

DATED 15 FEBRUARY 201~~2~~³

THALES UK LIMITED (1)

and

THALES PENSION TRUSTEES LIMITED (2)

DEED OF AMENDMENT

relating to

the THALES UK PENSION SCHEME

(Partial transfer of AVCs/Calculation of
Death Benefits)

THIS DEED OF AMENDMENT is made on 15 FEBRUARY

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2012

BETWEEN:

- (1) **THALES UK LIMITED** (No. 868273) whose registered office is at 2 Dashwood Lang Road, The Bourne Business Park, Addlestone, Weybridge, Surrey KT15 2NX (the "Principal Employer"); and
- (2) **THALES PENSION TRUSTEES LIMITED** (No. 6466974) whose registered office is at 2 Dashwood Lang Road, The Bourne Business Park, Addlestone, Weybridge, Surrey, KT15 2NX (the "Trustee").

INTRODUCTION

- (A) The Thales UK Pension Scheme (the "Scheme") was established by a Definitive Deed and Rules dated 9 January 2008 and it is now administered in accordance with the Second Definitive Deed and Rules dated 30 June 2008 (as amended from time to time in accordance with the Schedule attached to this Deed) (the "Rules").
- (B) The Trustee is the current trustee of the Scheme.
- (C) The Principal Employer is the current principal employer of the Scheme.
- (D) Under Rule 5 of Part A of the Rules, the Principal Employer, with the consent of the Trustee, may by deed change all or any of the provisions of the Scheme.
- (E) The Principal Employer and the Trustee have agreed to amend Rule 26 of Part A, Rule 61 of Part C and Rule 86 of Part G of the Rules to allow Members to transfer out the value of their additional voluntary contributions held in the Scheme whilst retaining their main scale benefits in the Scheme. In addition, Rule 8.2(b) and Rule 8.3(b) of each Appendix One to each of the Schedules in Parts E and F are amended to clarify the calculation of Adult Dependant's and Dependant Children's Pensions. These amendments will take effect on and from the date of this Deed.
- (F) None of the amendments made by this Deed offend the restrictions on the power to amend the Scheme contained in Parts A, B or C of the Rules or require the execution of this Deed by the Section 1 Trustees and/or the Section 2 Trustees.
- (G) None of the amendments made by this Deed are regulated, protected or detrimental modifications for the purposes of sections 67 to 67I of the Pensions Act 1995.
- (H) The Scheme actuary has given a confirmation pursuant to section 37 of the Pension Schemes Act 1993.

LEGAL EFFECT OF THIS DEED

1 Amendments made by this Deed

- 1.1 By this Deed the Principal Employer with the consent of the Trustee, pursuant to the power to amend the Scheme under Rule 5 of Part A of the Rules and any other enabling power, hereby **AMENDS** Rule 26 of Part A, Rule 61 of Part C, Rule 86 of Part G and Rules 8.2(b) and 8.3(b) of each Appendix One to each of the Schedules in Parts E and F of the Rules with effect on and from the date of this Deed in accordance with clauses 1.2 to 1.7 below.

- 1.2 Rule 26 of Part A of the Rules is amended by adding a new Rule 26.12 as set out below:

“26.12 With the consent of the Trustees and the Principal Employer, a Member may transfer the value of his voluntary contributions held in the Scheme (as determined by the Trustees) to an Other Scheme whilst retaining his other Scheme benefits in the Scheme.

Upon a transfer payment being made under this Rule 26.12, the Member will immediately cease to be entitled to any benefits from the Scheme which relate to his voluntary contributions which have been transferred to an Other Scheme and the receipt by the trustees or managers of the Other Scheme will be a complete discharge to the Trustees in respect of the benefits transferred. He will remain entitled to his other Scheme benefits in the Scheme and the Rules shall be read accordingly.

The Trustees shall not make a payment under this Rule 26.12 until the Member who has requested the transfer has signed a discharge and release in a form approved by the Trustees and the Trustees have received this form.”

- 1.3 Rule 61 of Part C of the Rules is amended by adding new Rules 61.12 to 61.14 as set out below:

“61.12 If, at the time of the transfer, the Scheme is a Sectionalised Scheme, the transfer under this Rule 61 shall be designated as coming out of Section 2.

61.13 This Rule 61 is subject to Rule 82.10 of Part F of the Rules.

61.14 With the consent of the Trustees and the Principal Employer, a Member may transfer the value of his voluntary contributions held in the Scheme (as determined by the Trustees) to an Other Scheme whilst retaining his other Scheme benefits in the Scheme.

Upon a transfer payment being made under this Rule 61.14, the Member will immediately cease to be entitled to any benefits from the Scheme which relate to his voluntary contributions which have been transferred to an Other Scheme and the receipt by the trustees or managers of the Other Scheme will be a complete discharge to the Trustees in respect of the benefits transferred. He will remain entitled to his other Scheme benefits in the Scheme and the Rules shall be read accordingly.

The Trustees shall not make a payment under this Rule 61.14 until the Member who has requested the transfer has signed a discharge and release in a form approved by the Trustees and the Trustees have received this form.”

- 1.4 Rule 86.5 of Part G of the Rules is amended by deleting the word “or” at the end of Rule 86.5(a), deleting the full stop at the end of Rule 86.5(b), adding “;or” at the end of Rule 86.5(b) and adding a new Rule 86.5(c) as set out below:

“(c) a transfer of the value of a Member’s voluntary contributions (as determined by the Trustees) has been made in accordance with Rule 86.5A of Part G and either Rule 26.12 of Part A or Rule 61.14 of Part C of the Rules.”

