



Scheme Document

APS Occupational Pension Scheme

Scheme Document

In respect of

THE APS OCCUPATIONAL PENSION SCHEME (the “Scheme”)

12TH MAY, 2021

The Scheme is licensed and regulated as an occupational retirement scheme by the Malta Financial Services Authority in terms of the Retirement Pensions Act (Chapter 514 of the Laws of Malta).

Important Information

The scheme is an occupational retirement scheme as defined in article 2(1) of the retirement pensions act (chapter 514 of the laws of malta), and is duly licensed by the malta financial services authority (the ‘mfsa’). The scheme has been set up in the form of a trust in terms of a trust deed. The purpose of the scheme is to provide retirement benefits, and is intended for the exclusive benefit of members and beneficiaries.

The mfsa has made no assessment or value judgement on the soundness of the scheme or for the accuracy or completeness of statements made or opinions expressed with regard to it. The licensing of the scheme does not constitute a warranty or endorsement by the mfsa as to the performance of the scheme, and the mfsa is not in any way liable for the performance or default of the scheme. Furthermore, unless otherwise provided under the retirement pensions act, there exists no statutory provision for compensation in the case where the scheme is unable to satisfy the liabilities attributed to it.

The administrator of the scheme, whose name appears within the section titled ‘service providers’, is the person responsible for the information contained in this scheme document. To the best of the knowledge and belief of the administrator, the information

contained in this scheme document is in accordance with the facts and does not omit anything likely to affect the import of such information. The administrator accepts responsibility accordingly. The administrator of the scheme has approved and hereby confirms its approval of the contents of this scheme document.

The administrator may carry out amendments to this scheme document, including the investment policies and restrictions listed herein. The administrator shall notify members and contributors, or their respective representatives, of any amendments to the scheme document together with a copy thereof at least two (2) months prior to the proposed effective date of change. During such period, members and contributors shall have the right to provide their feedback and the administrator shall, if it considers appropriate, revise the scheme document to reflect any suggestions made by members and contributors. The absence of any feedback from members and contributors during the said two-month period shall be deemed as an acceptance to the contents of the proposed scheme document by such members and contributors.

This scheme document shall notify members and contributors, or their representatives, of any amendments to the scheme document together with a copy thereof at least two (2) months prior to the proposed effective date of change. During such period, members and

contributors shall have the right to provide their feedback and the administrator shall, if it considers appropriate, revise the scheme document to reflect any suggestions made by members and contributors. The absence of any feedback from members and contributors during the said two-month period shall be deemed as an acceptance to the contents of the proposed scheme document by such members and contributors.

It is the responsibility of any persons in possession of this scheme document, and any persons wishing to participate in the scheme, to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for benefits should inform themselves as to the legal requirements of so applying and any applicable exchange control requirements and taxes in the countries of their nationality, residence or domicile.

Prospective contributors and/or members should not construe the contents of this scheme document as constituting or otherwise providing legal, tax or financial advice. All prospective contributors and/or members should consult their own professional advisors as to the legal, tax, financial or other matters relevant to the suitability of a contribution to the scheme.

Copies of this scheme document have been submitted to the mfsa. Applications for contributions are accepted only on the basis of the current scheme document. Any person relying on the information contained in this scheme document and the scheme particulars, which was current at the date shown, is advised to ensure that these documents are the most current versions, and that no revisions, additions or modifications have been made nor corrections published to the information contained in this scheme document since the date shown. Such information may be obtained from the

administrator.

Statements made in this scheme document and the scheme particulars are, except where otherwise made, based on the law and practice currently in force in Malta, and are subject to changes therein.

The scheme has taken all reasonable steps to ensure consistency between this scheme document and the act. In the event of a conflict between this scheme document and the act, the act shall prevail and the scheme document shall be deemed to be amended to the extent necessary to conform to such act.

Your attention is drawn to the risks associated with the scheme as outlined in the section of this scheme document titled 'risk factors'.

The administrator has confirmed its approval of the content of this scheme document. Copies of this scheme document are available from the registered office of the administrator.

DIRECTORY

Registered office (Retirement Scheme Administrator):

First Floor, Orange Point
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Birkirkara
Malta

Trustee and Retirement Scheme Administrator:

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Birkirkara
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Custodian:

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Definitions

The following words shall bear the meanings set opposite to them, unless inconsistent with the subject or context:

“Act” means the Retirement Pensions Act, Chapter 514 of the Laws of Malta.

“Accounting Period” means, unless otherwise determined by the Board, an accounting reference period of the Scheme commencing, in the case of the first such period, on the date of registration of the Scheme and terminating on the 31st December 2020, and in the case of subsequent periods, a period of twelve (12) months commencing on the 1st January of each year and ending on the 31st December of such year.

“Administrator”, “Retirement Scheme Administrator” or “Trustee” means any person, firm, company or corporation as may be duly appointed and engaged for the purposes of acting as the retirement scheme administrator and trustee of the Scheme.

“Applicable Law” means the Retirement Pensions Act, the Prevention of Money Laundering Act, and any other laws, rules, regulations and enactments as may be applicable to the Scheme from time to time.

“Application Form” means the Application Form for persons to participate in the Scheme, available upon request from the Administrator.

“Auditors” means the auditors of the Scheme as shall be appointed from time to time.

“Bankers” means the bankers of the Scheme as shall be appointed from time to time.

“Base Currency” means the base currency of the Scheme in which the annual accounts of the Scheme and reports or financial

statements thereof are to be drawn up, which on the date hereof is the Euro (€).

“Beneficiary” means an individual receiving Retirement Benefits in accordance with the provisions of this Scheme Document.

“Board” means the Board of Directors of the Administrator, including any committee of the Board.

“Business Day” means a day on which the banks are open for normal banking business in Malta, other than a Saturday, or such other day as the Scheme may determine as being so from time to time.

“Compliance Officer” means the compliance officer for the time being of the Administrator.

“Contributions” means the contributions made by the Contributors in accordance with the terms of this Scheme Document.

“Contributor” means, as the context requires:

the Employer/s; and/or the Employer and the Employees; and/or the Employees through an employment relationship, including through unions and associations of employees; which make Contributions to the Scheme for the benefit of Members.

“Contributor Related Investments” means: any instrument issued by the Contributor or an affiliate thereof; immovable property which is occupied or used by, or held under any title whatsoever by the Contributor or an affiliate thereof; loans to the Contributor or to any affiliate thereof.

“Custodian” means any person, firm, company or corporation as may be duly appointed and engaged for the purposes of acting as custodian of the assets of the Scheme.

“Declaration of Trust” means the declaration

of trust that is issued by the Trustee in terms of the Trust Deed to receive and administer the Contributions on trust.

“Dependant” means any of the following:

- a. the spouse or civil partner of the Member at the date of the Member’s death;
- b. a child of the Member who (i) has not reached the age of twenty-three (23), or (ii) has reached such age and was, in the opinion of the Administrator, dependent on the Member at the date of the Member’s death due to physical or mental impairment;
- c. other individual who, at the time of the Member’s death, (i) was financially dependent on the Member, (ii) was mutually financially dependent on the Member, or (iii) was dependent on the Member due to physical or mental impairment;
- d. trustee in case of a trust where any of the persons in (i), (ii) and (iii) above is a beneficiary or potential beneficiary of the said trust;

who the Administrator shall, in its sole discretion, determine as being financially or otherwise dependent or interdependent upon the Member for the ordinary necessities of life immediately prior to the Member’s death.

“EEA” means the European Economic Area.

“Eligible Member” means an Employee who has attained the age of eighteen (18) but not yet attained the age of sixty-nine (69).

“Eligible Scheme” means a retirement scheme which is considered by the Administrator and applicable law to be of an equivalent or similar nature to the Scheme, and shall include both occupational and personal retirement schemes.

“Employees” means the employees of an Employer.

“Employers” means an employer, a number of employers or an association representing employers, jointly or separately, and shall include self-employed persons.

“EU” means the European Union.

“Euro” or **“€”** means the EURO currency.

“Investment Management Agreement” means the Investment Management Agreement entered into by and between the Investment Manager and the Trustee on behalf of the Scheme, pursuant to which the Investment Manager has been appointed to carry on the functions of investment manager as set out in the Investment Management Agreement.

“Investment Manager” means any person, firm, company or corporation as may be duly appointed and engaged for the purposes of acting as investment manager in respect of the assets of the Scheme.

“Investments” means the investments portfolio of the Scheme, as may from time to time be composed.

“Key Information and Fee Schedule” means the document entitled *‘Key Information and Fee Schedule’* comprising of certain terms and fees relating to participation in the Scheme that may be applicable from time to time, that shall be provided to a prospective or current Contributor and/or Member upon request from the Settlor or the Trustee.

“Malta” means the Republic of Malta.

“Member(s)” means a person who is entitled or will become entitled to Retirement Benefits in accordance with the provisions of this Scheme Document.

