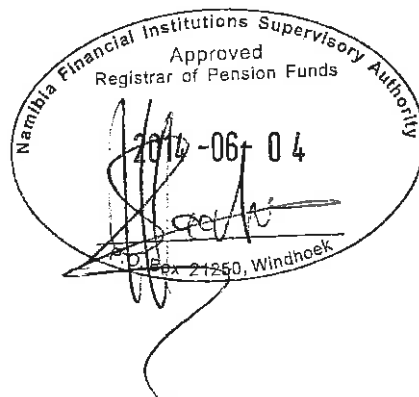


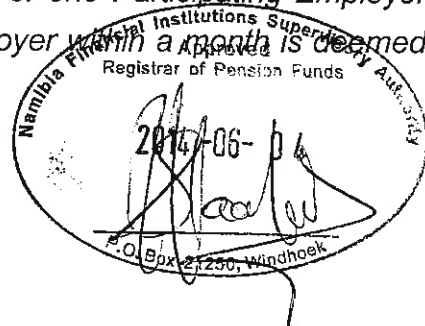
**REVISED RULES OF THE RETIREMENT FUND  
FOR LOCAL AUTHORITIES AND UTILITY SERVICES  
IN NAMIBIA  
EFFECTIVE FROM 1 MARCH 2014**



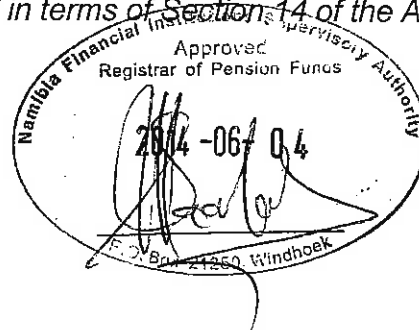
Extract from the minutes of a meeting of the Board of Trustees of the Retirement Fund for Local Authorities and Utility Services in Namibia held at Windhoek..... on 13 February 2014.

Resolved that the Rules of the Fund that are effective from 1 September 2008 be replaced by these revised Rules with effect from 1 March 2014 for the following reasons:

- (1) *to consolidate the Rules by including the provisions of previous amendments;*
- (2) *to change the registered address of the Fund;*
- (3) *to revise the Rules to ensure compliance with all relevant legislation and the requirements of NAMFISA, and in particular:*
  - (a) *to remove provision for the Board to obtain an overdraft from a bank or a short term loan from an Employer or other party;*
  - (b) *to ensure the Rules allow for the appointment of service providers;*
  - (c) *to include reference in the Rules to the requirements of the Act regarding the deadlines for submission of financial statements and valuation reports;*
- (4) *to provide for the allocation of the Investment Return;*
- (5) *to provide that a spouse or partner who is not legally married to a deceased Pensioner is required to provide a sworn declaration to the Board that such union or relationship existed at the earlier of the Pensioner's Normal Retirement Date or the date on which he actually retired;*
- (6) *to provide that a child is recognised as substantially dependent on the Pensioner if engaged in full time or, if unemployed, part-time studies at an educational institution recognised by the Fund;*
- (7) *to provide that a member who leaves the Service of one Participating Employer and enters Service with another Participating Employer within a month is deemed to remain in Service and a Member of the Fund;*



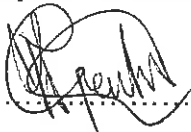
- (8) *to make it clear that the option of contributing at 2.5% or 5% of Fund Salary is not available to Members who entered Service after 1 September 2008;*
- (9) *to provide that the cost of risk benefits and administration are included in the total contribution made by the Employer to the Fund and to restructure the Rule dealing with the Employer's contributions accordingly;*
- (10) *to provide that in future any balance in the amount allocated towards the cost of risk benefits and expenses shall be applied towards retirement funding;*
- (11) *to specifically provide that in the case of Members who are permitted to remain in Service after Normal Retirement Date, the contributions that would have been applied towards the cost of risk benefits shall instead be allocated towards retirement funding;*
- (12) *to expand on the duties of the Principal Officer when the Participating Employer fails to pay contributions to the Fund within the specified period;*
- (13) *to provide for the benefits of Members nearing retirement to be placed in a lower volatility portfolio, unless a Member elects to remain in a market linked portfolio, by giving notice in writing to the Trustees;*
- (14) *to provide that any restriction on the Insured Death Benefit are imposed by the Registered Insurer with whom the benefit has been insured and not by the Trustees;*
- (15) *to allow Deferred Pensioners the option of purchasing a Pension from a Registered Insurer when they reach retirement;*
- (16) *to provide for group transfers into the Fund in terms of Section 14 of the Act;*



DJ  
RH  
B

- (17) to enable new municipalities to join the Fund and be represented on the Board of Trustees, by removing the current restriction limiting the number of Trustees to 30;
- (18) to make it clear that only members of the Fund may serve on the Board of Trustees as Member representatives;
- (19) to remove the requirement that at meetings of the full Board, the Executive Committee and the Management Committee, a decision must be taken by consensus if it is not possible to obtain the agreement of the majority at the meeting;
- (20) to provide for the Principal Officer to be remunerated;
- (21) to clarify the provisions of the Rules dealing with late payment interest; and
- (22) to remove reference to payment by ordinary mail, since this is no longer practice.

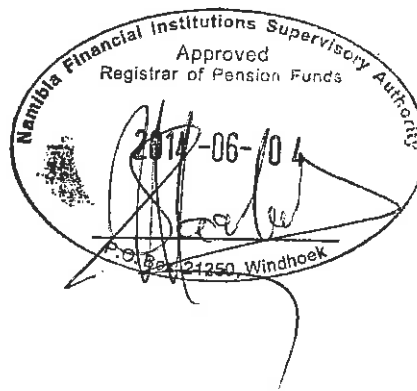
**Certified that the Resolution in terms of which these Rules have been accepted has been adopted in accordance with the Rules of the Fund.**



.....  
**Chairperson: Board of Trustees**



.....  
**Trustee**

  
.....  
**Principal Officer**

DJ  
RH  
B

I, the undersigned, in my capacity as valuator of the Fund hereby certify that the revised Rules of the Fund are financially sound.

  
.....

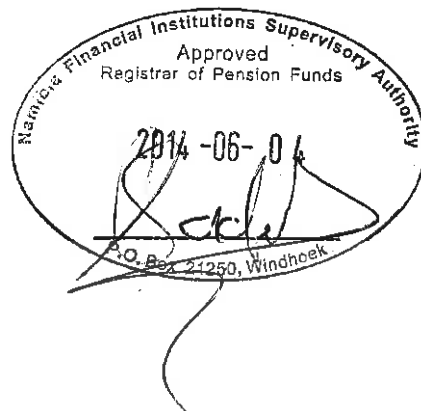
**Valuator**

Lydia Boucher

BCom (Hons)

FASSA FSAN

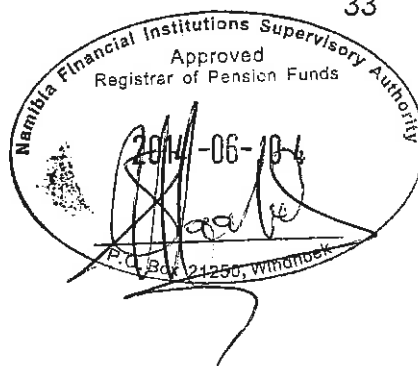
in my capacity as the valuator of the fund



