



DATED

20[XX]

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF TOWER HAMLETS

And

(2) [SCHEME EMPLOYER]

And

(3) [ADMISSION BODY]

[And]

[(4) [GUARANTOR]]

ADMISSION AGREEMENT

To participate in the Local Government Pension Scheme

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This Agreement is made on theday of 20[XX]

Between:

(1) **The Mayor and Burgesses of the London Borough for Tower Hamlets** of the Town Hall, 1 Whitechapel Road, London E1 1BJ (in its capacity as the administering authority of the Fund) (the **"Administering Authority"**)

(2) **[[INSERT NAME]]** [of [insert address] [(in its capacity as a scheme employer of the Fund)]]
OR [(company number: [insert company number]) whose registered office is at [insert address]]
(the **"Scheme Employer"**); [and]

(3) **[[INSERT NAME]]** (company number: [insert company number]) whose registered office is at [insert address] (the **"Admission Body"**)[.]; [and]

[(4) **[[INSERT NAME]]** (company number: [insert company number]) whose registered office is at [insert address] (the **"Guarantor"**)]

BACKGROUND

- (A) The Administering Authority is an administering authority within the meaning of the Regulations. It administers and maintains the Fund in accordance with the Regulations, and has the delegated function of making determinations under section 25(5) of the Public Service Pensions Act 2013 in relation to employees of admission bodies.
- (B) The Scheme Employer is a Scheme employer within the meaning of the Regulations.
- (C) The Scheme Employer and the Admission Body have entered into the Contract.
- (D) For the purposes of paragraph 1(d)(i) of Part 3 of Schedule 2 to the 2013 Regulations and as a result of the Contract, the Admission Body will provide services or assets in connection with the exercise of a function of the Scheme Employer.
- (E) The Administering Authority, the Scheme Employer and the Admission Body have agreed to enter into this Agreement to allow the Admission Body to be admitted to the Scheme and to participate in the Fund so that the Eligible Employees can continue to be members of the Scheme or maintain eligibility for membership.
- (F) The terms and conditions of such admission have been agreed by the parties to this Agreement as follows.

AGREED TERMS:

1. INTERPRETATION

This Clause sets out the definitions and rules of interpretation which apply to the Agreement and side letters.

1.1 The following expressions have the following meanings:

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356).
"Actuary"	an actuary to the Fund appointed by the Administering Authority.
"Business Day"	any day other than a Saturday or a Sunday or a Public or Bank Holiday in England.
"Commencement Date"	[20[XX]]. <i>[DN – add date of the staff transfer for this date]</i>
"Contract"	a contract dated 202X between the [Scheme Employer][add party(ies)] and the Admission Body to provide the Services [which is anticipated to expire on 202X] [and is a sub-contract relating to a contract between the [add party(ies)] and the Scheme Employer]. Where the Administering Authority so agrees in writing, the term "Contract" will also include any extension, renewal or replacement of that contract which is in force beyond the expiry date of the original contract, provided that it is made between the same parties and relates to the same or substantially the same services.
"Eligible Employee"	an employee of the Admission Body who is listed in the Schedule.
"Fund"	The London Borough of Tower Hamlets Pension Fund.
"Member"	an Eligible Employee who joins the Scheme as an active member and who remains an active member or subsequently becomes a deferred member or a pensioner member. Where applicable, this term also includes a Member's spouse, civil partner, cohabiting partner, eligible child or dependant whether actual or prospective.
["Payment Notice"	is defined at Clause 10.2 (Service of payment notice and payment).] <i>[DN – omit if the guarantee provisions at clause 10 are omitted - i.e. where no guarantee is given under this Agreement]</i>
"Registered Pension Scheme"	a pension scheme registered under Chapter 2 of Part 4 of the Finance Act 2004.
"Regulations"	the 2013 Regulations and the Transitional Regulations.

“Scheme”	the Local Government Pension Scheme established and governed by the Regulations.
“Scheme Year”	a year beginning on a 1 April and ending on the next 31 March.
“Services”	the <i>[add description of services]</i> services which are to be provided to <i>[the Scheme Employer [name of other recipient(s) of Services]</i> by the Admission Body under the Contract.
“Transitional Regulations”	the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI2014/525).

- 1.2 Unless the Administering Authority agrees otherwise, the expression “employed in connection with the provision of the Services” means that an Eligible Employee spends on average in a Scheme Year at least **75%** of his time when employed by the Admission Body working on the Services.
- 1.3 Expressions have the same meaning as in the Regulations except where the context otherwise requires.
- 1.4 This Agreement includes a heading and a box at the start of each Clause which outlines its provisions. These are included for information only and shall not affect this Agreement or its interpretation.
- 1.5 Any reference in this Agreement to any statute or statutory provision includes any subordinate legislation made under it and is to be construed as a reference to such statute, statutory provision and/or subordinate legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force from time to time.
- 1.6 Words such as “in particular”, “includes” or “including” do not limit the generality of the words preceding them.
- 1.7 Words denoting the singular shall include the plural and vice versa, words denoting the masculine gender shall include the feminine gender and vice versa and words denoting persons shall include corporations unincorporated associations and partnerships.