“Member Fund” means, in respect of every Member, the Member Fund Assets less the Member Fund Expenses.

“Member Fund Assets” means the sum of the following:

Contributions paid by or in respect of a Member in terms of this Scheme Document; the investment return which the Administrator from time to time determines to be attributable to the Contributions paid by or in respect of that Member; any other sums which the Administrator allocates to the Member Fund in accordance with this Scheme Document.

“Member Fund Expenses” means the sum of the existing, accrued and contingent expenses and liabilities attributable to a Member Fund in terms of this Scheme Document and the Key Information and Fee Schedule.

“MFSA” means the Malta Financial Services Authority.

“Prevention of Money Laundering Act” means the Prevention of Money Laundering Act (Chapter 373 of the Laws of Malta), and any subsidiary legislation, rules or regulations as may be promulgated from time to time under its authority.

“Protector” means APS Bank p.l.c. with company registration number C 2192 and having its registered office situated at APS Centre, Tower Street, Birkirkara BKR 4012, Malta.

“Register” means the register duly kept by the Administrator in respect of the Scheme, in which the details of the Members are listed.

“Retirement Age” means the sixty first (61st) birthday of a Member.

“Retirement Benefits” means benefits paid by reference to reaching, or the expectation

of reaching, retirement or, where they are supplementary to those benefits and provided on an ancillary basis, in the form of payments on death, disability, or cessation of employment or in the form of support payments or services in case of sickness, indigence or death, which are payable out of the Member Fund in terms of this Scheme Document.

“Retirement Date” means the date that a Member ceases to be employed and enters retirement, provided that this is not earlier than the Retirement Age and not later than the date when the Member has attained the age of seventy (70).

“Retirement Rights” means the entitlements to Retirement Benefits by Members in terms of this Scheme Document.

“Scheme Document” means this Scheme Document.

“Scheme Particulars” means the ‘Scheme Particulars’ of the Scheme, which describe the Scheme in sufficient detail for the Contributors, Members and Beneficiaries to make an informed judgement as to the nature of the Scheme and as to how the assets of the Scheme are being managed and invested.

“Service Provider(s)” means a person, firm, company or corporation as may be appointed and engaged, from time to time, for the purposes of providing investment management, administration, custody, advisory and/or any other services as may be required in respect of the Scheme, and as may be more specifically set out in the Scheme Document.

“Settlor” means APS Bank p.l.c. with company registration number C 2192 and having its registered office situated at APS Centre, Tower Street, Birkirkara BKR 4012, Malta.

“**Strategy Account**” means the account opened in respect of an investment strategy as set out in Section 2.6.2.

“**VAT**” means Value Added Tax.

2. Key Information and Operational Details

2.1 The Scheme

The Scheme has been set up by the Settlor in terms of a trust deed dated the 1st September 2020, and is licensed as an Occupational Retirement Scheme by the MFSA in terms of Article 3 of the Act to provide Retirement Benefits.

- The Scheme is an open defined contribution scheme, meaning that:
- (i) the Scheme generates Retirement Benefits depending on the Contributions and the returns or gains that are received on the invested Contributions, less the expenses and any losses;
 - (ii) the Scheme is open to unrelated employers and self-employed persons.

2.1.3 The Scheme is intended for the exclusive benefit of the Members and Beneficiaries.

2.2 Membership

(a) Eligibility

2.2.1 Participation in the Scheme is available to Employers contributing to the Scheme in respect of at least one (1) Eligible Member.

(b) Application for Membership

2.2.2 An Employer wishing to participate in the Scheme on behalf of its

Employees shall be required to complete the Application Form and submit same to the Administrator, together with any documentation required in terms of the said Application Form or otherwise by the Administrator.

2.2.3 The Administrator shall not accept an application unless the applicant satisfies the eligibility criteria set out in this Scheme Document, and the Administrator is satisfied with the information and documentation provided by the applicant. The acceptance of an application may be subjected to certain conditions that the Administrator may reasonably consider as required.

2.2.4 Employers are strongly advised to ensure that all information provided is accurate and complete at the date of application. In the event that the Administrator finds that any such information is materially inaccurate or omitted, the Administrator shall have discretion to take whatever steps it considers appropriate to refuse or terminate membership from the Scheme.

(c) Membership Period

2.2.5 Membership in the Scheme shall commence on such date as agreed between the Contributor and the Administrator, and end on the last due date of a Contribution which shall occur not later than the earliest of the following:

- (i) the day on which the whole of the Retirement Benefits to which that Member is entitled, have been distributed or otherwise exhausted;
- (ii) the day on which the Member passes away;
- (iii) or the day on which Retirement

Rights are transferred from this Scheme in terms of Sections 2.5.20 and 2.5.21 of this Scheme Document.

- 2.2.6 Upon reaching Retirement Age, the Member may start to receive Retirement Benefits in terms of Section 2.5 of this Scheme Document.

2.3 Contributions

(a) Ordinary Contributions

- 2.3.1 Contributions shall be paid by the Contributors in respect of a Member on such intervals as may be agreed by the Administrator and the Contributor, and subject to any conditions imposed by the MFSA. All Contributions to the Scheme shall be made in cash, unless otherwise agreed with the Administrator. Contributions other than in cash shall be subject to Applicable Law.

- 2.3.2 Contributions shall be made either by way of agreed amounts, or calculated as a percentage of a Member's earnings.

- 2.3.3 Where a Contribution is an amount payable for a period which is less than the period for which it has actually been paid, then the Administrator may accept a proportionate amount instead of the full amount.

- 2.3.4 Contributions may continue to be made to the Scheme by or on behalf of Employees who are posted in another jurisdiction within the European Union or the European Economic Area during such period.

(b) Additional Contributions

- 2.3.5 A Contributor (whether the Employer or the Employee) may pay additional Contributions in order

to provide additional benefits, and such additional benefits may be in the form of a lump sum or additional amount on an ongoing basis.

- 2.3.6 The Employer shall inform the Administrator of the amount of the additional Contribution that will be paid under Section 2.3.5 (whether by the Employer or the Employee), and the Contribution shall be due on the same day as an ordinary Contribution becomes due.

(c) Terminating Contributions

- 2.3.7 An Employer may give the Administrator notice of the intention to cease the payment of Contributions to the Scheme in respect of an Employee/s. Any such notice shall be given in writing and shall specify the date on which the last Contribution shall be paid, which shall not be earlier than the date at which the notice is delivered to the Employer. Where this is not reasonably possible, the date of payment of the next Contribution shall apply.

- 2.3.8 Where the Employer is in the process of dissolution and winding up, it shall terminate Contributions to the Scheme as at a date agreed between the Employer and the Administrator. The said date of termination shall not be later than one (1) year following the commencement of the dissolution and winding up process.

- 2.3.9 Without prejudice to the right of a Contributor to suspend Contributions, where the Contributor has failed to pay a Contribution within the date on which that Contribution is due for three (3) times (whether consecutive or not), the Administrator shall have the

right to take whatever steps are considered by it (at its discretion) to be necessary and/or appropriate, and the Administrator's decision shall be deemed final.

(d) Power of Employer to reduce or suspend Contributions

2.3.10 A Contributor may suspend its Contributions in whole or in part.

2.3.11 If the Contributor has suspended Contributions for a period of more than three (3) years, the Administrator may, after giving notice in writing to the Employer, treat the suspension as a termination of Contributions, and the provisions of Section 2.3.12 shall apply.

2.3.12 The Contributor may resume full Contributions after the Employer has given advance written notice to the Administrator.

2.3.13 The suspension of Contributions by an Employer shall not prejudice the continuation of Contributions by Employees, and the suspension of Contributions by an Employee/s shall not prejudice the continuation of Contributions by the Employer.

2.4 Beneficiary

2.4.1 The Beneficiaries of the Scheme shall be such individuals who shall receive Retirement Benefits in accordance with the provisions of this Scheme Document, namely:

(i) The Employee who has made Contributions or in respect of whom Contributions were made by the Employer of that Employee; or

(ii) In the case of incapacity of the Employee, the Member and/or

person/s indicated in Sections 2.5.9 and 2.5.10; or

(iii) In the case of death of the Employee, the Dependants and/or person/s indicated in Sections 2.5.11 to 2.5.16.

2.5 Retirement Benefits

(a) Payment of Retirement Benefits

2.5.1 The payment of Retirement Benefits to Members shall commence at a date not earlier than that on which such Member has attained the age of sixty-one (61), and not later than the date on which such Member attains the age of seventy (70). Other than any benefits paid on death or permanent invalidity of the Member, Retirement Benefits shall be paid in the form of (i) an initial cash lump sum, (ii) programmed withdrawals, and/or (iii) additional cash lump sum.