DT  
RH  
B

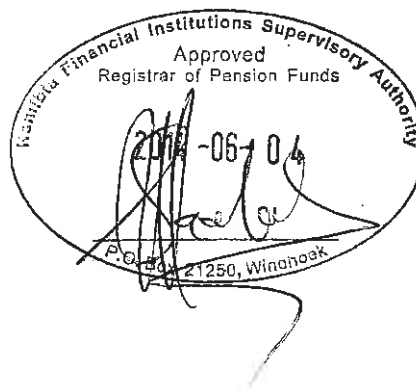
# INDEX

CONTENTS	PAGE
1. GENERAL	1
2. DEFINITIONS	2
3. MEMBERSHIP	14
4. CONTRIBUTIONS	16
4.1 Contributions by the Member	16
4.2 Contributions by the Employer	17
4.3 Contributions Paid to the Fund	18
4.4 Fund Accounts	21
5. RETIREMENT BENEFITS	25
5.1 Amount of Pension	25
5.2 Retirement for reasons other than Ill-Health	25
5.3 Retirement on the grounds of Ill-Health	26
5.4 Commutation	26
5.5 Pension Options	27
5.6 Payment of Pensions from the Fund	27
5.7 Pre Retirement Investment Option	29
6. DEATH BENEFITS	30
6.1 Benefit payable on Death in Service prior to Normal Retirement Date	30
6.2 Benefit payable on Death in Service after Normal Retirement Date	30
6.3 Death after Retirement of a Pooled Pensioner	30
6.4 Restrictions	33
6.5 Payment of Benefit	33



DJ-D  
RH-D

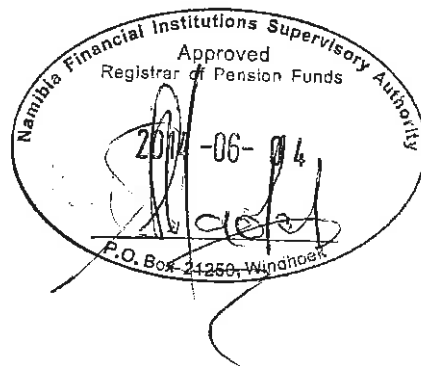
CONTENTS	PAGE
7. TERMINATION OF SERVICE	36
7.1 Resignation	36
7.2 Payment of Benefit	36
7.3 Deferred Pensioners	37
8. ABSENCE	39
9. TRANSFERS	41
9.1 Transfers into the Fund	41
9.2 Transfers out of the Fund	41
10. TERMINATION OF THE FUND	43
11. DEDUCTIONS FROM BENEFITS	46
12. MANAGEMENT OF THE FUND	47
12.1 Board of Trustees	47
12.2 Disqualification from holding office as a member of the Board of Trustees and Term of Office	48
12.3 Meetings of the Board of Trustees	50
12.4 Duties and Powers of the Board	52
12.5 Management Committee	53
12.6 Executive Committee	55
12.7 Other Appointments	57
12.8 Indemnification of Officers of the Fund	58



1  
DJ  
RH  
B

CONTENTS	PAGE
13. FINANCIAL PROVISIONS	59
13.1 Investments	59
13.2 Housing Loans	62
13.3 Expenses	63
13.4 Accounts	63
13.5 Actuarial Valuations	63
13.6 Late Payment Interest on Benefits	65
14. ADMINISTRATION OF THE FUND	66
15. RULES AND AMENDMENTS	67
16. INTERPRETATION OF RULES AND DISPUTES	69
17. MISCELLANEOUS PROVISIONS	70
18. SPECIAL PROVISIONS REGARDING THE DISABILITY INCOME INSURANCE SCHEME	73

ANNEXURES A-H: EXTRACTS FROM THE ACT



DJ  
RH B

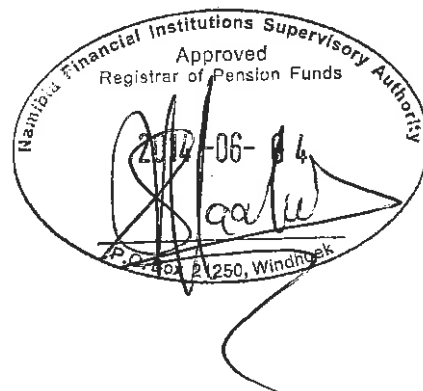


## 1. GENERAL

- 1.1 The fund known as the Retirement Fund for Local Authorities was established with effect from 1 March 1992.

With effect from 17 November 2005, the name of the Fund changed to the Retirement Fund for Local Authorities and Utility Services in Namibia.

- 1.2 The registered office of the Fund is at 1 Delius Street, Windhoek, Namibia.
- 1.3 The object of the Fund is, in terms of these Rules, to provide retirement and other benefits for employees and former employees of the Employers, and benefits in the event of their death or being declared disabled.
- 1.4 The Fund, in its own name, shall be capable in law of suing and of being sued and of acquiring, holding and alienating property, movable and immovable.
- 1.5 With effect from 1 March 2014 the Rules of the Fund were consolidated to include all amendments effected up to such date and revised to introduce further amendments. These Rules are the revised Rules of the Fund that are effective from 1 March 2014.



DJ  
RAK

## 2. DEFINITIONS

In these Rules where the context so requires:

- words and expressions used in the Rules and defined in the Act shall have the meanings assigned to them in the Act;
- words and expressions signifying the singular shall include the plural and vice versa;
- words and expressions implying one gender shall include the other gender;
- headings are solely for ease of reference and are not to be taken into account in the interpretation of the Rules; and
- the following words and expressions shall have the following meanings:

"Act" shall mean the Pension Funds Act No. 24 of 1956 .

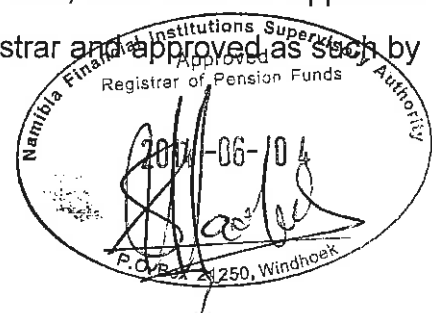
"Administrators" shall mean the Administrators appointed in terms of these Rules.

"ALAN" shall mean the Association for Local Authorities in Namibia;

"Approved Pension Fund" shall mean a pension fund, other than an Approved Pension Preservation Fund, registered by the Registrar and approved as such by the Commissioner in terms of the Income Tax Act.

"Approved Pension Preservation Fund" shall mean a pension preservation fund registered by the Registrar and approved as such by the Commissioner in terms of the Income Tax Act.

"Approved Provident Fund" shall mean a provident fund, other than an Approved Provident Preservation Fund, registered by the Registrar and approved as such by the Commissioner in terms of the Income Tax Act.



"Approved Provident Preservation Fund" shall mean a provident preservation fund registered by the Registrar and approved as such by the Commissioner in terms of the Income Tax Act.

"Approved Retirement Annuity Fund" shall mean a retirement annuity fund registered by the Registrar and approved as such by the Commissioner in terms of the Income Tax Act.

"Auditor" shall mean the auditor appointed by the Board in terms of these Rules as stipulated in Section 9 of the Act and in terms of the Public Accountants and Auditors Act No. 51 of 1951, who is not an officer of the Fund.

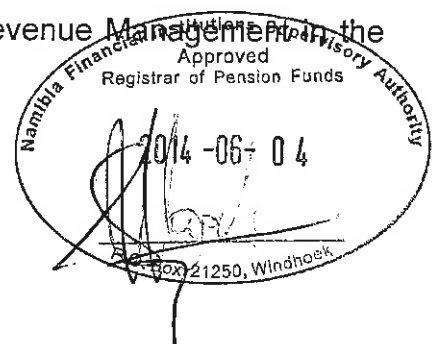
"Beneficiary" shall mean any person entitled to benefits in terms of these Rules.

"Board" shall be the Board of Trustees constituted in terms of Rule 12.1 to manage and control the Fund.

"Calculation Date" shall mean the date on which the Administrators, acting in terms of the agreed practice of the Fund, calculate the Member's benefit on the Member's retirement, death or his leaving Service in terms of Rule 7 or in order to transfer the Member's benefit from the Fund in any of the circumstances contemplated in these Rules.

"Commencement Date" shall mean 1 March 1992 in respect of those Participating Employers who have applied to participate in the Fund from that date, and in respect of any other Participating Employer the effective date as from which that Participating Employer is admitted as an Employer for the purposes of the Rules.

"Commissioner" shall mean the Commissioner of Revenue Management in the Ministry of Finance of the Republic of Namibia.



"Councillor" shall mean a member as defined in section 1 of the Local Authorities Act, No. 23 of 1992.

"Deferred Pensioner" shall mean a person who has exercised an option in terms of Rule 7.2.2 (b) to preserve his benefit in the Fund, until payment of his benefit commences.