2. THE REGULATIONS

- 2.1 In the event of a conflict between the provisions of this Agreement and the Regulations, the rights, obligations and actions of each party to this Agreement will be determined by the Regulations.
- 2.2 The Admission Body undertakes to:
 - 2.2.1 adopt the practices and procedures relating to the operation of the Scheme and Fund set out in the Regulations and in any employer’s guide and/or service-level agreement published by the Administering Authority and provided to the Admission Body;
 - 2.2.2 inform the Administering Authority promptly in writing of all decisions made by the Admission Body concerning Members under regulation 72 of the 2013 Regulations;
 - 2.2.3 provide (or procure to be provided) promptly all information that the Administering Authority reasonably requests in order to discharge its Scheme functions and maintain the Fund in accordance with the Regulations and to comply with any other legal or regulatory requirements applicable to the Scheme including The Occupational and

2.2.4 meet the relevant requirements of the Regulations.

2.3 Except where the Regulations provide otherwise, the Regulations will apply to the Admission Body and to employment with the Admission Body in which an Eligible Employee is an active member of the Scheme in the same way as if the Admission Body were a Scheme employer listed in Part 2 of Schedule 2 to the 2013 Regulations.

2.4 Notwithstanding any provision of this Agreement, the powers from time to time of the Administering Authority and the Actuary under the Regulations and any other applicable legislation shall remain in full force at all times and shall in no way be prejudiced by the terms of this Agreement.

3. COMMENCEMENT DATE

This Agreement has effect on and from the Commencement Date.

4. MEMBERSHIP OF ELIGIBLE EMPLOYEES

4.1 Subject to the terms of this Agreement and the Regulations, the Administering Authority admits the Admission Body to the Scheme with effect on and from the Commencement Date and (in exercise of the function delegated to it under section 25(5) of the Public Service Pensions Act 2013) determines that the Scheme relates to those employees of the Admission Body who are designated by the Admission Body in accordance with **Clause 4.2** (Membership of eligible employees).

4.2 For the purpose of regulation 3 of the 2013 Regulations and subject to the following provisions of this **Clause 4** (Membership of eligible employees), the Admission Body designates the Eligible Employees listed in the Schedule to this Agreement as eligible to remain or become active members of the Scheme (as appropriate). The designation is effective on and from the Commencement Date.

4.3 Notwithstanding the provisions of **Clause 4.2** (Membership of eligible employees), an Eligible Employee will cease to be an active member in the circumstances set out in regulation 5 of the 2013 Regulations.

4.4 An Eligible Employee may not be an active member of the Scheme if he is an active member of another occupational pension scheme (within the meaning of section 1 of the Pension Schemes Act 1993) in relation to the employment in respect of which he would otherwise be eligible to be designated for Scheme membership, or if he otherwise fails to satisfy the eligibility requirements of the 2013 Regulations.

4.5 An Eligible Employee may only be an active member of the Scheme by virtue of this Agreement if and for so long as he is employed in connection with the provision of the Services.

4.6 In respect of each Member, the Admission Body must promptly notify the Administering Authority in writing of:

4.6.1 any change in employment which results in a Member who is an active member ceasing to be employed in connection with the provision of the Services;

4.6.2 any Eligible Employee who joins or re-joins the Scheme;

4.6.3 any material change to a Member's terms and conditions of employment which affects the Member's entitlement to benefits under the Scheme; and

- 4.6.4 any termination of employment of a Member, including termination by virtue of redundancy, business efficiency, ill-health or other early retirement.

5. ADMISSION BODY UNDERTAKINGS

5.1 Payments and costs

- 5.1.1 The Admission Body must pay to the Administering Authority all contributions and payments due under the Regulations and this Agreement including, for the avoidance of doubt, all payments listed in **Clause 6** (Contributions and Payments) and all contributions and payments due in respect of any period from the Commencement Date until the date of this Agreement.
- 5.1.2 The Admission Body must pay on demand to the Administering Authority any costs (including actuarial and other professional costs) which the Fund or the Administering Authority may incur in relation to this Agreement including:
- 5.1.2.1 costs incurred in connection with the formation of this Agreement, including the calculation of the initial employer contribution rate and any risk assessment for the purposes of **Clause 8** (Risk assessment);
- 5.1.2.2 costs incurred in connection with the termination of this Agreement, including the cost of any actuarial valuation under **Clause 6.5.3** (Adjustment of contribution rate) or **Clause 7.4.1** (Termination valuation);
- 5.1.2.3 costs incurred in connection with any ongoing risk assessments undertaken for the purposes of **Clause 8** (Risk assessment); and
- 5.1.2.4 any other costs, including any actuarial or legal work commissioned by the Admission Body for the purposes of this Agreement, the Admission Body's participation in the Fund or otherwise.
- 5.1.3 Any demand under **Clause 5.1.2** (Payments and costs) must be paid by the Admission Body to the Administering Authority within 10 Business Days of receipt by the Admission Body of such demand.
- 5.1.4 For the avoidance of doubt, any actuarial costs incurred periodically during the term of this Agreement that are properly regarded as part of the triennial valuations of the Fund required under the 2013 Regulations shall not fall under this **Clause 5.1** (Payments and costs).