(i) Initial Cash Lump Sum

2.5.2 Upon reaching Retirement Age, a Member may elect to take up to thirty percent (30%) of the Member's assets in the Scheme as a cash lump sum. The Administrator reserves the right to pay the sum determined, either as a single lump sum, or a series of tranches within one (1) year from the date of the first payment. The payment of the lump sum is subject to there being sufficient remaining assets of the Member in the Scheme to generate retirement income to the Member in the form of programmed withdrawals as referred to hereunder and such decision will be left to the Administrator's discretion.

(ii) Programmed Withdrawals and/or Life Annuity

2.5.3 The remaining assets of a Member which have not been paid as an

- initial cash lump sum shall:
- (a) be used towards programmed withdrawals, which shall be based on publicly available annuity/drawdown rates and life expectancy statistics. The Administrator shall ensure that the said annuity/drawdown rates are based on sound and prudent actuarial principles; or
 - (b) be used to purchase a life annuity from an annuity issuer as approved by the Administrator; or
 - (c) be a combination of programmed withdrawals and life annuity.

For the purposes of (b) and (c) above, the Administrator shall have the power to utilise a Member's assets in the Scheme, upon that Member reaching Retirement Age, to purchase a guaranteed product from a suitably licensed annuity provider to secure benefits payable to that Member under the Scheme. The purchase of such product shall discharge the Administrator of its liability to pay future Retirement Benefits to that Member.

- (iii) **Additional Cash Lump Sum**
- 2.5.4 Where, subsequent to a valuation of a Member's remaining assets in the Scheme, it is established that the assets are more than adequate to generate sufficient retirement income throughout the Member's lifetime at valuation date, then fifty percent (50%) of the excess value of such assets as determined by the valuation may be withdrawn as an additional cash lump sum.
- 2.5.5 The additional lump sum may only be opted for by a Member after three (3) years from commencement of the Member's Retirement Benefits, and every year thereafter.

2.5.6 The above is without prejudice to any other limitations on withdrawal of retirement assets as specified by any other pensions or taxation legislation to which a retiree is subject to.

2.5.7 Furthermore, in the case where a Member is domiciled in Malta, the conditions in Section 2.5.4 shall only apply where the annual retirement benefit from an annuity exceeds fifty thousand Euro (€50,000). This value shall be adjusted annually to take account of changes in the index of inflation as published by the National Statistics Office in the Government Gazette of Malta.

(b) Extension of Retirement Date

2.5.8 Where a Member continues to be employed with the Employer following Retirement Age, the Member may request the Administrator either to leave the Contributions made in his/her regard invested in the Scheme, or request the commencement of payment of Retirement Benefits.

(c) Incapacity

2.5.9 Where a Member has become and will continue to be incapable of carrying on his occupation because of physical or mental impairment, the Member may request the commencement of payment of Retirement Benefits prior to the Retirement Date. Retirement Benefits shall be paid on account of incapacity as herein provided only where the Administrator has received satisfactory evidence of the incapacity from a qualified medical practitioner. The Administrator may, at its sole discretion, also provide a lump sum to that Member, having regard to (but not bound by) any

request from the Member to this effect.

2.5.10 Where a Member who has become incapacitated in terms of Section 2.5.9 above, has also become dependent on one or more persons, or has otherwise become unable to make the request in terms of the said Section 2.5.9, the request may be made by such other person on whom the Member has become dependent, and the Administrator may accede to such request subject to receiving appropriate evidence that the Member is dependent thereon and is unable to make such request.

(d) Death

2.5.11 If a Member has died before s/he has attained the age of seventy (70) and before the commencement of payment of Retirement Benefits thereto, the Administrator shall apply the Member Fund in terms of Section 2.5.12.

2.5.12 The Administrator shall, where it has received specific instructions to this effect by a Member, or in the absence of such instructions, where it considers reasonable at its discretion:

- (i) provide a lump sum (not exceeding the balance of the relevant assets less allowable deductions) to such of the Member's Dependants or the Member's estate (subject to due notification to MFSA); and/or
- (ii) pay Retirement Benefits to the Member's Dependants, in which case Retirement Benefits shall be paid in monthly instalments, by transferring the balance of the relevant assets to an annuity provider approved by the Administrator to purchase

an annuity also approved by the Administrator.

2.5.13 Where, following one (1) year from the Member's demise, the Administrator has not made any payments in terms of Section 2.5.12 above, or has paid part but not the entire Member Fund to the Dependants or Member's estate in terms of Section 2.5.12 above, the Administrator shall proceed with paying the whole or remaining balance (as the case may be) of the Member Fund to the Member's estate.

2.5.14 Where the Member's estate is not owned or claimed by any person within two (2) years following the demise of the Member, the Administrator shall pay the whole or balance of the Member Fund to one or more voluntary organisations registered with the Office of the Commissioner for Voluntary Organisations in Malta, or organisations of an equivalent nature.

2.5.15 Payments made in terms of the foregoing provisions in case of the Member's demise may be made either directly to the Dependant or, where the Dependant is a minor or otherwise legally incapacitated, to the parent or guardian of that Dependant. The Administrator may also arrange for payments to be settled on such trusts and on such terms, with such persons acting as trustees, as it decides and considers appropriate, having regard to (but not bound by) any wishes notified to it by the Member.

2.5.16 Where the Member does not have any Dependants, any reference to

'Dependants' under Sections 2.5.11 to 2.5.15 shall be deemed to refer to the legal successors of the Member.

(e) Separation and divorce

2.5.17 Where the Administrator is notified with an order from a competent civil court or by means of other official documentation which contains an order or an agreement for the separation (judicial or otherwise) of any assets held by the Administrator in the name of a Member, the Administrator shall, without prejudice to any specific instructions or orders by the competent court, provide the Member's ex-spouse or civil partner with a lump sum equal to the portion of the Member Fund attributable to that ex-spouse or civil partner in terms of the order or agreement referred to herein.

(f) Transfer of Retirement Rights

2.5.18 Subject to the provisions of this Scheme Document, the Administrator may consider requests to transfer Retirement Rights out of or into the Scheme, into or from an Eligible Scheme, as further set out in paragraphs (i) and (ii) below.

2.5.19 Any transfers in terms of Section 2.5.18 shall be made subject to:

- (a) any conditions imposed by the MFSA or applicable law;
- (b) the Administrator receiving, and being satisfied with, all information that it considers necessary to effect the transfer.

(i) Transfers to another retirement scheme

2.5.20 Contributors or Members shall be entitled to transfer their Retirement Rights in the Scheme to another

retirement scheme (the '**Transferee Scheme**'), by filing a request to the Administrator to this effect, together with any other documentation that may be required by the Scheme and/or the Administrator from time to time. The Administrator may request to communicate directly with, or receive documents from, the Transferee Scheme. All charges relating to the transfer to the Transferee Scheme shall be borne by the Contributor or Member (as the case may be), and such costs may, with the consent of the Contributor or Member (as the case may be), be withheld from the assets relating to the Retirement Rights being transferred.

(ii) Transfers from another retirement scheme

2.5.21 Without prejudice to the other provisions of this Scheme Document, persons wishing to transfer their retirement rights or entitlements from an Eligible Scheme (the '**Transferring Scheme**') to the Scheme, shall file a request to the Administrator to apply for membership into the Scheme and deposit the relevant application form at the Registered Office of the Administrator (or at such other place as the Scheme may from time to time determine), together with any other documentation that may be required by the Scheme and/or the Administrator from time to time.

2.5.22 Upon confirmation from the Administrator, the applicant shall be required to request the administrator of the Transferring Scheme, or otherwise authorise the Administrator to liaise with the administrator of the Transferring

Scheme, for the purposes of coordinating the transfer of the retirement rights or entitlements from the Transferring Scheme into the Scheme. The applicant shall not be deemed to be a Member of the Scheme until such time as the Administrator shall enter the name of the transferee in the Register. The retirement rights or entitlements from the Transferring Scheme shall, thereafter, be considered Retirement Rights in terms of this Scheme Document, benefits to be paid out in terms of this Scheme Document shall be considered as Retirement Benefits, and the assets transferred to this Scheme shall form part of the Member Fund.

(g) Termination of Employment

2.5.23 The Employer and the Employee shall inform the Administrator upon the termination of an employment relationship between them. Following receipt of such notification, the Administrator shall provide an outgoing Member who has not yet acquired any Retirement Benefits, the option to either:

- (i) transfer to another retirement scheme in terms of Section 2.5.20;
- or
- (ii) retain the Retirement Rights within the Scheme as 'dormant'; or
- (iii) receive the investment value arising from the Contributions made (subject to the provisions of this Scheme Document on reaching Retirement Age and the distribution of Retirement Benefits);

net of any associated fees and charges.

2.5.24 Where an outgoing Member opts to retain the Retirement Rights

as dormant, such Retirement Rights or their values shall be adjusted by applying the rate of return on investments derived by the respective Strategy Account, taking into account the interests of the outgoing Member and the other Members of the Scheme. The Administrator shall have the right to allocate the Member Fund to a different Strategy Account where this is considered appropriate, taking into account the recommendation of the Investment Manager.