"Dependant" shall mean a Dependant as defined in section 1 of the Act quoted in Annexure A to the Rules.

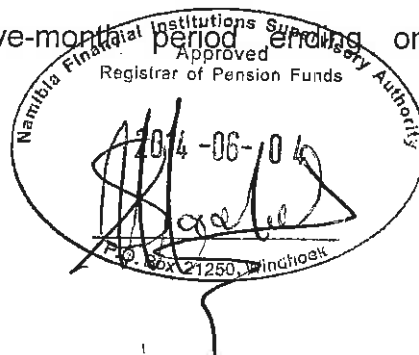
"Disability Income Insurance Scheme" shall mean a separate scheme set up by the Employer under an insurance policy to provide disability income benefits to employees who are members thereof in the event of their total and/or permanent disablement.

"Eligible Employee" shall mean an employee of any of the Employers whose employment is not temporary or casual or subject to a limited period and who, unless he was a member of the Previous Fund, has not yet attained the age of 60 years; provided that the Fund may, at the request of the Employer and with the approval of the Commissioner, waive any of the said qualifications in respect of a particular employee or group of employees.

"Employer" shall mean a Participating Employer and in relation to any Member, it means the Participating Employer in whose Service he is.

"Executive Committee" shall mean the Executive Committee appointed in terms of Rule 12.6.

"Financial Year" shall mean each twelve-month period ending on the 31 December.



DJ  
RH

"Fund" shall mean the Retirement Fund for Local Authorities and Utility Services in Namibia.

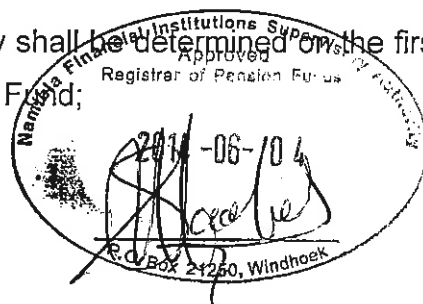
"Fund Credit" shall mean for each Member at any particular date the sum of:

- (a) the Member's actuarial interest in the Previous Fund as at the Commencement Date that was transferred to the Fund on the Commencement Date, if any;
- (b) the contributions by the Member in terms of Rule 4.1.1;
- (c) the contributions made by the Employer in respect of the Member towards retirement funding in terms of Rule 4.2.3 (a);
- (d) any amount allocated towards retirement funding in terms of Rule 4.2.3 (b) (iii);
- (e) in the case of a Member who remains in Service after the Normal Retirement Date, the amount allocated towards retirement funding in terms of the proviso to Rule 4.2.3;
- (f) any amount transferred by the Member to the Fund in terms of Rule 9.1;

adjusted by the Investment Return up to the Calculation Date.

"Fund Salary" shall mean the Member's basic annual salary or wages and any other regular amounts which are regarded as pensionable by the Fund at the request of the Employer or where a total remuneration package is paid, that portion of the remuneration of the employee set aside as a wage as defined in the Labour Act, 2007 (Act No. 11 of 2007); provided that:

- (a) for the purpose of the Fund, Fund Salary shall be determined on the first day of each month of membership of the Fund;



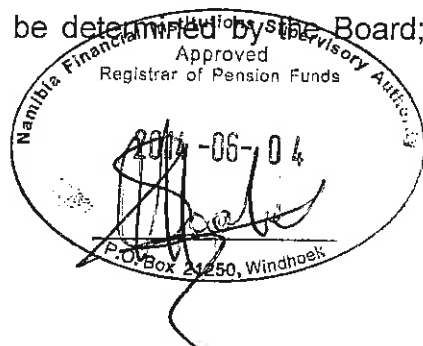
- (b) if the amount on which a Member's Fund Salary is based is reduced at any time then, subject to the agreement of the Member, his Employer may direct that, for the purposes of the Fund, the reduction shall not be applied in the calculation of the Member's Fund Salary or shall be applied only partially;
- (c) for as long as a disability income benefit remains payable to a Member from the Disability Income Insurance Scheme, the Member's Fund Salary, for purposes of the Rules, will be his Fund Salary immediately prior to becoming disabled, increased at the same rate and intervals as any increases in his disability income benefit from the said scheme.

"Funeral Benefit Insurance Scheme" shall mean a separate scheme set up by the Fund under an insurance policy to provide lump sum funeral benefits on the death of employees who are members thereof.

"Income Tax Act" shall mean the Income Tax Act 24 of 1981.

"Insured Death Benefit" shall mean in relation to each Member during any particular Financial Year, the amount of death cover as can be provided from time to time from a Registered Insurer by that part of the contributions paid by the Employer in terms of Rule 4.2.3 (b) (i) which is applied towards the Member's death benefit. Such cover shall be determined by the Registered Insurer on a scale based on the ages of the Members as set out in the policy issued by the Registered Insurer with whom the benefit is insured and notified to the Members each year.

"Investment Return" shall mean any income (received or accrued) and capital gains and losses (realised and unrealised) of the Fund, less an allowance for any tax and such expenses (paid or accrued) as may be determined by the Board; provided that



05/8  
RH 3

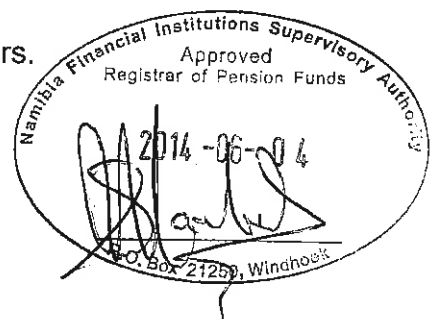
- (a) such Investment Return may be positive or negative;
- (b) the Investment Return shall be allocated to each Member's Fund Credit on such equitable basis as the Board in its absolute discretion, in consultation with the Valuator and in accordance with the agreed practice of the Fund, may determine from time to time;
- (c) where a Member's Fund Credit is, and/or contributions paid by or in respect of a Member are, invested in a selected portfolio or portfolios, the Investment Return relating to such Member's investment within each portfolio shall be allocated to such Member's benefit within the portfolio; and
- (d) where the Fund has granted a loan to the Member in terms of Rule 13.2, Investment Return on that portion of the Member's Fund Credit represented by the outstanding balance of such loan owed to the Fund from time to time shall be deemed to be equal to the amount paid in interest to the Fund by the Member in respect of such loan.

"Management Committee" shall mean the Management Committee appointed in terms of Rule 12.5.

"Member" shall mean an Eligible Employee who, having been admitted to membership of the Fund in accordance with these Rules, has not ceased to be a Member in terms of these Rules.

"Nominee" shall mean a person, other than a Dependant, who has been nominated in writing by a Member as a beneficiary, entitled to receive all or part of the death benefits provided by the Fund in terms of Rule 6.

"Normal Retirement Age" shall mean the age of 60 years.

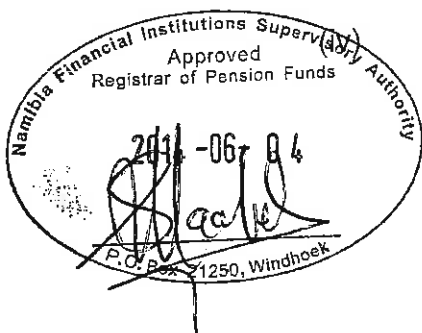


"Normal Retirement Date" shall mean the last day of the month in which a Member reaches the age of 60 years.

"Participating Employer" shall mean a unit of a local authority, regional electricity distributor, commercialized venture and joint business venture that participates in the Fund as an Employer, provided:

- (a) that an Employer that wishes to participate in the Fund must apply for participation within twelve months from the date on which the said Employer was established and shall be allowed to participate as an Employer upon condition that the Board is satisfied that the risk profile of the Fund will not materially be changed for the worse thereby;
- (b) that an Employer which fails to exercise such option within the period above or which waives its right to join the Fund, shall not be entitled to join the Fund at a later date; unless the Board in its absolute discretion decides otherwise;
- (c) that in this definition the following words shall mean:
  - (i) "commercialized venture" any entity established pursuant to the Commercialization Regulations promulgated by Government Notice 39 of 2001;
  - (ii) "joint business venture" any entity established pursuant to the Joint Business Venture Regulations promulgated by Government Notice 40 of 2001;
  - (iii) "local authority" any local authority established or deemed to have been established under section 3 of the Local Authorities Act, 1992 (Act 23 of 1992);

"regional electricity distributor" any regional electricity distributor licensed as such by the Electricity Control Board established under section 2 of the Electricity Act, 2000 (Act 2 of 2000); and



Handwritten initials and a circled 'B'.