5.2 Discretions

- 5.2.1 Within three months of the Commencement Date (or of the date of this Agreement, if later), the Admission Body must provide the Administering Authority with a statement of the Admission Body's policies concerning the exercise of its functions under regulations 16(2)(e), 16(4)(d), 30(6), 30(8) and 31 of the 2013 Regulations. The statement must follow the form of statement prescribed by the Administering Authority from time to time. The Admission Body must keep these policies under review. Where the Admission Body determines to revise any of its policies, the Admission Body must publish the revised statement and send a copy of it to the Administering Authority within one month of the determination.
- 5.2.2 The Admission Body must notify the Administering Authority and the Scheme Employer promptly in writing of each occasion on which it exercises a discretion under the Regulations and the manner in which it exercises that discretion.

5.3 Additional pension

- 5.3.1 The Admission Body must not resolve to award a Member additional pension under regulation 31 of the 2013 Regulations unless either:
- 5.3.1.1 the Administering Authority and the Admission Body agree that the Admission Body will pay increased contributions to meet the cost of the additional pension; or
 - 5.3.1.2 the Admission Body pays the sum required under regulation 68(3) of the 2013 Regulations to the Administering Authority for credit to the Fund.
- 5.3.2 The Admission Body must pay to the Administering Authority for credit to the Fund the amount of any extra charge on the Fund arising as a result of any resolution which has not been discharged by payments made in accordance with **Clauses 5.3.1.1 or 5.3.1.2** (Additional pension).

5.4 Matters affecting participation

- 5.4.1 The Admission Body must notify the Administering Authority and the Scheme Employer promptly in writing of any matter which may affect or is likely to affect its participation in the Scheme and Fund, including the termination of the Contract.
- 5.4.2 The Admission Body must notify the Administering Authority and the Scheme Employer immediately in writing of any actual or proposed change in its status, including take-over, change of control, reconstruction, amalgamation, insolvency, winding up, liquidation or receivership or a material change to its business or constitution. In the event of any such actual or proposed change in its status, the Admission Body must not make any representations to any Member or body regarding continued membership of the Scheme without the prior written consent of the Administering Authority.
- 5.4.3 The Admission Body must not do anything (or omit to do anything) where such act or omission would or might prejudice the status of the Scheme as a Registered Pension Scheme.

6. CONTRIBUTIONS AND PAYMENTS

6.1 Contributions to the Fund

The Admission Body must pay to the Administering Authority for credit to the Fund in relation to the Members or otherwise relating to the Admission Body's participation in the Fund:

- 6.1.1 the amount of employer contributions calculated by the Actuary in accordance with the Regulations from time to time and confirmed to the Admission Body by the Administering Authority. This will be payable monthly in arrears no later than the date specified by the Administering Authority (in the relevant rates and adjustment certificate or otherwise) or in accordance with any other terms of the relevant rates and adjustments certificate;
- 6.1.2 all amounts from time to time deducted from the pay of the Members to meet employee contributions under the Regulations (including, for the avoidance of doubt, all amounts deducted for any period from the Commencement Date until the date of this Agreement which remain unpaid at the date of this Agreement). These will be payable monthly in arrears no later than the date specified by the Administering Authority and in any event no later than the time required under regulations made under section 49(8) of the Pensions Act 1995 and where amounts deducted for any period from the Commencement Date until the date of this Agreement are unpaid at the date of this Agreement, such amounts shall be paid immediately following the date of this Agreement;

- 6.1.3 any amount payable by the Admission Body, or received by the Admission Body by deduction or otherwise, under regulations 12, 13, 14, 16 and 17 of the 2013 Regulations (including, for the avoidance of doubt, all amounts for any period from the Commencement Date until the date of this Agreement which remain unpaid at the date of this Agreement) pursuant always to the payment timings required under regulations made under section 49(8) of the Pensions Act 1995;
- 6.1.4 any sum or any extra charge payable under **Clauses 5.3.1.2 and 5.3.2** (Additional pension) respectively;
- 6.1.5 any extra charge or amounts required by the Administering Authority to cover the actuarial strain on the Fund (as notified by the Actuary in writing) as a result of the immediate payment of benefits to any Member before they reach their normal pension age (as defined in the 2013 Regulations) including due to ill-health, infirmity of mind or body, dismissal by reason of redundancy or business efficiency and/or where, in accordance with the 2013 Regulations, the Admission Body waives any reduction of benefits for early payment, or any extra charge or amounts otherwise payable;
- 6.1.6 any exit payment and/or revised contribution(s) due under the Regulations and/or **Clause 6.5** (Adjustment of contribution rate);
- 6.1.7 any payment due under the Regulations or **Clause 7.4.2** (Termination valuation);
- 6.1.8 any contribution not being one required under **Clause 6.1.1** required by the Administering Authority towards the cost of the Fund's administration relating to the Admission Body and any amount specified in a notice given by the Administering Authority under regulation 70 of the 2013 Regulations and the costs of any reports and advice requested by the Admission Body from the Actuary or required in respect of the Admission Body's application to become an Admission Body;
- 6.1.9 any interest which the Administering Authority requires to be paid in accordance with the Regulations; and
- 6.1.10 any other payments or contributions required by the Regulations or by any other legislation.