2.6 Investment Objectives

2.6.1 The Scheme seeks to achieve returns and capital growth by investing predominantly in units in collective investment schemes as well as in other listed instruments such as bonds and other transferable securities, and other ancillary liquid assets. The Scheme shall seek to attain the Investment Objectives by adopting the Investment Policies and Strategies below.

2.6.2 All Contributions shall be allocated to an account dedicated for each investment strategy specified in Section 2.7 (the '**Strategy Account**') net of associated fees and charges, and all Investments by the Investment Manager shall be made out of the assets available in that Strategy Account. All cash accounts will be held with the Bankers in the name of the Administrator.

2.6.3 Any income or gain received from Investments, whether on a disposal of an Investment or on an ongoing basis, shall be allocated to the relevant Strategy Account, and any Retirement Benefits to Members or Beneficiaries of that account shall

be made out of the assets in that Strategy Account.

2.7 Investment Policies and Strategies

2.7.1 The Scheme shall seek to attain its Investment Objectives by offering a range of Investment Strategies for selection (refer to 'Investment Strategies' document available upon request). These Strategies are managed by the Investment Manager and offer a pre-determined mix of underlying assets.

2.8 Investment Restrictions

2.8.1 The Scheme (through the Investment Manager) shall apply the following restrictions in relation to the assets of the Scheme:

- (a) not more than five percent (5%) of the Scheme's assets shall be invested in Contributor Related Investments;
- (b) not more than thirty percent (30%) of the Scheme's assets shall be invested in assets which are not traded in or dealt on a market which is regulated, operates regularly, is recognised and is open to the public, and has adequate liquidity and adequate arrangements in respect of the transmission of income and capital. The Investment Manager shall determine the mix of assets within the thirty percent (30%) limit, subject to the following:
 - (i) investments in such assets shall always be carried out on an arms' length basis;
 - (ii) the Scheme's assets may be directly or indirectly invested in commercial

or residential immovable property, subject that:

- (a) direct investments in commercial or residential immovable property shall be effected as follows:
 - not more than ten percent (10%) of the Scheme's assets shall be invested in a single property;
 - before a property is acquired, it shall be valued by at least one (1) independent qualified valuer;
 - the property must be acquired within six (6) months from the date of the report and at a price which is within five percent (5%) of the valuation price;
 - not more than five percent (5%) of the Scheme's assets should be invested in residential property;
 - any residential property acquired by the Scheme shall not be for the direct or indirect use of Members, Contributors or Beneficiaries;
- (b) indirect investments in commercial or residential immovable property shall be effected as follows:
 - may be effected through the purchase of property related assets;
 - not more than ten percent (10%) of a Scheme's assets shall be invested in a single issuer or a single issue of property related assets;
 - in the case of investment in bonds issued by property management or financing companies or property owning companies, reasonable steps shall be taken to ensure to the extent possible, that the issuer has made sufficient provision for the repayment of the bond at maturity;
- (c) The Scheme's percentage (direct or indirect) investment in immovable property is subject to reporting to the MFSA in the annual audited financial statements to ensure that

- the immovable property exposure limit is satisfied on an on-going basis;
- (iii) any investments in unlisted alternative assets (e.g. hedge funds) shall be permitted, subject that not more than ten percent (10%) of the Scheme's assets is invested in any single asset of this type;
 - (iv) investments in tangible movable assets are not permissible;
- (c) the assets of the Scheme shall be invested in derivative instruments only insofar as they contribute to a reduction of investment risks or facilitate efficient portfolio management. They shall be valued on a prudent basis, taking into account the underlying asset, and included in the valuation of the Scheme's assets. Excessive risk exposure to a single counterparty and to other derivative operations shall be avoided. The Scheme shall not be leveraged or geared in any way through the use of futures, options or other derivatives;
- (d) in particular, the Scheme assets shall be invested as follows:
- (i) not more than ten percent (10%) of assets shall be invested in securities issued by the same body;
 - (ii) not more than ten percent (10%) of the assets shall be kept on deposit with any one body. This limit may be increased to thirty percent (30%) in respect of money deposited with a credit institution licensed in Malta or in any other Member State or EEA State, or with any other credit institution which has been approved by the MFSA;
 - (iii) the Scheme shall not hold more than ten percent (10%) of any class
- of security issued by any single issuer: Provided that the above limits may not apply to investment in government bonds.
- (e) subject to the provisions of the Scheme Document, the Scheme may borrow as long as the borrowings do not exceed ten percent (10%) of the value of the Scheme and provided such borrowing is temporary and for liquidity purposes;
 - (f) the Scheme shall not grant loans or act as guarantor on behalf of a third party. This is without prejudice to the right of the Scheme to acquire debt securities;
 - (g) the Scheme may invest up to one hundred percent (100%) of its assets in a retirement fund licensed under the Act or an equivalent arrangement overseas or in a single insurance policy. In the case where the retirement fund is managed or advised by the same Investment Manager or by an associate thereof, arrangements shall be made to eliminate more than one set of charges on acquisition or disposal and more than one set of management charges;
 - (h) the Scheme may acquire the units of collective investment schemes adequately regulated subject to the following:
 - (i) where the Scheme invests in the units of a collective investment scheme managed or advised by the same Investment Manager or by an associate thereof, arrangements shall be made to eliminate more than one set of charges on acquisition or disposal and more than one set of management charges;

- (ii) where commission is received by the Investment Manager by virtue of an investment in the units of a collective investment scheme, that commission shall be paid into the property of the Scheme;
- (iii) any underlying collective investment scheme must be properly diversified and predominantly invested in regulated markets (except for collective investment schemes investing in immovable property);
- (iv) the Scheme shall not invest in a feeder fund or, without MFSA approval, in a fund of funds;
- (v) not more than twenty percent (20%) of the Scheme's assets shall be invested in total in any one collective investment scheme which is properly diversified and predominantly invested in regulated markets;
- (i) the Scheme and the Investment Manager, taking into account the Scheme and other collective investment schemes which the latter manages, shall not acquire sufficient instruments to give it the right to exercise control over twenty percent (20%) or more of the share capital or votes of a company, or sufficient instruments to enable it to exercise significant influence over the management of the issuer.

2.9 Valuation

- 2.9.1 The Investment Manager reports the value of the investments made on behalf of the Scheme on a periodic basis to the Administrator, which verifies same on the basis of independent sources to identify and detect any potential valuation errors. The Scheme's investments are valued using generally accepted valuation methodologies such as at their last recorded bid price (as

appropriate to the security and exchange or market concerned). For the purposes of the Scheme's accounts, values will be reported on a half-yearly and annual basis, the latter of which shall also be audited. As a general rule, all assets within the Scheme are valued on the basis of International Financial Reporting Standards with any Contributions made to the Scheme in the form of in-specie transfers being subject to an ad hoc valuation.

- 2.9.2 Information on the value of the investments linked to each Strategy Account shall be made available on a durable medium by the Administrator to the Contributors and Members linked to the relevant Strategy Account.

2.10 Accounting Reference Date

- 2.10.1 The accounting reference period of the Scheme shall commence in the case of the first such period on the setup date of the Scheme and terminating on the 31st December 2021, and in the case of subsequent periods, a period of twelve (12) months commencing on the 1st January of each year and ending on the 31st December of such year.

2.11 Alterations to the Scheme Document

- 2.11.1 The Administrator may carry out amendments to this Scheme Document, including the investment policies and restrictions listed herein. The Administrator shall notify Members and Contributors, or their respective representatives, of any amendments to the Scheme

Document together with a copy thereof at least two (2) months prior to the proposed effective date of change. During such period, Members and Contributors shall have the right to provide their feedback and the Administrator shall, if it considers appropriate, revise the Scheme Document to reflect any suggestions made by Members and Contributors. The absence of any feedback from Members and Contributors during the said two-month period shall be deemed as an acceptance to the contents of the proposed Scheme Document by such Members and Contributors.

2.11.2 Save where the changes to the Scheme Document are made to reflect any changes to the law or regulations applicable to the Scheme, Members who are also Contributors shall have the right to forfeit their status as Members of the Scheme where the revised version of the Scheme Document brings them in a more disadvantageous position than that applicable to them before the change was effected.

2.12 Dissolution of the Scheme

2.12.1 The Scheme has been set up as a trust for an indefinite period commencing from the date of execution of the Trust Deed and ending upon the termination by the Trustee, with the consent of the

Settlor or the Protector, by declaring in writing the date on which the Trust shall be terminated.