- (d) that it is a condition precedent for the participation in the Fund by a Participating Employer that all its employees who qualify as Eligible Employees must become Members of the Fund, except in the case of employees of the Walvis Bay Municipality or the Swakopmund Municipality, as contemplated in Rule 3.1 (a).

"Pension" shall mean:

- (a) in relation to a Pooled Pensioner or any Beneficiary except a Qualifying Child, the annual pension payable for the lifetime of such Beneficiary; or
- (b) in relation to a Pension payable to a Qualifying Child, the annual Pension payable for as long as such child remains a Qualifying Child.

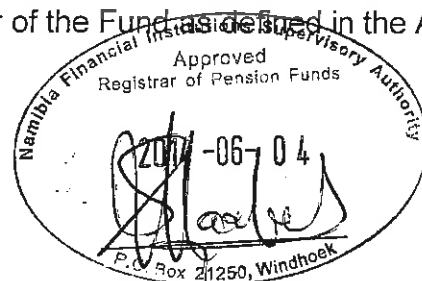
"Pensioner" shall mean a Pooled Pensioner.

"Pooled Pensioner" shall mean a Member who has retired and who is in receipt of a Pension in terms of Rule 5.1 (a) or a Beneficiary of a Pooled Pensioner who is in receipt of a Pension in terms of Rule 6.3.

"Previous Fund" shall mean either:

- (a) the Joint Municipal Pension Fund of South West Africa/Namibia and a trust fund or similar scheme maintained by the Employer on behalf of its employees; or
- (b) an Approved Pension Fund or an Approved Provident Fund in which the Employer participated or participates.

"Principal Officer" shall mean the Principal Officer of the Fund as defined in the Act and appointed in terms of these Rules.



DJ D  
RH B

“Qualifying Child” shall mean:

- (a) a child of a Pooled Pensioner, including an illegitimate or a legally adopted child, under the age of 18 years and unmarried; or
- (b) a step-child of a Pooled Pensioner, under the age of 18 years and unmarried, who, in the opinion of the Board, was substantially dependent on the Pooled Pensioner at the time of his death;

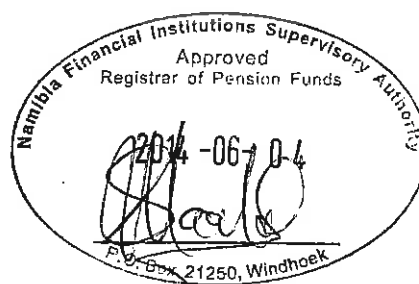
and shall include:

- (i) at the discretion of the Board, a child as defined in (a) or (b) above who is over the age of 18 years but under the age of 25 years, who was substantially dependent on the Pooled Pensioner due to such child either:
  - (aa) being engaged in full-time studies at an educational institution recognised by the Board; or
  - (bb) being engaged in part-time studies at an institution referred to in (aa) above while unemployed;

and

- (ii) a child born after the death of the Pooled Pensioner who, but for such death would have been a Qualifying Child in terms of (a) or (b) above,

but shall exclude a child as defined in (a) or (b) above who was adopted or became a step-child after the Pooled Pensioner's Normal Retirement Date, or the date on which the Pooled Pensioner actually retired, if earlier;



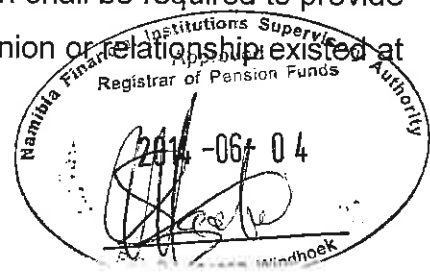
DH  
RH

provided that:

- (aa) in the case of doubt the Board shall, within their discretion, determine whether a child is a Qualifying Child;
- (bb) the Board may, in exceptional circumstances of a medical nature, ignore the maximum age of 25 years stated above, provided the Employer contributes such additional amounts to the Fund as the Valuator deems necessary to provide the relevant benefit; and
- (cc) if a Qualifying Child contemplated in (i) above, fails to provide adequate proof of studies, the Board may suspend payment of his Pension; provided further that should proof of studies be provided subsequently, payment of the Pension shall be reinstated for the period in respect of which proof of studies is provided.

“Qualifying Spouse” shall mean the surviving partner of a Pensioner in a Recognised Marital Union existing at the time of the death of the Pensioner; provided that :

- (a) in the case of a legal marriage contemplated in clause (a) of the definition ‘Recognised Marital Union’, such marriage must already have existed at the earlier of the Pensioner’s Normal Retirement Date or the date on which he actually retired; and
- (b) a person who is a party to a union contemplated in clause (b) of the definition ‘Recognised Marital Union’ and a person whose relationship with the Pensioner was a cohabitation or dependence contemplated in clause (c) of the definition ‘Recognised Marital Union shall be required to provide a sworn declaration to the Board that such union or relationship existed at



the earlier of the Pensioner's Normal Retirement Date or the date on which he actually retired.

"Recognised Marital Union" shall mean either:

- (a) a legal marriage; or
- (b) a customary union according to Traditional Law and custom or a union recognised as a marriage under any Asiatic religion; or
- (c) or a cohabitation or dependence (by virtue of financial or other maintenance) of a Pensioner and another person, which is deemed a Recognised Marital Union by the Board;

provided that a Recognised Marital Union may, at the discretion of the Board include a marriage which has been dissolved but where the other person is still to some degree financially dependent upon the Pensioner.

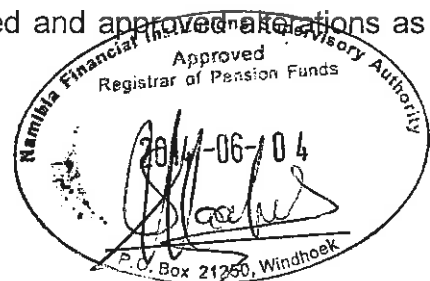
"Region" shall mean a region as defined in the Regional Council's Act, No.22 of 1992.

"Registered Insurer" shall mean an insurer registered in terms of the Long-term Insurance Act No. 5 of 1998.

"Registrar" shall mean the Registrar of Pension Funds described in section 3 of the Act.

"Region" shall mean a region as defined in the Regional Council's Act, No.22 of 1992.

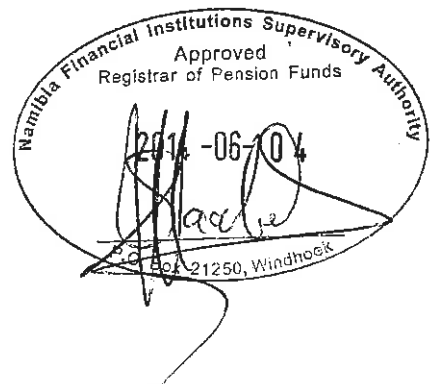
"Rules" shall mean these Rules and such registered and approved alterations as may at any time be applicable.



"Service" shall mean employment with any of the Employers as an Eligible Employee and shall include any period during which the Member is deemed to remain in Service in terms of Rule 8.2.

"Valuator" shall mean the Valuator appointed by the Board in terms of these Rules as stipulated in Section 9A of the Act.

"Trustee" shall mean a member of the Board of Trustees, appointed or elected in terms of Rule 12.1.