6.2 Due date for payment

Except where this Agreement, the Regulations or any other relevant legislation expressly requires otherwise, any amount which the Admission Body is required to pay by virtue of **Clauses 5.1** (Payments and costs) and **6.1** (Contributions to the Fund) must be paid to the Fund within **20** Business Days of receipt by the Admission Body from the Administering Authority of written notification of the sum or where relevant of any revised rates and adjustments certificate, or within such other period and on such terms as the Administering Authority and the Admission Body may agree.

6.3 Information about pay and contributions

- 6.3.1 Any payments made by the Admission Body under **Clauses 6.1.2 and 6.1.3** (Contributions to the Fund) must be accompanied by a statement given in such form and at such intervals as the Administering Authority specifies showing the following information for each Member who was an active member of the Scheme during all or part of the period covered by the statement:
 - 6.3.1.1 name and contribution band;
 - 6.3.1.2 details of any period(s) falling within the period to which the statement relates in relation to which an election was in force in respect of the active Member under regulation 10 of the 2013 Regulations temporary reduction in contributions;

- 6.3.1.3 total pensionable pay received by the Member including any assumed pensionable pay the Member is treated as having received;
 - 6.3.1.4 total employee contributions deducted from that pensionable pay;
 - 6.3.1.5 total employer contributions in respect of that pensionable pay;
 - 6.3.1.6 total additional contributions paid by, or in respect of, the Member distinguishing additional pension contributions paid under regulation 16 of the 2013 Regulations and additional voluntary contributions paid under regulation 17 of the 2013 Regulations, and for additional pension contributions, distinguishing between employee and employer contributions;
 - 6.3.1.7 total additional contributions paid by the Admission Body distinguishing additional pension contributions paid under regulation 16 of the 2013 Regulations and additional voluntary contributions paid under regulation 17 of the 2013 Regulations; and
 - 6.3.1.8 such other information as the Administering Authority may require including any information from time to time required to calculate benefits for the Member in accordance with the provisions of the Transitional Regulations.
- 6.3.2 Where an election was in force in respect of the active Member under regulation 10 of the 2013 Regulations during any part of the period to which the statement required under **Clause 6.3.1** relates, the information provided under **Clauses 6.3.1.3, 6.3.1.4 and 6.3.1.5** must be provided separately in respect of:
- 6.3.2.1 the period or, if more than one, the aggregate of such periods during which the election was in force; and
 - 6.3.2.2 any period or, if more than one, the aggregate of such periods during which no election was in force.
- 6.3.3 Except where otherwise required under the Regulations, any question concerning what rate of contribution a Member is liable to pay to the Fund must be decided by the Admission Body.

6.4 Interest on late payment

If any sum payable by the Admission Body under the Regulations or this Agreement remains unpaid, the Administering Authority may require the Admission Body to pay interest on the unpaid sum in accordance with regulation 71 of the 2013 Regulations.

6.5 Adjustment of contribution rate

- 6.5.1 In accordance with the Regulations, the Administering Authority may from time to time obtain from the Actuary a certificate, or a revision of an existing certificate, specifying the percentage or amount by which the contribution rate at the primary rate and/or the secondary rate as relates to the Admission Body should be increased or reduced.
- 6.5.2 Pursuant to regulation 64(1) of the 2013 Regulations and regulation 25A of the Transitional Regulations, but subject to any exercise by the Administering Authority of its power to issue a suspension notice under regulation 64(2A) of the 2013 Regulations, on the earlier of this Agreement terminating in accordance with **Clause 7** (Termination), the Admission Body no longer employing an active member contributing to the Fund, or the Admission Body ceasing to be a Scheme employer (the "**Exit date**"):
 - 6.5.2.1 the Administering Authority must obtain an actuarial valuation as at the Exit Date of the Fund's liabilities in respect of the Members calculated on such basis

as the Actuary recommends and a revision of the Admission Body's rates and adjustments certificate showing any exit payment (as defined by the Regulations) due and payable by the Admission Body or the excess of assets in the Fund relating to those liabilities.

6.5.2.2 where for any reason it is not possible to obtain all or part of any exit payment from the Admission Body or from any person providing a bond, indemnity or guarantee in accordance with **Clause 8** (Risk assessment) then, in accordance with Regulation 64(3) of the 2013 Regulations, the Administering Authority will obtain a further revision of the rates and adjustment certificate of the body which is the related employer as defined in regulation 64(8) of the 2013 Regulations in relation to the Admission Body.

For the avoidance of doubt, an exit payment may require that a lump sum payment must be paid by the Admission Body.

6.5.3 The Admission Body must meet the costs of any certificate and actuarial valuation referred to at **Clauses 6.5.1** and **6.5.2**. The Admission Body must fully co-operate with the Administering Authority and the Actuary in relation to the provision of any such certificate or review.

6.6 Right of set-off

Notwithstanding any terms to the contrary contained in the Contract, if any sum payable by the Admission Body under the Regulations or this Agreement has not been paid by the date on which it becomes due then the parties to this Agreement agree that the Administering Authority may require the Scheme Employer to set off against any payments due to the Admission Body an amount equal to the sum due, including any interest payable, and pay the sum to the Fund by a date specified by the Administering Authority.

