

January 2018

**Ladbrokes**  
Pension Plan

**Ladbrokes Pension Plan  
Gala Coral Pension Plan**

**Combined  
member-nominated  
director policy**

## **Background to changes**

As you will be aware, in November 2016 the merger of Ladbrokes with certain businesses in the Gala Coral group was completed to create the Ladbrokes Coral Group (the **Group**). Both the Gala Coral group and the Ladbrokes group operated defined benefit pension plans – the Ladbrokes Pension Plan and the Gala Coral Pension Plan (the **Plans**).

Following on from the merger, the Group has been reviewing the trustee arrangements for the Plans. It has decided to appoint a single Trustee Board to oversee the governance of both Plans. This will enable the members of both Plans to benefit from having a larger Trustee Board with the resources and expertise to manage the running of the Plans.

## **New Trustee Board**

A trustee company called Ladbrokes Coral Group Pension Trustee Limited (the **Trustee Board**) will act as trustee for both Plans.

The new Trustee Board is currently made up of six trustee directors:

- One independent professional trustee:
  - Capital Cranfield Pension Trustees Limited, represented by Steve Carlisle
- Three Group-appointed directors:
  - Jim Noakes;
  - Simon Reynolds; and
  - Neal Young.
- Two member-nominated directors:
  - one of which has been nominated by the deferred members employed within the Group and pensioner members of the Gala Coral Pension Plan, John Kerr; and
  - one of which was previously nominated by the deferred members employed within the Group and pensioner members of the Ladbrokes Pension Plan, Paul Plowright.

Steve Carlisle is the current chair of the Trustee Board.

The Trustee Board also has a secretary, who is not a trustee but deals with administrative matters on behalf of the trustees

## **Vacancy**

Paul Plowright's term of office as a member-nominated director has now expired.

Paul has confirmed that he wishes to stand for re-appointment to the role for a further term of five years. However, other deferred members employed within the Group and pensioner members of the Ladbrokes Pension Plan are entitled to apply to become a member-nominated director.

The term of office will commence on 1<sup>st</sup> April 2018 and will last for five years.

## Selection Procedure

Any deferred member of the Ladbrokes Pension Plan employed in the Group, or a pensioner member of the Ladbrokes Pension Plan, is eligible to nominate themselves for the position. A nomination must be in writing, using the form provided with this letter.

The candidates will then be invited to an interview with the selection committee. Candidates will be given the opportunity to discuss the role in more detail and raise any questions that they may have. Following these interviews, the selection committee will select the candidate who will become the member-nominated director for the vacant position.

When selecting member-nominated directors, the selection committee is looking for a good mix of skills from different parts of the business. Experience of financial, accounting or investment matters would be of particular benefit to candidates and, in addition to understanding the trustees' legal responsibilities, an enthusiasm for performing the trustee duties and taking a full part in the trustee role will also be important.

Please note that you will not be eligible if you:

- are aged under 18;
- are an undischarged bankrupt or have an undischarged sequestration order on your estate;
- have made a composition or arrangement with your creditors and have not been discharged in respect of it;
- have been disqualified from being a company director under the Company Directors Disqualification Act 1986 or under section 429(2) (b) of the Insolvency Act 1986;
- have been suspended or disqualified from acting as a trustee by a court order or by order of the Pensions Regulator under sections 3A and 4(1)(f) of the Pensions Act 1995; or
- have been convicted of an offence involving dishonesty or deception (unless the conviction is legally no longer regarded as having effect).

In the event of future vacancies arising, the Trustee Board will re-invite nominations from the employed deferred members within the Group and pensioner members of the Ladbrokes Pension Plan.



## Term of Appointment

The member-nominated director will be appointed for a five-year term and may be nominated for re-selection at the end of their term.

A member-nominated director will cease to be a director if:

- they resign by giving one month's written notice;
- they leave the active employment of the Group, unless they are retiring and becoming a pensioner of the Plan;
- they are removed with the unanimous agreement of all the remaining trustee directors;
- they are no longer eligible to be a director of the Trustee Board;
- these arrangements are brought to an end by legislation; or
- they are legally disqualified from acting as a trustee.

In the event of a member-nominated director's term ending early, the Trustee Board will take appropriate action to fill the vacancy.

## **Responsibilities of Trustee Directors**

As a trustee director, you would be responsible for running each Plan in accordance with its rules, UK pension law and other related legislation. This includes ensuring that the interests of all the beneficiaries of the Plans are fairly represented. As a member-nominated director you would be expected to look after the interests of all beneficiaries of both Plans.

In your role as a trustee director, you would attend regular meetings during which you would discuss the current issues affecting the Plans. With the help of advisers, the Trustee Directors take strategic investment decisions about how the assets of the Plans should be invested and monitor and review each Plans' investment performance. They need to ensure that sufficient contributions are being received from the employers to meet the Plans' liabilities to pay pension benefits. They also make sure that any other legal requirements are met, and make decisions on behalf of the Plans and their members.

Being a trustee director is a big responsibility and requires considerable commitment. All of the decisions made by the trustee directors must be fully explored, explained, evaluated and then recorded for future reference.

As a new trustee director, you would receive training to help you in your role. This is important to ensure that you have sufficient knowledge and understanding of pension matters, as this is required by pension legislation and monitored by the Pensions Regulator. While trustee directors are not required to have detailed knowledge of pensions law and matters relating to funding and investment of pension scheme assets before taking up office, they are expected to complete the Trustee Toolkit. The website is <https://trusteetoolkit.thepensionsregulator.gov.uk>

To find out more about the responsibilities of trustees, please visit the Pensions Regulator website:

[www.thepensionsregulator.gov.uk/trustees.aspx](http://www.thepensionsregulator.gov.uk/trustees.aspx).

If you do not have access to the internet, a hard copy of this information can be obtained from the Secretary to the Trustee Board at the address given to the top right.

**If you would like to nominate yourself for the vacancy, please complete the attached form and return it to:**

Justine Joy,  
Ladbroke's Coral Group Pension  
Trustee Limited,  
Lane, Clark & Peacock LLP,  
St Paul's House,  
St Paul's Hill,  
Winchester. SO22 5AB

**Nominations must be received no later than Friday 16 February 2018.**