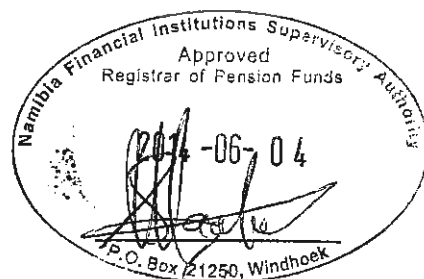
### 3. MEMBERSHIP

3.1 Each Eligible Employee who enters Service on or after the Commencement Date shall join the Fund as a condition of employment on the first day of the month coincident with or next following the date of joining Service; provided that:

- (a) an Eligible Employee employed by the Walvis Bay Municipality or the Swakopmund municipality shall have the option to join the Fund or another arrangement for retirement funding in which those Employers participate. If such an Eligible Employee elects to become a Member, his participation in the Fund shall commence on the first day of the month which coincides with or next following the date on which his choice is made; and
- (b) an employee of an existing Participating Employer who becomes an Eligible Employee of a regional electricity distributor, commercialized venture or joint business venture shall continue to be a member of the Fund without a break in Service.

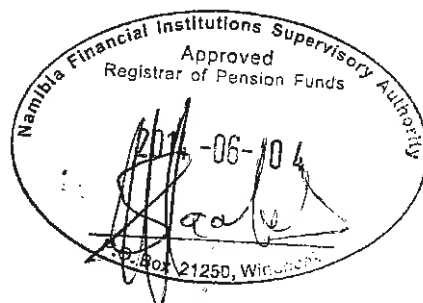
3.2 Unless otherwise provided for in these Rules, a Member shall not be permitted to withdraw from membership while he remains in Service.

3.3 Each Member must produce evidence of his age as is acceptable to the Board and must also give or update such other information or Beneficiary nomination forms as the Board may reasonably require for the purposes of the Fund.



Handwritten initials: DJ, RA, B

- 3.4 If a Member transfers to another Approved Pension Fund or Approved Provident Fund in any of the circumstances envisaged in these Rules and such transfer is subject to the provisions of Section 14 of the Act, then it is specifically provided that with effect from the date on which he becomes a member of such fund, contributions in terms of Rule 4 shall cease and in the event of his death, prior to transfer of his benefit in terms of these Rules from the Fund to such other fund, the Insured Death Benefit shall not be payable.
- 3.5 A Member who has left Service for any reason and has received all the benefits which may be due to him in terms of these Rules shall cease to be a Member.
- 3.6 It is specifically provided that if a Member leaves the Service of a Participating Employer and enters Service with another Participating Employer within a month, he shall remain a Member of the Fund; provided that he has not received payment of a benefit in terms of Rule 7.1.



RH  
2017

#### 4. CONTRIBUTIONS AND FUND ACCOUNTS

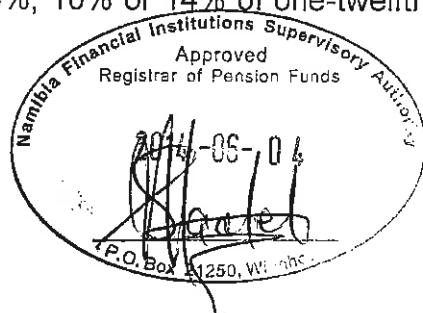
##### 4.1 Contributions by the Member

4.1.1 Each Member shall contribute monthly to the Fund at one of the following rates of one-twelfth of his Fund Salary, in accordance with his election in terms of Rule 4.1.2:

- (a) only in the case of a Member who was a Member prior to 1 September 2008, 2.5%, or
- (b) only in the case of a Member who was a Member prior to 1 September 2008, 5%, or
- (c) 7.5%, or
- (d) 10%, or
- (e) 14%.

provided that:

- (a) in the case of a Member who immediately prior to the Commencement Date was a member of the Previous Fund, the contribution rate at which such Member was contributing to the Previous Fund may not be reduced;
- (b) each Member who joined the Fund on or after 1 September 2008, was allowed to elect to contribute to the Fund at the rate of 7.5%, 10% or 14% of one-twelfth of his Fund Salary.



DJ  
RH B



4.1.2 The following provisions shall apply to the election of the Member's contribution rate:

- (a) on entering Service, each Member shall be required, by notice in writing to the Board, to elect one of the contribution rates set out in Rule 4.1.1 (c), (d) or (e). If he fails to make an election, he shall contribute at the rate of 7.5% of Fund Salary;
- (b) on each 1 July, each Member may elect to increase his contribution rate, by notice in writing to the Board. If he fails to elect an increased rate, he shall continue to contribute at the rate last elected by him.

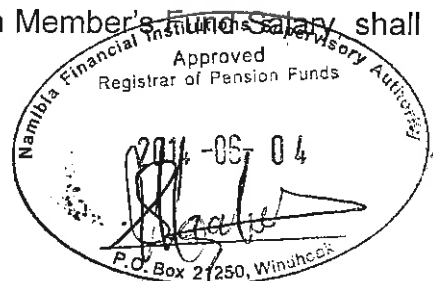
#### 4.2 Contributions by the Employer

4.2.1 Before the seventh day of each month or before such date as prescribed by the Act for the payment of contributions, the Employer shall contribute to the Fund the amount referred to in Rule 4.2.2.

4.2.2 The Employer shall contribute a total contribution of 21.7% of one-twelfth of each Member's Fund Salary.

4.2.3 Out of the amount in Rule 4.2.2:

- (a) at least 14% of one-twelfth of each Member's Fund Salary shall be allocated toward the provision of retirement benefits only;
- (b) 7.7% of one-twelfth of each Member's Fund Salary shall be applied as follows:

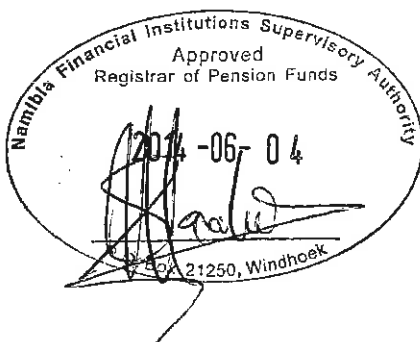


- (i) subject to the proviso to this Rule, a maximum of 6% of one-twelfth of each Member's Fund Salary shall be used to meet the cost of Insured Death Benefit for the month concerned and to pay the premiums due by the Employer to the Registered Insurer to provide the separate Disability Income Insurance Scheme and separate the Funeral Benefit Insurance Scheme for the month concerned;
- (ii) the amount required to meet the cost of the administration expenses referred to in Rule 13.3 shall be applied for such purpose; and
- (iii) the balance, if any, shall be allocated towards retirement funding under the Member's Fund Credit;

provided that, in the case of a Member who remains in Service after the Normal Retirement Date as contemplated in Rule 5.2.3, the contributions that would have been allocated towards risk benefits in terms of (b)(i) above, shall be applied towards retirement funding.

#### 4.3 Contributions Paid to the Fund

- 4.3.1 The Employer shall deduct the Member's current contributions from the Member's remuneration at the end of each pay-period. The first deduction shall be that at the end of the pay-period during which the Member became a Member in terms of the Rules. Contributions by the Member in terms of Rule 4.1 and by



*Handwritten initials:* RH 13

the Employer in terms of Rule 4.2 shall be paid to the Fund within seven days of the end of the calendar month to which such contributions relate, subject to the provisions of Section 13A of the Act.

4.3.2 If the contributions are not paid to the Fund as required in terms of the Act, the Employer shall be required to pay late payment interest on any outstanding contributions at the greater of the the prime-lending rate charged by the financial institution of the Fund or interest rate reflected in the last audited financial statements reflecting the growth of the Fund.