6.7 Funding

Any payment due from the Admission Body under **Clause 6.1.1** (Contributions to the Fund) is to be calculated on the assumption that, as at the Commencement Date, any liabilities in the Fund relating to the Scheme membership prior to the Commencement Date of the Eligible Employees listed in the Schedule are 100% funded as determined by the Actuary in accordance with the relevant actuarial assumptions consistent with the most recent actuarial valuation of the Fund before the Commencement Date updated to the Commencement Date as necessary. Where any additional notional funding (as certified by the Actuary) is necessary, this is to be deducted from the Scheme Employer's notional allocation of assets within the Fund. For the avoidance of doubt, 100% funded means that the Admission Body is to be notionally allocated at the Commencement Date an amount of assets within the Fund equal to the value placed on the liabilities as at the Commencement Date as determined by the Actuary.

7. TERMINATION

7.1 Termination by notice

Subject to **Clauses 7.2** (Automatic termination) and **7.3** (Immediate termination by the Administering Authority), the Administering Authority or the Admission Body may terminate this Agreement by giving at least three months' notice of termination in writing to the other parties to this Agreement.

7.2 Automatic termination

This Agreement will automatically terminate on the earlier of:

7.2.1 the date of expiry or earlier termination of the Contract; and

7.2.2 the date the Admission Body otherwise ceases to be an admission body for the purposes of the Regulations.

7.3 Immediate termination by the Administering Authority

The Administering Authority may terminate this Agreement with immediate effect by notice in writing to the Admission Body:

- 7.3.1 where the Admission Body breaches any of its obligations under this Agreement or the 2013 Regulations including, for the avoidance of doubt, where the Admission Body fails to renew or adjust the level of the bond, indemnity or guarantee if required in accordance with **Clause 8** (Risk assessment). If the breach is capable of remedy, the Administering Authority must first give the Admission Body the opportunity of remedying the breach within such reasonable period as the Administering Authority may specify;
- 7.3.2 on the insolvency, winding up or liquidation of the Admission Body;
- 7.3.3 where the Admission Body fails to pay any sums due to the Administering Authority or to the Fund within a reasonable period after receipt of a notice from the Administering Authority requiring them to do so;
- 7.3.4 where the continued participation of the Admission Body in the Scheme would or might prejudice the status of the Scheme as a Registered Pension Scheme; or
- 7.3.5 if the Admission Body no longer employs an active member contributing to the Fund.

7.4 Termination valuation

- 7.4.1 Where the Administering Authority is unable for any reason to obtain an actuarial valuation or issue a revision of the Admission Body's rates and adjustments certificate in accordance with **Clause 6.5.2** (Adjustment of contribution rate) then (without prejudice to any powers set out in the Regulations), the Administering Authority will be entitled to obtain from the Actuary an actuarial valuation of the assets and liabilities of the Fund in respect of the Members as at the date this Agreement terminates, calculated on such basis as the Actuary recommends.
- 7.4.2 The Admission Body must immediately pay to the Administering Authority for credit to the Fund a payment (as certified by the Actuary) equal to any deficit in the Fund shown by the valuation under **Clause 7.4.1**.
- 7.4.3 Where for any reason the Admission Body does not pay part or all of the payment required in accordance with **Clause 7.4.2**, and the sum is not paid in full by any person providing a bond, indemnity or guarantee in accordance with **Clause 8** (Risk assessment), then the Administering Authority may recharge any unpaid balance within the Fund to the Scheme Employer.

7.5 Other outstanding payments on termination

Where any contributions, payments or other sums due under this Agreement or the Regulations including any payments by instalments agreed under **Clause 6** (Contributions and payments) remain outstanding on the termination of this Agreement, the Admission Body must pay them in full within **20** Business Days of the date of termination.

7.6 Rights on termination

The termination of this Agreement does not affect the rights, duties and liabilities of any party accrued prior to such termination. The Clauses of this Agreement which

expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination[, including, for the avoidance of doubt, **Clause 10 (Guarantee)**]. *[DN – include if Clause 10 (Guarantee) is included - i.e. where a guarantee is given under this Agreement.]*

7.7 Costs

The Admission Body must pay to the Administering Authority any costs including professional costs and the costs of obtaining any actuarial valuation under **Clause 6.5** (Adjustment of contribution rate) or **Clause 7.4.1** (Termination valuation) which the Fund or the Administering Authority may incur as a result of the Agreement's termination.

7.8 Membership

Members shall cease to be active members of the Fund by virtue of this Agreement with effect from and including the date of termination of the Agreement.

8. RISK ASSESSMENT

8.1 Initial level of risk exposure

The Admission Body has assessed, taking account of actuarial advice, the level of risk exposure arising on the premature termination of the provision of service or assets as applicable (the Services) by reason of the insolvency, winding up or liquidation of the Admission Body [as being the sum of *[insert amount in words]* pounds sterling £*[insert amount in numbers]*]. This assessment has been carried out to the satisfaction of the Administering Authority and the Scheme Employer.

