

CNL(14)62

NASCO Staff Fund Rules

1. Application

- 1.1 These Rules apply to the NASCO Staff Fund and govern the operation of the Deferred Salary Scheme (the “Scheme”) established by the decision of the Council, CNL(01)49. NASCO does not operate a system for payment of pensions and annuities for its former employees and membership of the Scheme ends at the termination of full-time employment with NASCO.

2. Membership

- 2.1 Any Secretariat Member may become a Member of the Scheme and may remain as a Member of the Scheme for as long as such Member is employed by NASCO on a full-time basis in accordance with the provisions of the Staff Rules. A Secretariat Member who ceases, for whatever reason, to be employed as aforesaid, shall ipso facto cease to be a Member of the Scheme, and the provisions of clause 6.2 below shall apply.

3. Contributions

- 3.1 Contributions to the Scheme by NASCO and by the Members of the Scheme shall be held in the NASCO Staff Fund, established in accordance with NASCO Financial Rule 6.1, and sub-divided into a separate deferred salary account for each Member.
- 3.2 NASCO will defer 15.8% after tax of the gross salary of each Member of the Scheme to the Fund or such other amount as is determined by the Council from time to time. Each Member of the Scheme shall defer a minimum of 7.9% after tax of gross salary or such other minimum amount as is determined by the Council from time to time. Members of the Scheme may request that additional contributions be deferred from gross salary and paid into the Fund. These contributions to the Fund by NASCO and Members of the Scheme shall be enhanced by 5% after tax by NASCO as a contribution to investment charges. Prior to a Secretariat Member retiring from full-time employment with NASCO, a lump sum payment will be made into that Secretariat Member’s deferred salary account of not less than one twelfth after tax of the final year’s gross salary and allowances for each year of service with NASCO, fractions of a year to count pro-rata.

4. Nature of Deferred Salary Accounts

- 4.1 The funds contributed to, and held within, each Member’s deferred salary account form part of the NASCO Staff Fund, and subject to clause 6.1 below, belong to and comprise part of the assets of NASCO. A note of the total year-end balance available in the Staff Fund shall be included in NASCO’s audited accounts.
- 4.2 In holding the funds or other investments in the deferred salary accounts of each Member of the Scheme, NASCO does not thereby assume the position either as a trustee or nominee of any Member of the Scheme.

- 4.3 The funds held within each Member's deferred salary account, and any increase in the values thereof, are deemed to be within the scope of NASCO's official activities and shall therefore accrue exempt from UK taxation, but such exemption from taxation shall only apply for so long as the Member of the Scheme continues to be employed by NASCO in the manner referred to under clause 2.1 above.

5. Management of the Staff Fund

- 5.2 All amounts contributed to the individual deferred salary accounts of Members of the Scheme shall be held on bank deposit or invested in such manner or held in the form of such other investments as NASCO, in its sole discretion shall determine. Notwithstanding the foregoing, NASCO may consult with Members of the Scheme with regard to the nature of the investments held within a Member's deferred salary account, but nevertheless shall be under no obligation to act in accordance with the direction or instruction of any such Member.

6. Benefits and Scheme Members' Rights

- 6.2 Each Member of the Scheme shall at all times be fully vested and have entitlement to give notice requesting payment in whole or in part of their individual deferred salary account at any time whilst remaining a Secretariat Member.
- 6.3 In the event of a Member of the Scheme ceasing to be employed by NASCO in the manner referred to under clause 2.1 above, such Member shall be deemed to have given notice to NASCO requesting payment of the whole amount of the Member's individual deferred salary account whereupon the Secretary shall immediately procure that the full value of that Member's deferred salary account is paid to the Member concerned. In the event of the death in service of a Member of the Scheme, the amount or value of the deceased Member's deferred salary account shall automatically belong to the Estate of the deceased Member, and the Secretary shall procure that the full value of that deceased Member's deferred salary account is paid to the executor of the deceased Member.