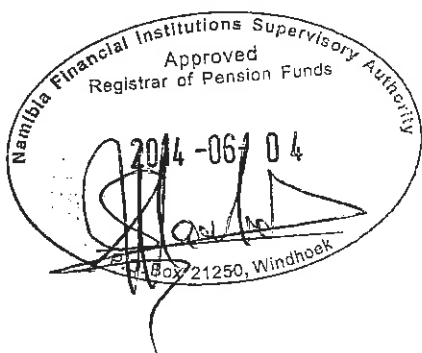
4.3.3 If an Employer fails to pay contributions in full within the period specified in Rule 4.3.1, the Executive Committee may continue to maintain the risk death benefits provided by the Fund in terms of Rule 6 and the benefits provided under the Disability Income Insurance Scheme and the Funeral Benefit Insurance Scheme in respect of the Members employed by the defaulting Employer only if the Valuator so recommends, provided that:

(a) should the Employer remain in default with payment of arrear contributions and in contravention of the Act the Executive Committee must take immediate remedial action against the defaulting Employer to obtain payment and review the position at monthly intervals;

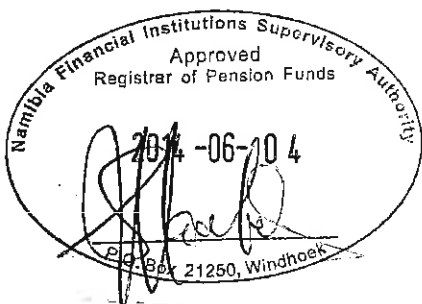
(b) the Principal Officer shall:

(i) report non-compliance to the Registrar of Pension Funds;

(ii) issue a letter of demand to the defaulting Employer at least three times within six months;



- (iii) if contributions are still in arrear at the end of the six month period referred to in (ii) above, the Principal Officer shall inform the defaulting Employer that the Fund intends to take legal action against him;
- (c) after the Principal Officer has informed the Participating Employer as contemplated in (b) (iii) above, the Executive Committee must institute legal action to recover the outstanding contributions, but shall continue to review the position at quarterly intervals; provided that the Executive Committee may institute legal action to recover outstanding contributions at any time;
- (d) after the expiry of the period of six months and if the legal action bears no results, the Executive Committee may at any time recommend to the Management Committee that the participation in the Fund of the defaulting Employer concerned be terminated in which case:
  - (i) The Management Committee may terminate the participation in the Fund of the Employer concerned with due notice; or
  - (ii) The Management Committee may recommend to the Board that the defaulting Employer concerned be given a final opportunity to effect payment of all arrears plus interest thereon within a further period of six months failing which the participation of such employer in the Fund shall be deemed to have been terminated in terms of Rule 10.6.

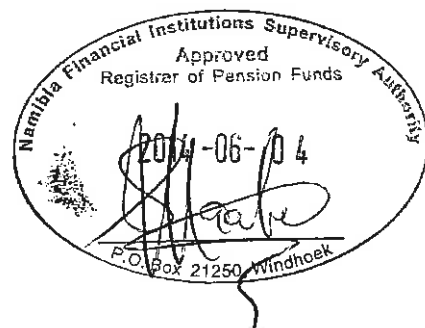


DJ  
RH

- 4.3.4 If the Executive Committee is not prepared to act as required by Rule 4.3.3(c) it must refer the matter to the Board who, with the necessary changes, may act under the above sub-rule.
- 4.3.5 If the advice of the Valuator in terms of the first paragraph of Rule 4.3.3 is contrary to the views of the Executive Committee, the participation of such Employer in the Fund shall be deemed to have been terminated in terms of Rule 10.6.
- 4.3.6 Whenever the participation of an Employer has ceased under this Rule the provisions of Rule 10.6 apply to the benefits of Members in the Service of such Employer.
- 4.3.7 In the recovery of arrears in contributions referred to in this Rule, the investment growth the Fund experienced over the period concerned may also be recovered or alternatively the loss of interest under Rule 4.3.2, but no deduction will be allowed in respect of any investment losses the Fund suffered.
- 4.3.8 If arrears referred to in this Rule are not recovered in full, any amount recovered must in the first instance be credited in respect of the provisions of Rules 4.2.3 (b) (i) and (ii) and only thereafter towards the provision of retirement benefits.

#### 4.4 Fund Accounts

The Trustees shall cause the following accounts to be maintained under the Fund:



#### 4.4.1 Reserve Account

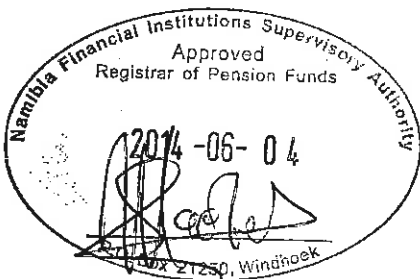
4.4.1.1 The Reserve Account shall be credited with:

- (a) contributions by the Employer in terms of the Rules as they applied before 1 March 2014;
- (b) after 1 March 2014, any percentage of the total contribution by the Employer in terms of Rule 4.2.2 if so recommended by the Valuator;
- (b) transfers from the Pooled Pension Account in terms of Rule 4.4.2.3(c);
- (c) any reinsurance payments made to the Fund by a Registered Insurer.

4.4.1.2 The amount standing to the credit of the Reserve Account shall be increased or decreased by the Investment Return earned by the assets in this account.

4.4.1.3 The amount standing to the credit of the Reserve Account shall be used as decided by the Board in consultation with the Valuator:

- (a) to pay lump sum death benefits in terms of Rule 6.1 (a);
- (b) to pay the costs and expenses referred to in Rule 13.3;

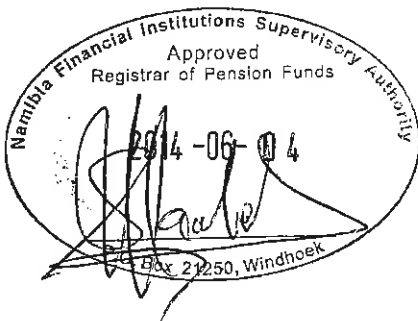


- (c) to increase benefits payable by the Fund;
- (d) to pay any premiums to a Registered Insurer;
- (e) if required, to make good any shortfall in the Pooled Pension Account from time to time, and if so decided by the Board, to be transferred to that account as may be determined by the Valuator;
- (f) if so decided by the Board on the advice of the Valuator, to be transferred to the Disability Income Insurance Scheme;
- (g) if so decided by the Board on the advice of the Valuator, to be transferred to the Funeral Benefit Insurance Scheme.

#### 4.4.2 Pooled Pensions Account

4.4.2.1 The Pooled Pensions Account comprises an account in respect of all Pensions in the course of payment to Pooled Pensioners, Qualifying Spouses, Qualifying Children and if applicable, Dependants of Pooled Pensioners. The Pooled Pensions Account shall be credited with:

- (a) the value of the Member's Fund Credit at his retirement, less any commutation in



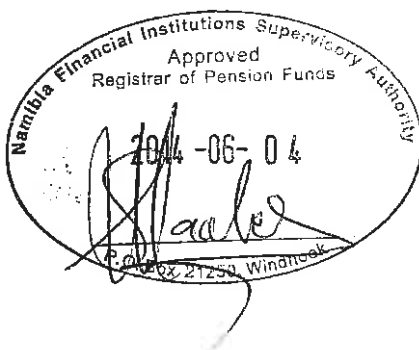
terms of Rule 5.4, in respect of those retiring Members whose Pension becomes payable in terms of Rule 5.1 (a) or Rule 5.3;

- (b) the value, as specified by the Valuator, of any Pensions payable in terms of Rule 6.3;
- (c) transfers from the Reserve Account in terms of Rule 4.4.1.3(e).

4.4.2.2 The amount standing to the credit of the Pooled Pension Account shall be increased or decreased by the Investment Return earned by the assets in this account.

4.4.2.3 The amount standing to the credit of the Pooled Pension Account shall be used

- (a) to pay Pensions and other regular instalments payable in terms of the Rules to Pooled Pensioners, Qualifying Spouses, Qualifying Children and if applicable, Dependants of Pooled Pensioners;
- (b) to pay out the cash value of any positive difference as contemplated in Rule 6.3 (e);
- (c) to transfer any surplus in this account, as determined by the Valuator, to the Reserve Account.