8.2 Provision of bond, indemnity or guarantee

8.2.1 Where a bond is required by the Administering Authority or the Scheme Employer at the outset of this Agreement, the Admission Body warrants that at the Commencement Date or at the date of this Agreement, if later, there is/will be in place a bond or indemnity (in a form approved by the Administering Authority) from a person or firm meeting the requirements of paragraph 7 of Part 3 of Schedule 2 to the 2013 Regulations for the level of risk exposure specified in **Clause 8.1** (Initial level of risk exposure).

*[8.2.2 In accordance with Paragraph 8 of Part 3 of Schedule 2 to the 2013 Regulations, the Administering Authority and the Scheme Employer have agreed that it is not desirable for the Admission Body to provide a bond or indemnity at the outset of this Agreement but instead that the Admission Body must secure a guarantee (in a form approved by the Administering Authority) from *[[insert guarantor name] being]* a person who meets the requirements of paragraph 8 of Part 3 of Schedule 2 to the 2013 Regulations and the Admission Body warrants that at the Commencement Date or at the date of this Agreement, if later, this is/will be in place.]*

8.2.3 Notwithstanding the provision of the guarantee under **Clause 8.2.2**, where so required by the Administering Authority or the Scheme Employer at any time after the Commencement Date or the date of this Agreement, if later, the Admission Body must arrange for provision of a bond or indemnity (in a form approved by the Administering Authority) from a person or firm meeting the requirements of paragraph 7 of Part 3 of Schedule 2 to the 2013 Regulations to cover the level of risk exposure assessed by the Admission Body taking account of actuarial advice to the satisfaction of the Administering Authority and the Scheme Employer.] *[DN - Only include clauses 8.2.2 and 8.2.3 where a guarantee (including a guarantee under clause 10 below) instead of a bond is required at the outset.]*

8.3 Ongoing assessment of risk

During the term of this Agreement, the Admission Body must, at its own cost, keep the level of risk exposure arising on the premature termination of the provision of services by reason of the insolvency, winding up or liquidation of the Admission Body under assessment at regular intervals as required by, and to the satisfaction of, the Administering Authority and the Scheme Employer.

8.4 New or extended bond, indemnity or guarantee

8.4.1 This **Clause 8.4** (New or extended bond, indemnity or guarantee) applies where:

8.4.1.1 any bond, indemnity or guarantee provided under this **Clause 8** (Risk assessment) is for a period shorter than the full term of this Agreement, so that such bond, indemnity or guarantee will expire during the term of this Agreement; or

8.4.1.2 the Administering Authority or the Scheme Employer so requires, following an assessment of risk exposure carried out under **Clause 8.3** (Ongoing assessment of risk).

8.4.2 Where this **Clause 8.4** (New or extended bond, indemnity or guarantee) applies, the Admission Body must as directed by the Administering Authority or the Scheme Employer:

8.4.2.1 arrange for any existing bond, indemnity or guarantee to be extended in duration and/or increased in amount covered, as appropriate, provided that, in the case of a guarantee, the Administering Authority and the Scheme Employer has agreed that it is not desirable for the Admission Body instead to provide a bond or indemnity;

8.4.2.2 arrange for provision of a new bond or indemnity in a form approved by the Administering Authority and from a person or firm meeting the requirements of paragraph 7 of Part 3 of Schedule 2 to the 2013 Regulations; or

8.4.2.3 secure a new guarantee in a form approved by the Administering Authority and from a person listed in paragraph 8 of Part 3 of Schedule 2 to the 2013 Regulations, provided that the Administering Authority and the Scheme Employer has agreed that it is not desirable for the Admission Body instead to provide a bond or indemnity.

8.4.3 Where this **Clause 8.4** (New or extended bond, indemnity or guarantee) applies by virtue of **Clause 8.4.1.1**, the Admission Body must comply with the requirements of **Clause 8.4.2** at least one month before the date of expiry of the existing bond, indemnity or guarantee.

9. INDEMNITY FROM ADMISSION BODY

9.1 The Admission Body undertakes to indemnify and keep indemnified the Administering Authority against any costs and liabilities which it or the Fund may incur whether directly or as a result of a loss or cost to the Members arising out of or in connection with:

9.1.1 the non-payment by the Admission Body of any contributions or payments due to the Fund under this Agreement or the Regulations; or

9.1.2 any breach by the Admission Body of this Agreement, the Regulations or any other legal or regulatory requirements applicable to the Scheme.

- 9.2 Any demand under **Clause 9.1** must be paid by the Admission Body to the Administering Authority or to the Fund as applicable within **10** Business Days of receipt by the Admission Body of such demand. In the event of non-payment by the Admission Body, the Scheme Employer must indemnify and keep indemnified the Administering Authority against such costs and liabilities.

[10. GUARANTEE [DN - Include clause 10 where a guarantee is given by the Scheme Employer or if a third party is entering into the Admission Agreement to give the guarantee. If no guarantee is given under the Admission Agreement, delete all of clause 10 and replace with "10. Not Used"]

[For the avoidance of doubt, in this Clause 10 (Guarantee), the term "Administering Authority" refers to London Borough of Tower Hamlets acting in its capacity as administering authority as defined in the Regulations of the Fund and the term "Scheme Employer" refers to the same entity acting in its capacity as a Scheme employer (as defined in the Regulations) of the Fund.] [DN: Only include this wording where Tower Hamlets is the Scheme Employer and the guarantee under this clause 10 is from the Scheme Employer.]