2.12.2 The Trustee shall propose to the Protector and the MFSA (whose approvals shall be required) the approach to be adopted for the termination and liquidation of the Scheme, taking into account the following factors:

- (a) the interests of the Members and Beneficiaries;
- (b) the date of termination of the Scheme and the relationship with Service Providers;
- (c) the pay-out order of fees, expenses, costs and charges due to the Trustee, Service Providers and authorities, if any;
- (d) payment of Retirement Benefits to the Members and Beneficiaries, whether in cash or in kind, including the purchase of an annuity from a reputable annuity provider/ issuer as the Trustee may consider appropriate;
- (e) Any other conditions imposed by the MFSA.

2.13 Notices

2.13.1 Any notice which is required to be given to any Contributor, Member or Beneficiary shall be given either electronically or by post to the person's email or physical address (respectively) last communicated to the Administrator. Contributors

1 A person who holds a warrant to practise as a building professional (architect) granted under the Periti Act (Chapter 390 of the Laws of Malta) and, where the qualified valuer is a person whose country of domicile is a country outside Malta, a person who is duly qualified and authorised in the country of his domicile to practise as a building professional (equivalent to an architect) under the laws of the country of his domicile governing architecture and civil engineering professionals acceptable to the MFSA.

2 Securities issued by property management companies and/or property financing companies and/or property development companies and/or other companies including collective investment schemes, whose main objective is to own or invest in immoveable property.

and Members are requested to immediately notify the Administrator of any changes to their respective notification address. Any notice shall be deemed to have been served: (i) if hand delivered, at the time of delivery, (ii) if by email, at the expiration of one (1) hour from the time of dispatch, being the time in which the email is recorded in the 'sent items' folder of the sender, or (iii) if posted, at 10:00 am (local time at the place of destination) on the fifth (5th) Business Day after it was put into the post.

2.14 Fees and Expenses

2.14.1 The Scheme, Trustee, Service Providers, officials, advisors and other officers, shall be entitled to receive such fees as described and specified in the Key Information and Fee Schedule that shall be provided by the Settlor or the Trustee upon request.

FEES ARE SUBJECT TO CHANGE BY THE MFSA AND/OR ANY SERVICE PROVIDER (AS THE CASE MAY BE) IN TERMS OF AMENDMENTS MADE TO THE LAW OR THE RELATIVE AGREEMENT RESPECTIVELY. SUCH CHANGES MAY BE MADE BEYOND THE CONTROL OR FORESIGHT OF THE SCHEME OR THE ADMINISTRATOR, BUT SHALL IN ANY CASE BE PROMPTLY NOTIFIED TO CONTRIBUTORS AND MEMBERS.

2.14.2 The general expenses incurred in connection with the formation, structuring and organisation of the Scheme as a whole (including, without limitation, the general expenses consisting of fees payable in connection with registration and licensing of the Scheme, the costs incurred in connection with the preparation and distribution of

this Scheme Document, printing and marketing costs relating to the Scheme in general, legal and other consultancy professional fees), whether advanced by the Settlor and/or other persons, have been or will be borne and reimbursed by the Scheme. These expenses (as well as any VAT or other tax having a similar effect which may be payable in respect thereof) shall be or have been allocated, attributed and apportioned to and amongst, and recovered from and out of the assets of, the Scheme. The said general preliminary expenses of the Scheme may, for Scheme pricing purposes, be amortised over a period of up to sixty (60) months, or such shorter period as the Administrator may determine, so long as the Scheme is in operation, whether or not this is consistent with International Financial Reporting Standards (IFRSs), and in the event that the Scheme terminates prior to the lapse of the amortisation period, any unamortised expenses so allocated to the Scheme shall be accelerated.

2.14.3 Other expenses that shall be borne by the Scheme include the following:

(a) All expenses incurred in connection with the publication and provision of information to the Contributors, Members and Beneficiaries, and in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing annual reports, any report to the MFSA or any other regulatory authority, or any other reports, marketing or promotional materials, the costs of publishing quotations of prices and notices in the press, and the costs of obtaining a rating for the Scheme from a rating agency, and

all stationery, printing and postage costs incurred in connection with the preparation and distribution of cheques, warrants, certificates and statements.

- (b) All expenses incurred in connection with the registration of the Scheme with any government agency or regulatory authority in any jurisdiction where registration is available or necessary.
- (c) All expenses arising in connection with any legal or administrative proceedings.
- (d) All expenses incurred in connection with the operation, promotion and management of the Scheme, including without limitation to the generality of the foregoing, any and all costs incurred in convening meetings in respect of the Scheme, costs incurred in maintaining the Register, expenses incurred to procure translations, any insurance premiums and association memberships, and generally, any and all non-recurring and extraordinary items of expenditure as may arise from time to time.

2.14.4 The Administrator shall be entitled to deduct or withhold from the Retirement Benefits payable to a Member or Beneficiary, any tax, levy or duty for which the Administrator becomes liable in consequence of such payment, or which should otherwise be deducted or withheld in terms of applicable law, as well as any interest or penalty chargeable on such payments.

3. RISK FACTORS

A SCHEME'S INVESTMENT PROGRAM ENTAILS SUBSTANTIAL RISKS. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT OBJECTIVE OF A SCHEME SHALL BE

ACHIEVED AND THAT THE SCHEME WILL BE PROFITABLE.

ATTENTION SHOULD BE DRAWN TO THE FACT THAT THE VALUE OF THE INVESTMENTS MADE BY THE SCHEME MAY GO DOWN AS WELL AS UP. A CONTRIBUTOR MAY NOT RECEIVE BACK THE AMOUNT HE/SHE HAS CONTRIBUTED. CHANGES IN EXCHANGE RATES MAY ALSO CAUSE THE VALUE OF THE SCHEME'S INVESTMENTS TO GO UP OR DOWN. NO GUARANTEE AS TO FUTURE PERFORMANCE OF, OR FUTURE RETURN FROM, THE CONTRIBUTION, CAN BE GIVEN.

IN ADDITION TO THE ABOVE-MENTIONED GENERAL RISKS WHICH ARE INHERENT IN ALL INVESTMENTS, IT SHOULD BE NOTED THAT A CONTRIBUTION IN THE SCHEME IS ONLY APPROPRIATE FOR CONTRIBUTORS WHO CAN AFFORD AND ARE PREPARED TO RISK LOSING THEIR INVESTMENT.

This section seeks to identify the general potential risks associated with the Scheme, which Contributors should carefully consider prior to actually participating in the Scheme. This section outlines the potential general risks, and is not in any manner intended to provide an exhaustive indication of such risks. Contributors are hereby advised to undertake their own independent evaluation of all factors and risks that may be involved in the Scheme, and to consult their own financial advisers prior to participating in the Scheme.

The Trustee does not guarantee that its investment objectives (as delineated herein) shall be attained, or that its investment policies and strategy (as also delineated herein) shall be successful. Contributors are hereby advised that the value of the investment may fall as well as rise.

The Scheme's investments will be subject to market fluctuations, and there is no guarantee

that investments will yield a profit, or that an appreciation in value of an initial investment will occur. Historical performances over any particular period shall not necessarily be indicative of the results that may be expected in the future. A significant percentage of the Scheme's investments may, at times, be limited to a particular market sector, region or industry and, accordingly, may be subject to more rapid changes in value than would be the case if there were a requirement to maintain a wide diversification among companies, industries, regions and types of securities and other asset classes.

Although the Scheme's portfolio shall generally be diversified, this may not be the case at all times in the event that the Investment Manager deems it advantageous for the Scheme to be less diversified. In evaluating the potential and suitability of participating in the Scheme, careful consideration should be given by prospective Contributors to the following risk factors which relate to the management of the Scheme and the underlying markets in which the Scheme will invest. It is recommended that prospective Contributors consult their own advisors on legal, tax and financial issues that are relevant for their specific situation, as the information herein should be regarded as general information. The summary below describes, in general terms, some of the risk factors that need to be considered. These risk factors may not be a complete list of all risk factors associated with participating in the Scheme.

3.1 General Risks of Investing

A participation in the Scheme is subject to all risks incidental to investment in securities and other assets which the Scheme may own. These factors include without limitation, changes in government rules and fiscal and monetary policies, changes in

laws and political and economic conditions throughout the world and changes in general market conditions. There can be no guarantee that any profits will be realised by the Scheme and, therefore, by the Members or Beneficiaries.

3.2 Limited Transferability

Contributions in the Scheme are not unitised and shall therefore not be listed or made available on a secondary market for the sale or transfer thereof. Furthermore, Retirement Rights may be transferred only subject to the provisions of this Scheme Document and may not be easily transferrable to or from the Scheme.

3.3 Valuation of Investments

There may be delays in obtaining the values of underlying investments, which may result in reliance on estimates in calculating the value thereof.

3.4 Indemnities

The Scheme indemnifies its Service Providers, employees and any person who serves at the request of the Trustee as an officer, or employee of another company, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by law, except where such Service Providers and employees have been grossly negligent or acted in bad faith.