## 5. RETIREMENT BENEFITS

### 5.1 Amount of Pension

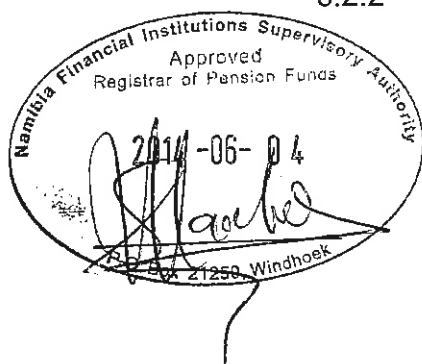
The Pension payable to a Member on his retirement in terms of Rule 5.2 or 5.3 shall be of an amount equal to his Fund Credit after the exercise of any option in terms of Rule 5.4. Such amount shall be used, as elected by the retiring Member, either:

- (a) to provide a Pension to the Member, vesting on the day following his retirement and which shall be based on a conversion factor applicable to his Normal Retirement Date, as decided by the Board acting on the advice of the Valuator, in which case such Member shall become a Pooled Pensioner; or
- (b) if the retiring Member so requests, to be paid by the Board to a Registered Insurer or to an Approved Retirement Annuity Fund in full and final settlement of the Fund's liability towards such Member; provided that such option may be exercised not later than one month after the Member's Normal Retirement Date or the date of his actual retirement from Service.

### 5.2 Retirement for reasons other than Ill-Health

5.2.1 A Member who has reached age 55 years may retire on the last day of any month prior to his Normal Retirement Date.

5.2.2 A Member who has not retired in terms of Rule 5.2.1 must retire on reaching his Normal Retirement Date.



5.2.3 Notwithstanding the provisions of Rule 5.2.2, by mutual agreement with his Employer a Member may remain in Service after his Normal Retirement Date. In such case, he shall retire on such later date as he agrees with his Employer, subject to giving at least 30 days' prior written notice to the Fund and provided that this date shall not be later than the last day of the month in which the Member reaches age 65 years.

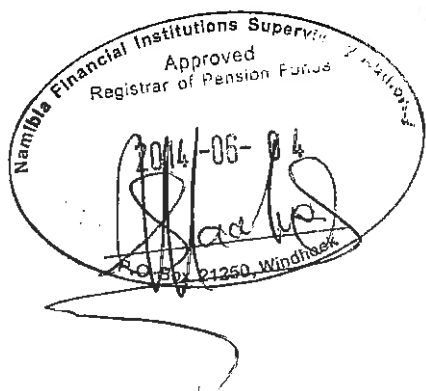
### 5.3 Retirement on the grounds of Ill-Health

If a Member younger than age 55, proves to the Management Committee that he has become incapable, through ill-health or other disablement, of gainful employment that he can reasonably be expected to undertake by reason of his education, training, experience or status and is not entitled to a disability income benefit from the Disability Income Insurance Scheme, he may, on giving written notice to the Board, retire at any time before he reaches age 55 years.

### 5.4 Commutation

5.4.1 At the request of a retiring Member made at the time of retirement, the Board may in their discretion commute for a cash payment:

- (a) if the amount available for the purchase of such Pension does not exceed the limit in the Income Tax Act from time to time, the whole of the available amount; or
- (b) if the whole of such amount exceeds the limit in the Income Tax Act, not more than one third of such amount.



*Handwritten initials:* RH 03

- 5.4.2 If the whole of a Pension is commuted in terms of Rule 5.4.1 (a) no Pension shall be payable to the Qualifying Spouse.

If part of a Pension is commuted in terms of Rule 5.4.1 (b), the percentage of the Pension that may be payable to the Qualifying Spouse shall not be affected.

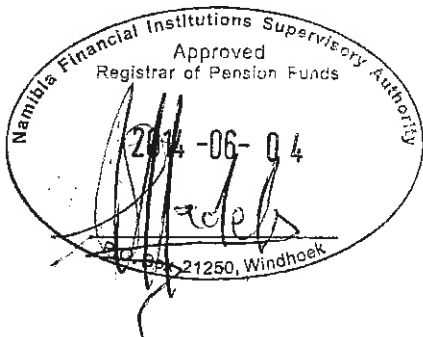
## 5.5 Pension Options

A Member may, prior to entering upon his Pension, make application to the Board for the Pension that would otherwise have been payable in terms of the Rules in respect of him to be converted into a Pension subject to alternative conditions and provisions, provided that such alternative Pension:

- (a) shall be of an equivalent value, as calculated by the Valuator, to the Pension payable in terms of these Rules,
- (b) shall not be succeeded by a Pension to a Dependant which, at the time of the Pensioner's death is greater than the Pension which he was receiving at the time, and
- (c) shall not be inconsistent with the provisions of these Rules, the Act or the Income Tax Act.

## 5.6 Payment of Pensions from the Fund

- 5.6.1 Amounts payable in respect of a Member or Pensioner during his lifetime shall be paid to such Member or Pensioner.



- 5.6.2 Pensions are payable monthly or, at the request of the retiring Member, quarterly, half-yearly or annually in arrear, the proportionate amount being derived from the annual Pension calculated in terms of these Rules.
- 5.6.3 If Pensions are payable monthly, the first payment shall be due at the end of the calendar month following the month in which a Member retires or dies or a Pensioner dies, as the case may be.
- 5.6.4 The last payment of a Pension shall be that due at the end of the calendar month in which :
- (a) a Pensioner dies,
  - (b) the Qualifying Spouse dies in the case of a Qualifying Spouse's Pension,
  - (c) a Qualifying Child ceases to be a Qualifying Child,
  - (d) a designated Dependant dies in the case of a Pension being paid in terms of Rule 6.3 (d).
- 5.6.5 The provisions of Rule 5.6.2 and Rule 5.6.3 shall apply, mutatis mutandis, if Pensions are payable quarterly, half-yearly or annually at the request of the retiring Member.
- 5.6.6 Whenever a Pension commences, is changed or terminates, payments due at the end of the month concerned will be made based on the circumstances applying on such date; provided that when a Member retires, payment of his pension will commence at the end of the month following the month in which he retires.



B  
RHG

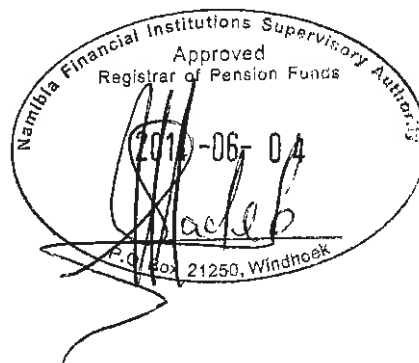
5.6.7 In consultation with the Valuator, the Board shall review the level of Pensions being paid from the Fund to Beneficiaries and may direct that Pensions be increased.

5.6.8 Each person in receipt of a Pension shall provide such evidence of his survival or continued eligibility as the Fund may require. If such evidence is not produced, then the Board may direct that payment of the Pension be suspended until such evidence is produced.

## 5.7 Pre-Retirement Investment Provisions

It is specifically provided that the Board shall arrange, on 1 April and 1 October each year, for the Fund Credit of each Member who has reached age 55 and over to be placed in a lower volatility portfolio to be determined by the Board from time to time; provided that:

- (a) each such Member may elect by notice in writing to the Trustees that his Fund Credit shall remain in a portfolio that is exposed to market volatility;
- (b) if a Member elects the option in (a) above, the provisions of Rule 13.1.7 shall apply *mutatis mutandis*.



## 6. DEATH BENEFITS

### 6.1 Benefit payable on Death in Service prior to Normal Retirement Date

On the death of a Member while in Service before his Normal Retirement Date or while in receipt of a benefit from the Disability Income Insurance Scheme prior to his Normal Retirement Date there shall be payable, a lump sum benefit equal to:

- (a) subject to the provisions of Rule 6.4, the Insured Death Benefit;

plus

- (b) his Fund Credit;

plus

- (c) if applicable, a lump sum funeral benefit from the Funeral Benefit Insurance Scheme.

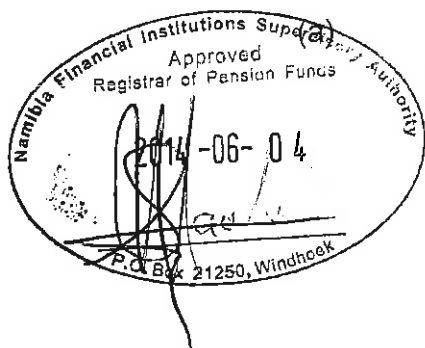
### 6.2 Benefit payable on Death in Service after Normal Retirement Date

On the death of a Member while in Service after his Normal Retirement Date, the benefit payable shall be his Fund Credit.

