix IV to the Scheme's Trust Deed and the Rules (the "**Modified Basis**"). Benefit accrual in the UKCOL Fund and the Kellingley Fund is also provided on the Modified Basis in accordance with resolutions under section 229 Pensions Act 2004 dated 6 December 2012 and 9 July 2013 respectively.
- (F) It had previously been agreed between the unions representing the members and the UK Coal Group that for benefits accrued on and from the Transfer Date no reduction shall be applied where the member shall have attained the age of 59 when his or her service in Eligible Employment terminates. However, this was not reflected in Appendix IV and the Co-ordinator and the Trustee now wish to amend Part 2 (DB Members) of Appendix IV to make the position clear for members of the Kellingley Fund.

1.2 **Amendments**

- (A) Clause 38(1) of the Trust Deed provides that the Co-ordinator may amend the Trust Deed and Rules with the consent of the Committee of Management subject to certain other restrictions which are not relevant to the amendments set out in this resolution.

- (B) Clause 38 of the Trust Deed permits amendments to take effect from a past date if the Co-ordinator so determines.
- (C) Section 67 of the Pensions Act 1995 (the "Act") provides that a Regulated Modification (as defined in the Act) is voidable unless certain conditions are met.
- (D) The Co-ordinator and the Committee of Management are satisfied that the proposed amendments do not constitute Regulated Modifications.
- (E) The Actuary has confirmed to the Trustee for the purposes of Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 that he is satisfied that if the amendments are made to the Kellingley Fund, it will continue to satisfy the statutory standard under section 12A of the Pension Schemes Act 1993 in relation to all earners whose employments are contracted-out by reference to it.
- (F) The Co-ordinator has agreed to make the amendment set out below and a majority of the Committee of Management has consented to that amendment as required by Clause 38(4) of the Trust Deed, as evidenced by the Committee of Management's signature on this resolution.

2. **RESOLUTION**

2.1 With effect on and from the Transfer Date, Part 2 of Appendix IV (Modified UKCML Fund benefits – IWMPs) of the Rules will be amended by deleting rule 20(3)(i) of Rule 20 (Optional Early Retirement) at paragraph 20 of Part 2 in its entirety and replacing it with the following new rule 20(3)(i):

"(i) Amounts "A" (as adjusted above) and "B" (as adjusted above) shall then be reduced by such amounts as the Committee of Management, on the advice of the Actuary and with the agreement of the Employer shall determine having regard to their earlier commencement Provided that no such reduction shall be applied to the benefit payable to any member who shall have attained the age of 59 when his or her service in Eligible Employment terminates."

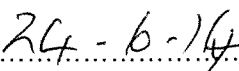
2.2 Words and expressions used in this resolution but not defined shall where the context so admits have the meaning given to them in the Scheme's Trust Deed and Rules.

2.3 This resolution may be signed in any number of counterparts, each of which when signed shall be an original but all of which when taken together shall constitute one and the same resolution.

It is HEREBY CONFIRMED that the Committee of Management consents to the above amendment in accordance with Clause 38 of the Trust Deed.

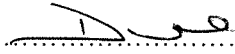

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On behalf of the Committee


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Date

It is HEREBY RESOLVED by the Co-ordinator to amend the Scheme in the manner set out above.


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On behalf of the Co-ordinator

22.9.14
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Date