The Scheme may also indemnify an Investment Manager, an Administrator, a Custodian and any Service Provider or agent of the Scheme, to the extent permitted by law, in respect of actions brought against them in their respective capacities, where they have acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Scheme, and provided such actions did

not involve gross negligence, wilful default, fraud, or dishonesty. The Scheme may also indemnify an Administrator where the latter has decided to institute a claim or proceedings against a service provider for breach of that service provider's obligations in respect of the Scheme. The payment of such indemnifications may affect the value of the Scheme.

3.5 Reliance on Investment Manager

All investment decisions will be made by the Investment Manager. Contributors and Members will have no right or power to take part in the management of the Scheme's investments other than the selection of one of the investment strategies set out in this Scheme Document. As a result, the success of the Scheme for the foreseeable future will depend largely on the investments decisions made by the Investment Manager. There can be no assurance that the Investment Manager will be successful. Furthermore, a change in the Investment Manager may adversely impact the performance of the Scheme.

3.6 Reliance on Certain Information

The Investment Manager may elect to invest in assets on the basis of information and data filed by the issuers of such assets with the respective authorities/regulators or made directly available to the Investment Manager by the issuer of such assets or through sources other than the issuers. Although the Investment Manager evaluates all such information and data and seeks independent corroboration when it considers it appropriate and when it is reasonably available, the Investment Manager is not in a position to confirm the completeness, genuineness or accuracy of such information and data.

3.7 Investment Policies and Restrictions

The Scheme's investment policies should be considered speculative, as there can be no assurance that the investments will generate a profit.

Whilst the Investment Manager shall use best endeavours to adhere to the investment restrictions disclosed in this Scheme Document at all times, at law, it is only required to comply with the said restrictions within six (6) months from the launch of the Scheme or upon reaching a value of two million, five hundred thousand Euro (€2,500,000), whichever is the earlier.

3.8 Suspension of Determination of Net Asset Value

Issuers of underlying investments may suspend the determination of the net asset value of the investments for a number of reasons, such as: (a) when any market is closed, which is the main market for a significant part of the investments, or on which market trading thereon is restricted or suspended; (b) in any period during which an emergency exists as a result of which disposal of investments is not feasible; (c) when for any reason the market value of investments may not be reasonably, promptly or accurately ascertained or obtained by the issuer; (d) during any period in which remittance of monies which shall, or may be, involved in the realisation of, or in the payment for, investments, may not be carried out for any reason whatsoever, or may not be carried out at normal rates of exchange; (e) during any period in which any means of communication necessary to determine the price or value of any of the investments do not function, or do not function properly.

3.9 Credit Risk for any investment instruments

Credit risk, a fundamental risk relating to all fixed income securities as well as money market instruments, is the chance that an issuer will fail to make principal and interest payments when due.

Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially that with a poorer credit rating, has the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

3.10 Trading Risk for any investment instruments

Identification and exploitation of trading opportunities involves uncertainty. A reduction in the pricing of corporate events in which the Scheme will seek to invest will reduce the scope for the Scheme's investment strategies. Depending on the investment strategies employed and the market conditions, the Scheme may be adversely affected by unforeseen events involving such matters as political crises, changes in currency exchange rates, interest rates, and forced redemptions of securities or acquisition proposals. The Investment Manager will endeavour to moderate such risks by applying risk management techniques.

3.11 Distributions

The Scheme is not required to distribute cash

or other property to the Members, and the Scheme does not intend to make any such distributions except as otherwise disclosed in this Scheme Document.

3.12 Restrictions on redemptions and payment of Retirement Benefits

Subject to any requirements or changes that may be imposed or introduced at law, Members may not redeem the investment made to the Scheme except where otherwise provided in terms of this Scheme Document or the law. The Scheme shall not commence to make any payments of Retirement Benefits to its Members before such Member has attained the age of sixty-one (61) or later than the date when such Member has attained the age of seventy (70), other than in the following cases: (i) where a payment is being made by reason of the disability or death of a Member, or (ii) where a payment is being made without the necessity of the Member's consent in the event that such Member is no longer employed by the contributing Employer.

3.13. Risks relating to the Scheme as a trust

The Settlor, Members, Contributors and Beneficiaries do not have any control over the management and administration of the Scheme and the assets thereof. The administration of the Scheme is vested exclusively in the Trustee and any persons appointed thereby, such as the Investment Manager, always in accordance with the provisions of the Trust Deed, the Scheme Document and, in the case of appointed third parties, the relevant agreement. Whilst the Settlor may issue a letter of wishes to the Trustee to indicate how it would like the Trustee to exercise its discretion, the Trustee shall not be bound by the terms of the said letter.

3.14 Annuities

Annuity rates may be lower than projected when the Member actually comes to retire. This means that the level of income the Member would actually receive at Retirement Age may be lower than the anticipated level estimated when becoming a Member. Furthermore, where the Administrator has exercised its power to purchase a guaranteed product from a suitably licensed annuity provider in terms of this Scheme Document to secure benefits payable to that Member under the Scheme, the Administrator shall be released from any liability to pay future Retirement Benefits to that Member.

3.15 Compliance

The Scheme and Service Providers must comply with various laws and regulations in various jurisdictions. Should any of those laws and/or regulations change, the legal requirements to which the Scheme and the Contributors or Members may be subject could differ materially from current requirements.

3.16 Litigation and Claims

The Scheme may be subject to lawsuits or proceedings by government entities or private parties. Expenses or liabilities of the Scheme arising from any suit shall be borne by the Scheme.

3.17 Conflicts of Interest

The Scheme and the officers thereof are or may be subject to various conflicts of interest arising out of their relationship with the Service Providers (or any of them) or their respective group companies and affiliates, and their officers and shareholders or other parties connected to them.

The Service Providers of the Scheme, other

companies within their respective groups and their respective affiliates and their officers and shareholders or other parties connected to them are or may be involved in other financial, brokerage, investment or other professional activities which, in the course of their business, will or may on occasion give rise to conflicts of interest with the Scheme. Such persons shall remain at liberty to undertake such business independently of their involvement with the Scheme. In such circumstances, however, such persons will have appropriate regard to their respective obligations at law or under the agreements appointing them to act in the best interests of the Scheme, Members and Beneficiaries, so far as practicable having regard to their obligations to other clients or schemes, when potential conflicts of interest may arise. Having regard to these obligations, the Scheme may buy investments from or sell investments to such persons, provided that such dealings are on an arm's length basis and on terms no less favourable to the Scheme than could reasonably have been obtained had the dealing been effected with an independent third party. Should a conflict of interest arise, the Service Providers will endeavour to ensure that it is resolved fairly and that the Scheme shall not be disadvantaged.

3.18 Legal Implications of Contractual Relationships with the Scheme

The main legal implications of the contractual relationship entered into for the purpose of participating in the Scheme are as follows:

- a. By submitting the Application Form, an applicant makes an offer to participate in the Scheme which, if accepted by the Administrator, acting on behalf of the Scheme, has the effect of a binding contract. The

terms of such contract are governed by this Scheme Document, the Scheme Particulars, the Application Form and the Key Information and Fee Schedule.

- b. Upon participating in the Scheme, the Contributor and Member will be bound by the terms of the Scheme Document which take effect as a contract with the Administrator, acting on behalf of the Scheme. Contributors and Members will have rights and obligations set out in this Scheme Document, the Scheme Particulars, the Application Form and the Key Information and Fee Schedule.
- c. The rights and restrictions that apply to a participation in this Scheme may be modified and/or additional terms agreed by way of a side arrangement with the Administrator. The Administrator shall not be required to offer such additional or different rights or terms to all applications. In certain cases, these side arrangements may be governed by the laws of a different jurisdiction, however, side arrangements may not contravene the terms of Maltese law generally.
- d. The Administrator and all or substantially all of the directors, officers and other persons acting for the Administrator on behalf of the Scheme, may be located outside a Contributor's or Member's local jurisdiction and, as a result, it may not be possible for such Contributor or Member to effect service of process within that jurisdiction upon the Administrator or such persons. All or a substantial portion of the assets of the Administrator, and such other persons, may be located outside of such local jurisdiction and, as a result, it may not be possible to satisfy a judgement against the

Administrator or such persons in such local jurisdiction or to enforce a judgement obtained in the local jurisdiction's courts against the Administrator or persons outside of such local jurisdiction.

- e. Absent a direct contractual relationship between a Contributor or Member and the relevant service provider of the Scheme, the Contributor or Member generally have no direct rights against the relevant service provider and there are only limited circumstances in which a Contributor or Member may potentially bring a claim against the relevant service provider. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the Administrator (acting as trustee of the Scheme) by the relevant service provider is, *prima facie*, the Administrator itself, acting as trustee of the Scheme.

3.19 Need for Independent Advice

The Scheme has consulted with counsel, accountants and other experts regarding the formation of the Scheme. Each prospective Contributor and Member should consult his own legal, tax and financial advisers regarding the desirability of an investment in the Scheme.

