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R.R. GRAY, ADMINISTRATOR

PLEASE QUOTE IN REPLY:  
3R 011093 /T/BH

YOUR REFERENCE IS:

**06 AUG 2008**

Dear Sirs

**The Overseas Pension Scheme**

Thank you for the Declaration of Trust in respect of the above Scheme.

I am pleased to confirm that the Scheme is hereby approved under the provisions of subsection (4) of section 157A of the Income Tax (Guernsey) Law 1975, with effect from 10 July 2008, and subject to the following conditions:

- (a) That any amendments to the Trust Deed will be notified to me.
- (b)
  - (i) At all times there shall be at least two Guernsey resident Trustees; except that where a corporate Trustee is appointed, this condition may be waived, so long as it is Guernsey resident.
  - (ii) Members of Retirement Annuity Trust Schemes may not be Trustees of the Scheme, nor may any relative of the member, or his or her spouse. For these purposes "relative" means a person related to the member, either by blood or marriage. This condition may be waived, however, if the Instrument establishing the Trust specifically enables the Trustees to act by majority and the majority of those Trustees are neither members of the Scheme nor relatives, as defined above.
  - (iii) If replacement or additional Trustees are appointed, I am to be notified of their names within thirty days of the appointment.
  - (iv) If any Trustees resign or are removed, I am to be notified within thirty days of the resignation or removal.
- (c) That notwithstanding anything to the contrary in the Trust Deed, the following shall be suitable investments of the fund:
  - (i) Equity investment in any company quoted on a recognised stock exchange.
  - (ii) Equity investment in companies not quoted on a stock exchange. Where any member of the scheme holds, together with relatives or any other member, more than 15% of the issued share capital of the company, not more than 10% of the total fund value shall be invested in the company.

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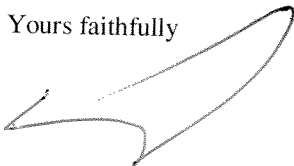
- (iii) Any other investment marketed by a generally recognised financial institution.
- (iv) Loans to members may be made by the Trustees, provided that:
  - (a) The total amount advanced at any time does not exceed 25% of the fund value.
  - (b) Interest is charged on a commercial basis. Such interest must be paid at least annually and, for these purposes, "commercial basis" means interest should be charged on the loan at a rate no lower than that obtainable on a similar amount deposited with, and no higher than that payable on a similar amount borrowed from, a financial institution.
  - (c) The Trustees should ensure that they hold sufficient security for the loan, to enable them to enforce repayment at any time.
  - (d) The loan must be repaid before benefits commence to be paid in respect of the member for whom the loan was made.
- (v) Purchase of property let on a commercial basis. Again, this may include property occupied by a member, their relatives or connected companies, provided that a properly valued commercial rent is paid. Property should be wholly owned by the Trustees; part ownership is not permitted.
- (d) Inward transfer payments may be accepted without prior reference to this office, provided they are allowed by section 157B of the Income Tax (Guernsey) Law 1975, except where the individual in respect of whom the transfer is to be made has not been resident and principally resident in Guernsey for income tax purposes for at least two years of charge prior to that in which the transfer is made. In these cases it will be necessary to submit details to this office prior to approval.

Regard should also be had to the terms of relevant legislation regarding pension transfers in the transferring territory.

- (e) Outward transfer payments may be made, provided they are allowed by section 157C of the Income Tax (Guernsey) Law 1975, and tax should be deducted and remitted to this office as appropriate, in accordance with that section.

The reference number which has been allocated to this scheme and which must be quoted on all contracts, policies and correspondence relating thereto is 3R.11093/T.

Yours faithfully



B HANTONNE  
Retirement Annuity Supervisor