10.1 Failure to pay Scheme liabilities

Where the Admission Body has failed to pay any sum due under this Agreement or the Regulations in whole or in part and including for the avoidance of doubt any exit payment due when this Agreement ceases to have effect to the Administering Authority within **20** Business Days of receipt by the Admission Body of a written demand from the Administering Authority, and the Administering Authority is unable for any reason to obtain payment in respect of all or part of the unpaid liability under any bond, indemnity or guarantee provided in accordance with **Clause 8** (Risk assessment), the [Scheme Employer][Guarantor] must pay to the Administering Authority such sum or sums as the Administering Authority claims in respect of the unpaid liability. **[DN: use "Guarantor" instead of "Scheme Employer" throughout this clause 10 where the Scheme Employer is not the guarantor and a third party guarantor is party to the Agreement. Otherwise, use "Scheme Employer" throughout clause 10.]**

10.2 Service of Payment Notice and payment

Any claim under **Clause 10.1** (Failure to pay Scheme liabilities) must be made by written notice specifying the amount due (a "**Payment Notice**"), which must be served by the Administering Authority upon the [Scheme Employer][Guarantor] in accordance with **Clause 11** (Notices). The Payment Notice is to be accepted by the [Scheme Employer][Guarantor] as conclusive evidence for all purposes that the amount claimed is due to the Administering Authority. The [Scheme Employer][Guarantor] must pay the sum so demanded within **5** Business Days of receipt of the Payment Notice.

10.3 Sums paid by the [Scheme Employer][Guarantor]

10.3.1 All sums paid by the [Scheme Employer][Guarantor] in accordance with **Clause 10.1** (Failure to pay Scheme liabilities) must be held and applied by the Administering Authority for the purpose of paying and discharging the Admission Body's liability to pay the relevant sums due under this Agreement or the Regulations.

10.3.2 Any payment to be made by the [Scheme Employer][Guarantor] must be made in sterling and must be free, clear of and without any deduction for taxes, levies, duties, charges, fees or any deductions or withholdings for or on account of any set-off or counterclaim.

[10.3.3 Any payment to be made by the Scheme Employer must be made from funds held by the Scheme Employer in its capacity as such, and not from any funds held in its capacity as the Administering Authority.] [DN: Only use Clause 10.3.3 where Tower Hamlets is the Scheme Employer and the guarantee is from the Scheme Employer.]

10.4 Receipt of payment

Following any payment by the [Scheme Employer][Guarantor] in accordance with **Clause 10.1** (Failure to pay Scheme liabilities), the Administering Authority must within 6 months of receipt of payment provide the [Scheme Employer][Guarantor] with a written account showing how the payment has been applied to the Fund.

10.5 Further Payment Notice

The service of a Payment Notice by the Administering Authority does not preclude the service of any further Payment Notice.

10.6 Obligations and liabilities

The [Scheme Employer's][Guarantor's] obligations and liabilities under this **Clause 10** (Guarantee) will not be reduced, discharged, impaired or affected by the giving of time or any other indulgence, forgiveness or forbearance by the Administering Authority in respect of the Admission Body or the [Scheme Employer][Guarantor].

10.7 Change in status

Unless expressly varied under **Clause 15** (Amendment), this **Clause 10** (Guarantee) will remain in effect in accordance with its terms notwithstanding any variation made in any of the other terms of this Agreement or the Regulations and notwithstanding the insolvency, winding-up or liquidation of the Admission Body compulsory or otherwise or it otherwise ceasing to exist or function. This **Clause 10** (Guarantee) and the obligations under it will not be affected by any disclaimer of the Admission Body's contracts or liabilities by a liquidator.

10.8 Warranty of authority

The [Scheme Employer][Guarantor] warrants and represents to the Administering Authority that it has all necessary authority, power and capacity to enter into and perform its obligations under this **Clause 10** (Guarantee), that all necessary actions have been taken to enter into those obligations properly and lawfully, and that those obligations are binding on the [Scheme Employer][Guarantor] in accordance with their respective terms.

10.9 Expiry date

10.9.1 The obligations and liabilities of the [Scheme Employer][Guarantor] under this **Clause 10** (Guarantee) will cease and determine absolutely on the full discharge of all liabilities of the Admission Body arising under this Agreement and/or the Regulations by the Admission Body or the [Scheme Employer][Guarantor].

10.9.2 For the avoidance of doubt, this **Clause 10** (Guarantee) will continue to have effect after the termination of this Agreement unless and until all liabilities of the Admission Body under the Regulations and/or this Agreement have been discharged in full either by the Admission Body or by the [Scheme Employer][Guarantor].]