3.20 Legal Requirements

The Scheme and the Administrator must comply with various legal requirements, including requirements imposed by laws relating to the retirement

schemes, pensions and tax laws amongst others. Should any of those laws change over the operational term of the Scheme, the legal

requirements to which the Scheme and the Members, Beneficiaries and/or Contributors may be subject could differ materially from current requirements.

3.21 Currency Risks

The Scheme may be exposed to currencies other than the Euro, which may be subject to exchange rate fluctuations. Foreign currency exposure may not be hedged. The repatriation of capital may be hampered by changes in local regulations concerning exchange controls or political circumstances.

3.22 Political, Economic and Regulatory Risks

The value of the Scheme's investments may be affected generally by changes in policies and laws of the local government (including exchange rates and controls), interest rates and taxation, social and religious instability and political, economic or other developments in the emerging markets. Generally, emerging market regulatory standards and disclosure standards are less stringent than standards in developed countries, and there may therefore be less publicly available information about emerging market companies than is regularly available about companies located in developed countries. Accounting standards and requirements in emerging markets differ significantly from those applicable to companies in developed countries. Emerging markets have experienced substantial fluctuations in the prices of listed securities. The emerging market stock exchanges have been subjected to broker defaults, failed trades and settlement delays and local regulators can impose restrictions on trading in certain securities, limitations on price movements and margin requirements.

The increased volume of trading in the emerging markets as a result of the inflow of foreign investment has caused severe

settlement difficulties resulting in significant delays in the settling of trades and registering of transfers of securities. The emerging stock markets are more volatile than the stock markets of developed countries. Emerging markets are exposed to the risks of radical, political or economic change which could adversely affect the value of the Scheme's investments.

3.23 Economic and Business Conditions

General economic and business conditions may affect the Scheme's and Administrator's activities. Unexpected volatility or developments in the sectors to which the Scheme and Administrator directly or indirectly is exposed to could impair the Scheme's and Administrator's ability to carry out business and could cause losses to be incurred.

3.24 Risks in relation to Intervening Countries

Where the Scheme's investments are held or made through vehicles established in another country, the value and performance of investments and returns thereof may be affected by the political, economic and regulatory conditions of that country, whether in relation to or independently from Malta.

3.25 Risks of Taxation

Levels and bases of taxation in the relevant countries where the Scheme's investments are being made may change. This may adversely affect the performance of the investments and thus the value of the Scheme.

Furthermore, the Scheme is subject to FATCA and CRS requirements. Contributors, Members and Beneficiaries may be required to provide the Scheme or the Administrator

with further information and/or certifications as to their identity, residency and tax status pursuant to the Scheme's obligations to comply with FATCA and CRS requirements, in addition to any other information which the Scheme may from time to time request.

FATCA

The Scheme undertakes to comply with FATCA requirements and applicable law, but there can be no guarantee or assurance regarding compliance with all the requirements imposed by FATCA and the Scheme may suffer a 30% U.S. withholding tax on certain payments which would adversely affect Members and Beneficiaries. The Scheme is not liable to Contributors, Members and Beneficiaries for losses caused by such non-compliance. Furthermore, the administrative costs of compliance with FATCA may subject the Scheme to an increase in the operating expenses, which may impact the returns to Members and Beneficiaries.

Contributors and Members should consult their own tax advisor with regard to the FATCA requirements applicable to their own situation and their tax reporting and certification requirements applicable in relation to participation in the Scheme.

CRS

The Scheme may require Contributors, Members and Beneficiaries to provide it with additional information in order to satisfy its CRS obligations. Failure to provide the Scheme with the requested information may result in liability for any penalties or other charges, and/or the mandatory redemption, transfer or other termination of the Member's interest in the Scheme.

The Scheme may also be subjected to penalties in case of failure to comply with a request for information by the Commissioner for Revenue or otherwise under the relative EU Directives. The Scheme undertakes to comply with its CRS requirements and applicable law, but there can be no guarantee

or assurance regarding compliance with all the requirements imposed by the CRS. The Scheme is not liable to Contributors, Members and Beneficiaries for losses caused by such non-compliance. Furthermore, the administrative costs of compliance with CRS may subject the Scheme to an increase in the operating expenses, which may impact the returns to Members and Beneficiaries.

PROSPECTIVE CONTRIBUTORS AND MEMBERS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS ON THE IMPLICATIONS OF MAKING A CONTRIBUTION AND THE RECEIPT OF RETIREMENT BENEFITS OR OTHER DISTRIBUTIONS UNDER THE LAWS OF THE COUNTRIES IN WHICH THEY ARE LIABLE TO TAXATION AS WELL AS THE IMPACT OF FATCA AND CRS ON THEIR INVESTMENT.

3.26 Confidentiality

The Scheme's reporting obligations in terms of FATCA and CRS may subject the Scheme to provide the relevant authorities with private and confidential information pertaining to a Contributor, Member and/or Beneficiary. Contributors and Members will be deemed to have authorised the disclosure of such information as required by the Scheme's obligations under FATCA and CRS.

3.27 General Data Protection Regulation (GDPR)

As of the 25th May 2018, Regulation (EU) 2016/679 of the European Parliament and of the Council (known as the General Data Protection Regulation or 'GDPR') is directly effective in all European Member States, replacing previous EU data privacy laws.

Under the GDPR, the Administrator is permitted, in certain circumstances, to process personal data (as defined in the

GDPR) pertaining to a Contributor or Member without requiring their consent, such as where it is processed pursuant to the Scheme's legal obligation or for the performance of its obligations vis-à-vis a Contributor or Member. In all other cases, the Administrator shall obtain the prior written consent of each Contributor and Member prior to processing personal data.

The Administrator shall take all reasonable steps to comply with the GDPR requirements and applicable law, but there can be no guarantee or assurance regarding compliance with all the requirements imposed by the GDPR. In the event that the provisions of the GDPR are not fully complied with, the Administrator and/or the Scheme may be subject to significant administrative and monetary sanctions (reaching a maximum of twenty million Euro (€20,000,000) or four percent (4%) of the organisation's total worldwide capital annual turnover, whichever is the higher) as well as reputational damage which may have a material adverse effect on its operations and financial condition. The Scheme is not liable to Members for losses caused by non-compliance. Furthermore, the administrative costs of compliance with the GDPR may subject the Scheme to an increase in the operating expenses, which may impact the returns to Members and Beneficiaries.

4. SERVICE PROVIDERS

4.1 Trustee, Retirement Scheme Administrator and Custodian

The Trustee, Retirement Scheme Administrator and Custodian of the Scheme is Trireme Pension Services (Malta) Limited, a company registered and incorporated in Malta with company registration number C 58492 and having its registered office situated at First floor, Orange Point, Dun Karm Street, Birkirkara By-Pass, Birkirkara

BKR 9037, Malta. The Trustee is licensed by the MFSA to act as a retirement scheme administrator and custodian in terms of the Act. The Trustee has been appointed in terms of the Trust Deed and is responsible for the overall operation, management and day-to-day administration of the Scheme, including allocation of Contributions to Member accounts and underlying investments, reporting and bookkeeping across all Member accounts.

The board of directors of the Trustee is composed of the hereunder:

Mr James Jonathan King

James has over 20 years pensions administration experience both in the UK, Channel Islands and Malta. Prior to relocating to Malta, he was the Pensions Administration Director for a respected pension and benefits company based in Guernsey and has significant experience in the administration of International Pension Plans, QROPS and QNUPS arrangements.

James is responsible for overseeing, developing and running the pension administration function that has an international client base utilising a range of personal and occupational pension plans established under trust as well as under contractual arrangements. In addition, James has been actively involved with the development of the specialist pension administration software used by Trireme.

Ms Anna Rhydwen-Jones

With 24 years' experience in financial services, Anna specialises in technical analysis and product development for domestic and international pension solutions. Prior to joining Trireme, Anna spent nine years working as a project analyst and in-house legal and technical officer for two major international long-term insurance providers with particular focus on

product development and compliance in the international trust, pension and insurance markets. She has a post graduate diploma in law from Nottingham Law School.

Mr Andrea Garroni

After obtaining an honours degree in psychology from the University of Malta in 2006, Andrea joined one of Malta's leading insurance companies where he worked for six years in the medical insurance sector. He was involved in numerous activities including claims management, policy drafting and software development. During this time, Andrea obtained an advanced diploma in insurance from the Chartered Insurance Institute and qualified as a Chartered Insurer; he is also a Senior Member of the Malta Insurance Institute.

In 2012, Andrea joined the PraxisIFM Group to assist with the establishment and development of Trireme Pension Services (Malta) Limited. He has since been responsible for overseeing the Malta office pensions team and the general operations of the company and was appointed to the Board as Operations Director in June 2018.

Mr Denis Vella

Denis joined Trireme in 2016 after 15 years of proactive support to a wide range of clients in different industries in Malta and the UK. Over these years he was involved in various assignments including accountancy, audit, taxation, pensions, research and development, and ad-hoc project work. Denis enjoys supporting clients, making sure to deliver accurate and reliable information, within specific time limits.