- 1.5 A new Rule 86.5A is inserted after Rule 86.5 of Part G of the Rules as set out below:

"86.5A Subject to the consent of the Trustees and the Principal Employer, pursuant to Rule 26.12 of Part A or Rule 61.14 of Part C a Member may transfer the value of his voluntary contributions held in the Scheme (as determined by the Trustees) to any Other Scheme whilst retaining his other Scheme benefits in the Scheme."

1.6 The first paragraph of Rule 8.2(b) in each Appendix One to each of:

- (a) Schedules One to Five inclusive of Part E of the Rules; and
- (b) Schedules One to Four inclusive of Part F of the Rules

is amended so that it reads as set out below:

"(b) The pension payable under (a) will be equal to thirty three (33) per cent of the Active CARE Member's CARE Salary or DC Scheme Life Assurance Member's DC Salary (as applicable), such salary definitions being calculated, for this purpose, as at the date of his death rather than as at the 1 April immediately preceding the date of his death LESS:"

1.7 The first paragraph of Rule 8.3(b) in each Appendix One to each of:

- (a) Schedules One to Five inclusive of Part E of the Rules; and
- (b) Schedules One to Four inclusive of Part F of the Rules

is amended so that it reads as set out below:

"(b) The pension payable under (a) is a maximum of thirty (30) percent of the Active Care Member's CARE Salary or DC Scheme Life Assurance Member's DC Salary (as applicable), such salary definitions being calculated, for this purpose, as at the date of his death rather than as at the 1 April immediately preceding the date of his death LESS:"

2 General Conditions

- 2.1 The amendments made by this Deed apply to all Members of the Scheme with effect on and from the date of this Deed.
- 2.2 Words and phrases used in this Deed which are not defined in this Deed have the same meanings as they have in the Rules.
- 2.3 If (were it not for this clause 2.3) any amendment or addition to the Rules set out in this Deed would adversely affect any Member or Beneficiary of the Scheme in respect of his subsisting rights (as defined in section 67A(6) of the Pensions Act 1995) acquired before the date of this Deed, such amendment or addition to the Rules will not apply to such a Beneficiary or Member but only to the extent that it would have such an adverse effect.
- 2.4 If any part of this Deed is held to be invalid or unenforceable, the rest of this Deed will be construed (to the maximum extent possible after making suitable grammatical and other minor consequential changes) as if it had been executed omitting the invalid or unenforceable words and will remain in full force and effect.

2.5 This Deed may be entered into in the form of two or more counterparts each executed by one or more signatories but, taken together, executed by all of them and, provided each signatory duly executes such a counterpart, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, but taken together, they will constitute one instrument.

IN WITNESS of the above this Deed has been executed by or on behalf of the parties and delivered on the date written at the beginning of this Deed.

SIGNED as a DEED by

THALES UK LIMITED acting by a Director and its Secretary (or two Directors)

Director



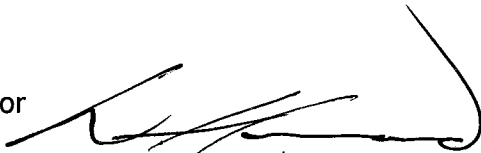
Director/Secretary



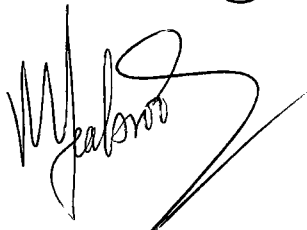
SIGNED as a DEED by

THALES PENSION TRUSTEES LIMITED acting by a Director and its Secretary (or two Directors)

Director



Director/Secretary



SCHEDULE
LIST OF SCHEME DEEDS

9 January 2008	First Definitive Deed and Rules
30 June 2008	Second Definitive Deed and Rules
18 June 2009	Deed of Amendment (Upper Earnings Limit)
18 June 2009	Deed of Amendment (Former Racial Members: dependants' pensions and enhanced revaluation)
31 March 2010	Deed of Amendment (Pension Deduction)
5 April 2012	Deed of Amendment (Care Salary/DC Salary, part-timers, death benefits and trivial commutation)
5 April 2012	Deed of Amendment (TPP GAD Members - options on late retirement)

Actuarial Certificate

Effect of Scheme Amendment

Actuarial Certificate given for the purposes of Regulation 42, The Occupational Pension Schemes (Contracting-Out) Regulations 1996

Name of Scheme

Thales UK Pension Scheme

To: The Trustees of the Thales UK Pension Scheme ("the Scheme")

As actuary to the Scheme, appointed under Section 47 of the Pensions Act 1995, I am required under Regulation 42 of the Occupational Pension Schemes (Contracting-Out) Regulations 1996 to confirm in writing the effect on the Scheme of the amendments described in the draft deed of amendment (Partial transfer of AVCs/Calculation of Death Benefits).

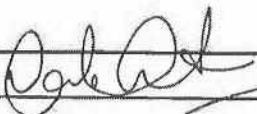
For the purposes of Section 37(1) of the Pension Schemes Act 1993 ("the 1993 Act") (prohibition on alteration of rules of contracted-out schemes unless the alteration is of a prescribed description), I can confirm the following:

- 1 In respect of all previous rule amendments, the Scheme has satisfied the statutory standard in accordance with section 12A of the 1993 Act and will continue to do so if the alterations are made.
- 2 The Scheme has satisfied the conditions of section 9(2B) of the 1993 Act and the alterations do not otherwise prevent the Scheme from satisfying those conditions.

I have based this certification on the following information, data and documents:

- Draft Deed of Amendment ref Legal01#22566156v7[ALB4]
- Second Definitive Deed and Rules relating to the Thales UK Pension Scheme dated 30 June 2008

Signature



Name

Mark Condron

Qualification

Fellow of the Institute and Faculty of Actuaries

Date of signing

15 October 2012