11. NOTICES

11.1 All notices under this Agreement must be in writing and must be served by being sent by first class post or delivered by hand to, or by being left at, the registered office of the Admission Body or the Scheme Employer [or the Guarantor] or the headquarter address of the Administering Authority or the Scheme Employer [or the Guarantor] as the case may be. *[DN: include "Guarantor" where a third party guarantor is party to the Agreement.]*

11.2 Any notice served in accordance with **Clause 11.1** (Notices) will be deemed to have been served:

11.2.1 if sent by first class post, at 9.00 am on the second Business Day after the date of posting; or

11.2.2 in any other case, at the time the notice is delivered to or left at the relevant address; provided that if a notice would otherwise be deemed to be served before 9.00 am on a Business Day, it will be deemed to be served at 9.00 am on that day, and if it would otherwise be deemed to be served on a day which is not a Business Day or after 5.00 pm on a Business Day, it will be deemed to be served at 9.00 am on the immediately following Business Day.

12. WAIVER

Failure or neglect by the Administering Authority or the Scheme Employer to enforce at any time any of the provisions of this Agreement will not be construed or deemed to be a waiver of the Administering Authority's or the Scheme Employer's rights (as the case may be) nor in any way affect the validity of the whole or any part of this Agreement nor prejudice the Administering Authority's or the Scheme Employer's rights (as the case may be) to take subsequent action.

13. SEVERANCE

13.1 If any provision of, or period of Scheme membership following purported admission to the Scheme under, this Agreement is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of, or any other periods of Scheme membership under, this Agreement, which will remain in full force and effect.

13.2 If any provision of this Agreement is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted the provision in question will apply with such modification(s) as may be necessary to make it valid and enforceable.

14. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings concerning the subject matter of this Agreement.

15. AMENDMENT

The Administering Authority, Scheme Employer and Admission Body may, with agreement of all of them, amend this Agreement by deed and only by deed, provided that:

15.1 the amendment is not such that it would breach the Regulations or any other legal or regulatory requirements applicable to the Scheme; and

15.2 the amendment would not prejudice the status of the Scheme as a Registered Pension Scheme.

16. PUBLIC INSPECTION

Subject to the Schedule being removed or redacted to protect personal data, as required by data protection law, this Agreement must be made available for public inspection by the Scheme Employer at its headquarters address.

17. MORE THAN ONE COUNTERPART

This Agreement may be executed in any number of counterparts, each of which will constitute an original, but which will together constitute one agreement. This Agreement will not be effective until each party has executed at least one counterpart.

18. NOTIFICATION

The Administering Authority will as soon as practicable notify the Secretary of State (within the meaning of the Regulations) and HM Revenue & Customs of those matters required to be notified under the Regulations.

19. LAWS

- 19.1 This Agreement and any non-contractual obligation arising out of or in connection with it will be governed by and interpreted in accordance with the laws of England and Wales, and the courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with this Agreement including in relation to any non-contractual obligations.
- 19.2 The parties do not intend that any term of this Agreement will be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

EXECUTED as a deed and delivered on the date stated at the beginning of this Agreement.

SCHEDULE

Eligible Employees to be admitted on the Transfer Date:

Employee Number	Employee Fore Names	Employee Surname	NI Number	Current Member of Fund? Y/N	[School/Site] <i>[DN – delete this column if not applicable]</i>

EXECUTED AS A DEED but not delivered)
until the date hereof by affixing)
THE COMMON SEAL OF)
LONDON BOROUGH OF TOWER)
HAMLETS)
in the presence of:-

Authorised signatory:

EXECUTED AS A DEED but not delivered)
until the date hereof by affixing)
THE COMMON SEAL OF)
[Scheme Employer])
in the presence of:-)

Authorised signatory:

OR

EXECUTED AS A DEED but not delivered
until the date hereof by **[Scheme
Employer]** acting by:

.....

[PRINT NAME OF DIRECTOR]

.....

[SIGNATURE OF FIRST DIRECTOR]

.....

**[PRINT NAME OF SECOND DIRECTOR OR
COMPANY SECRETARY]**

.....

**[SIGNATURE OF SECOND DIRECTOR OR
COMPANY SECRETARY]**

EXECUTED AS A DEED but not delivered until the date hereof by **[Admission Body]** acting by:

.....
[PRINT NAME OF DIRECTOR]

.....
[SIGNATURE OF FIRST DIRECTOR]

.....
[PRINT NAME OF SECOND DIRECTOR OR COMPANY SECRETARY]

.....
[SIGNATURE OF SECOND DIRECTOR OR COMPANY SECRETARY]

EXECUTED AS A DEED but not delivered until the date hereof by **[Guarantor]** acting by:

.....
[PRINT NAME OF DIRECTOR]

.....
[SIGNATURE OF FIRST DIRECTOR]

.....
[PRINT NAME OF SECOND DIRECTOR OR COMPANY SECRETARY]

.....
[SIGNATURE OF SECOND DIRECTOR OR COMPANY SECRETARY]

[DN: include if the Guarantor is a third party and not the Scheme Employer.]

OR

EXECUTED AS A DEED but not delivered until the date hereof by

[Scheme Employer / Admission Body / Guarantor]

acting by:

.....
[PRINT NAME OF DIRECTOR]

.....
[SIGNATURE OF DIRECTOR]

in the presence of:

.....
[SIGNATURE OF WITNESS]

Name of witness
IN BLOCK CAPITALS

Address of Witness
.....

Occupation of Witness

[DN: This is an alternative execution block for a registered company executed by a director and a witness.]