Denis spent his last employment working with a reputable Guernsey pension administration company where he helped develop information systems for the efficient and accurate delivery of financial information.

With Trireme, Denis is in charge of producing and filing all financial reporting, preparing and submitting regulatory, tax and other compliance returns, and managing the workflows and deliverables of the bookkeeping and accounting function. He also assists with other pension accounting and reporting duties including the design and development of the investment monitoring programme.

Denis is a fellow of the Association of Chartered Certified Accountants and The Malta Institute of Accountants, and a Certified Public Accountant and Auditor in Malta.

The following are the contact details of the Trustee:

Address: First Floor, Orange Point, Dun Karm Street, Birkirkara By-Pass, Birkirkara BKR9037, Malta

Telephone:+356 22 193 800

E-mail:APS@triremepensions.com

Website: www.triremepensions.com

In the event that Trireme Pension Services (Malta) Limited ceases to be a trustee of the Scheme, the Scheme shall notify the MFSA within fourteen (14) days from the resignation or removal. The Trustee shall be requested to confirm that its resignation or removal had no regulatory implications or to provide details, as appropriate.

4.2 Bankers, Settlor and Protector

The Scheme has been established in the form of a trust by APS Bank plc in its capacity as settlor. It has also been appointed as the protector of the trust to oversee and protect the trust and its beneficiaries. As a licensed credit institution, APS Bank plc has also been appointed as the principal banker of the Scheme, and shall accordingly maintain and operate all Scheme bank accounts, including

the Strategy Accounts.

APS Bank plc was established since 1910, with majority shareholding held by the Archdiocese of Malta and Gozo. It holds a credit institution licence in terms of the Banking Act (Chapter 371 of the Laws of Malta) and a Category 2 investment services licence under the Investment Services Act (Chapter 370 of the Laws of Malta) from the MFSA. APS Bank is well known for its ethical banking tradition and exemplary corporate social responsibility practices supporting Maltese culture, art and various charitable causes.

The following are the contact details of APS Bank plc:

Address: APS Centre, Tower Street, Birkirkara BKR4012, Malta

Telephone: +356 21 226 644

E-mail: info@apsbank.com.mt

Website: www.apsbank.com.mt

4.3 Investment Manager

The Investment Manager of the Scheme shall be ReAPS Asset Management Limited, a company registered and incorporated in Malta with company registration number C 77747 and having its registered office at APS Centre, Tower Street, Birkirkara, BKR 4012, Malta and is authorised by the MFSA to carry out investment management services under the Act and the Investment Services Act (Chapter 370 of the Laws of Malta). The Investment Manager is responsible for the investment management of the Scheme's assets in accordance with the terms of the Investment Management Agreement and this Scheme Document.

The Investment Management Agreement may be terminated by either party by giving ninety (90) days' prior written notice to the other party. The Investment Management Agreement may also be terminated

immediately by either party upon:

- a. the occurrence of a material breach by the other party of any of its representations, warranties or obligations under the Investment Management Agreement and, if such breach is capable of remedy, that party shall not have remedied the breach within thirty (30) business days from the earlier of: (i) receipt of notice requiring the same to be remedied; or (ii) such breach otherwise coming to the defaulting party's attention;
- b. any of the parties shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously notified to the other party), or become unable to pay its debts or commit any act of bankruptcy under the laws of its jurisdiction of formation, or if a receiver is appointed over any of its assets or if some event having an equivalent effect under the laws of its jurisdiction of formation occurs;
- c. if all assets in the Scheme's investment portfolio have been redeemed;
- d. it ceases to be lawful for the Investment Manager to perform its functions under the Investment Management Agreement in a material respect, notice of which cessation the Investment Manager shall provide to the Administrator without delay.

The following are the contact details of the Investment Manager:

Address: APS Centre, Tower Street, Birkirkara BKR4012, Malta

Telephone: +356 21 226 644

E-mail: info@apsbank.com.mt

Website: www.apsbank.com.mt

4.4 Auditor

The Auditors of the Scheme shall be Deloitte Audit Limited who are duly approved by the MFSA.

The Auditors have been appointed pursuant to the terms of an engagement letter, and shall prepare the annual accounts of the Scheme.

The following are the contact details of the Auditor:

Address: Deloitte Place, Mriehel Bypass, Mriehel, Birkirkara BKR3000, Malta

Telephone: +356 23 432 000

E-mail: scurmi@deloitte.com.mt

Website: www.deloitte.com.mt

4.5 Compliance Officer

Dr Aaron Brancaleone is the Compliance Officer of the Retirement Scheme Administrator and shall, accordingly, be in charge of carrying out ongoing supervision exercise on the business affairs and management of the Scheme in order to confirm compliance with all regulatory requirements under the Act.

Aaron is a law graduate of the University of Malta having obtained his Doctor of Laws degree in 2003. In 2004 Aaron further specialised with a Masters degree in European Business Law from the PALLAS Consortium of Universities complimented with a Diploma in Taxation from the Malta Institute of Taxation in 2006. He holds a warrant of a lawyer authorising him to practice in the law courts of Malta.

Aaron has over 10 years' experience in the financial services sector, acting as company secretary, compliance officer and MLRO for industry players ranging from recognised persons to credit institutions, investment

managers and collective investment schemes. He also headed legal departments within various entities.

The following are the contact details of the Compliance Officer:

Address: Ground Floor, Orange Point, Dun Karm Street, Birkirkara By-Pass, Birkirkara BKR9037, Malta

Telephone: +356 2010 6167

E-mail: aaron.brancaleone@aspidagroup.com

4.6 Legal Advisors

The Scheme has appointed DF Advocates to provide it with ongoing legal and regulatory advice. DF Advocates is a Malta based law firm servicing local and international clients in setting up and operating their business activities as well as advising on local and cross border transactions involving complex issues spanning various industries, with a specific focus on corporate law and financial services. DF Consultancy Services Limited, a connected group company, is itself licensed and regulated by the MFSA as a corporate service provider offering advice and assistance in connection with the setting up and licensing of investment services companies, funds, pension schemes, credit and financial institutions, e-money and payment institutions as well as on-going legal, regulatory and support services.

The following are the contact details of the legal advisors:

Address: Il Piazzetta A, Suite 52, Level 5, Tower Road, Sliema, Malta

Telephone: +356 21 313 930 / +356 21 340 401

E-mail: info@dfadvocates.com

Website: www.dfadvocates.com

4.7 Data Protection

As part of the application process, all Contributors are required to submit various documents to the Administrator. These are required to enable completion of the application process and to comply with all relevant applicable legislation. Any information received by the Administrator shall be kept by the Administrator in accordance with the relevant data protection legislation and, in the normal course of business, will not be made available to anyone other than the Administrator and the Service Providers.

However, it may become necessary to transfer data at any time to comply with applicable legislation in force, either now or at any time in the future. Furthermore, should the administrative functions, in whole or in part, be transferred to another entity, data will be transferred to the extent necessary for such new entity to carry out its functions effectively.

By contributing to the Scheme, all Contributors should note the above, and also note that, by completion of the relevant application form and the declarations therein, they are agreeing to any transfer of data carried out for any of the reasons given above, or for any reason that the Administrator deems necessary to comply with legislation in force at the time. For cases where the Scheme requires the consent of a Contributor, Member or Beneficiary to process personal data, such persons have the right to withdraw their consent at any time by writing to the Administrator indicating their decision to this effect.

Further, the Scheme and the Service Providers consent that any and all data required by the Administrator in the exercise of its duties on behalf of the Scheme, may be transferred to and/or from the Administrator (in its capacity as such) in accordance with relevant data protection legislation.

4.8 Documents available to Contributors, Members and Beneficiaries

The following documents shall be available to all Contributors, Members and Beneficiaries upon request from the Administrator or other intermediary during business hours:

- (a). The Declaration of Trust;
- (b). The Scheme Document;
- (c). The Scheme Particulars;
- (d). The financial statements and annual report of the Scheme;
- (e). The licence of the Scheme as an Occupational Retirement Scheme;
- (f). Information on the latest valuation of the Scheme and underlying investments, and the historical performance of the Scheme.

Approved and issued by APS Bank plc, APS Centre, Tower Street, B'Kara BKR 4012. APS Bank plc is regulated by the Malta Financial Services Authority as a Credit Institution under the Banking Act 1994 and to carry out Investment Services activities under the Investment Services Act 1994. The APS Occupational Pension Scheme is licensed and regulated as an occupational retirement scheme by the Malta Financial Services Authority in terms of the Retirement Pensions Act (Chapter 514 of the Laws of Malta). This document has been prepared and approved by Trireme Pension Services (Malta) Limited (as the retirement scheme administrator) and APS Bank plc (as distributor of the scheme).