### 6.3 Death after Retirement of a Pooled Pensioner

On the death of a Pooled Pensioner his Pension shall cease as provided for in Rule 5.6.4 but there shall be payable :

a lump sum of N\$3 000, or such other amount as decided by the Board from time to time, subject to the maximum amount permitted in terms of the Income Tax Act;



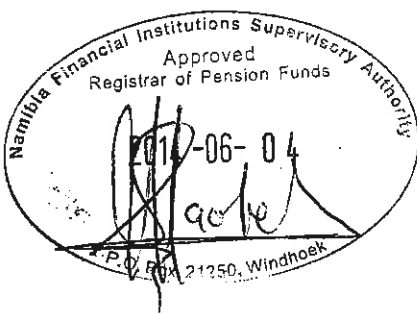
B  
DJ  
RH

- (b) a Pension to his Qualifying Spouse, equal to 75% of the Pension that the Pooled Pensioner was receiving at the date of his death;
- (c) a Pension in respect of the Qualifying Children of the Pooled Pensioner, equal to a percentage of the Pooled Pensioner's Pension as described in (b) above, in accordance with the following table :

<b>Number of Qualifying Children</b>	<b>Percentage of Pension described in (b) above</b>
1	5%
2	10%
3	15%
4	20%
5 or more	25%

The Pension payable in respect of Qualifying Children of a Pensioner is doubled for any month for which no Pension is payable to a Qualifying Spouse of the Pensioner in terms of (b) above;

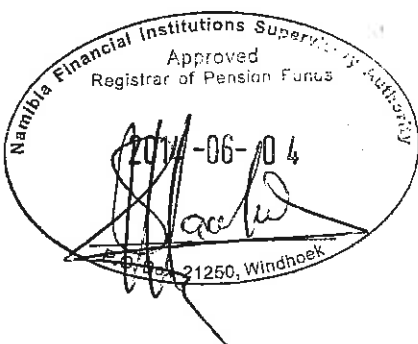
- (d) a designated Dependant's Pension if the Member had elected the corresponding option in terms of Rule 5.5;
- (e) after the last payment of a Qualifying Spouse's Pension and/or Qualifying Children's Pension and/or designated Dependant's Pension has been made, the Board shall deduct the total amount paid to the Pooled Pensioner, his Qualifying



B  
D  
RH

Spouse, Qualifying Children and designated Dependant, including any amount which may have been commuted for cash, from the amount of the Member's Fund Credit at the date of actual retirement. Should there be any positive difference, such positive difference shall be paid in a lump sum, to the Pooled Pensioner's Dependents and/or Nominees;

- (f) on the death of a Pooled Pensioner, at the request of his Qualifying Spouse, the Board may in its discretion commute for a cash payment to the Qualifying Spouse up to one-third of the Pension payable to the Qualifying Spouse (or up to the whole thereof if allowed by income tax legislation), provided that such commutation takes place within six months of the death of the Pooled Pensioner and before the first instalment of the spouse's Pension is paid. The amount of the Pension payable to the Qualifying Spouse shall thereafter be reduced by such proportion of the total Pension as is commuted for a cash payment. The amount of the cash payment shall be decided by the Board after consultation with the Valuator;
- (g) the provisions of Rule 5.6 shall apply *mutatis mutandis* to payment of Pensions to Qualifying Spouses and Qualifying Children of a Pooled Pensioner; provided that:
- (i) If the deceased Pooled Pensioner leaves more than one Qualifying Spouse, the Board shall decide to which of them and in what proportion the benefits shall be paid, provided that the total Qualifying Spouses' Pensions payable shall be equal to the Pension that would have been payable had there only been one Qualifying Spouse;





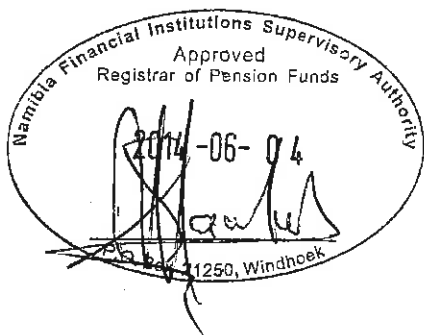
- (ii) Pensions in respect of Qualifying Children of the Pooled Pensioner shall be paid to or for the benefit of such Qualifying Children in such proportions as the Board may decide.

#### 6.4 Restrictions

- 6.4.1 The Board has the power, where so required by the Registered Insurer, to require a Member to be examined at the Registered Insurer's expense by a medical practitioner appointed by the Registered Insurer.
- 6.4.2 Acting on the results of this examination, the Registered Insurer may decide that the Insured Death Benefit shall be restricted in such manner as decided by the Registered Insurer.
- 6.4.3 The Board must inform the Member in writing of the terms of any restriction imposed in terms of this Rule.
- 6.4.4 The Insured Death Benefit shall be insured with a Registered Insurer and shall not become payable unless the claim for the benefit has been admitted by the Registered Insurer, or shall be limited to the amount paid by the Registered Insurer.

#### 6.5 Payment of Benefit

- 6.5.1 Payment of the death benefit described in Rules 6.1(a) and (b) shall be made in accordance with Section 37C of the Act quoted in Annexure D to the Rules.

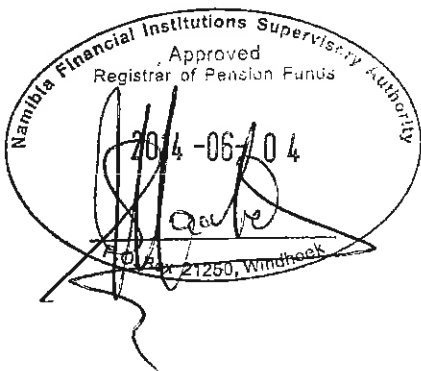


D  
DJ  
RKH

6.5.2 Subject to the provisions of the Act, the Board may establish an umbrella trust in the name of the Fund for the benefit of Dependants of deceased Members, and appoint trustees as envisaged in the Trust Moneys Protection Act, 1934 (Act of No. 34 of 1934), to administer such umbrella trust. Such umbrella trust shall be established for the benefit of and to administer lump sum death benefits payable to:

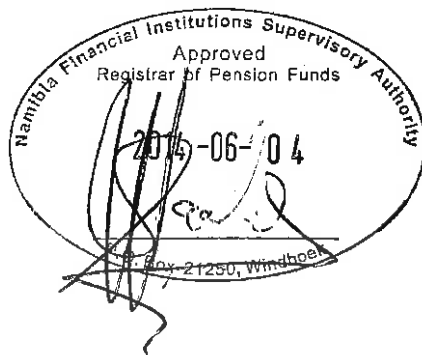
- (a) a Dependant who is a minor whenever the Trustees do not deem it in such minor's best interests to make payment to such minor's guardian, or
- (b) a Dependant who is otherwise legally incapacitated whenever the Trustees do not deem it in such Dependant's best interest to make payment to such Dependant's guardian or curator, or
- (c) a Dependant other than one contemplated in (a) or (b) above whenever the Trustees deem it in such Dependant's best interest to make payment to such umbrella trust for the benefit of the Dependant.

For the purpose of the Fund, a payment by the Fund to a Dependant shall be deemed to include a payment made by the Fund to a trustee of such umbrella trust for the benefit of a Dependant. A payment by the Fund to a trustee of such umbrella trust for the benefit of a Dependant shall constitute full and final settlement of the amount due to such Dependant. Once payment has been made to a trustee of such umbrella trust for the benefit of a Dependant, the Board shall become *functus officio* as regards the future application of the amount so paid.



Handwritten initials: DJ, 05, and RIT.

6.5.3 The umbrella trust referred to in Rule 6.5.2 shall come into existence when the Fund pays the first lump sum benefit to a trustee thereof for the benefit of a Dependant.



Handwritten initials and a signature, possibly "KH".

## 7. TERMINATION OF SERVICE

### 7.1 Resignation

If a Member who has not reached Normal Retirement Date leaves Service in circumstances not provided for elsewhere in these Rules he shall become entitled to a benefit equal to his Fund Credit.

### 7.2 Payment of Benefit

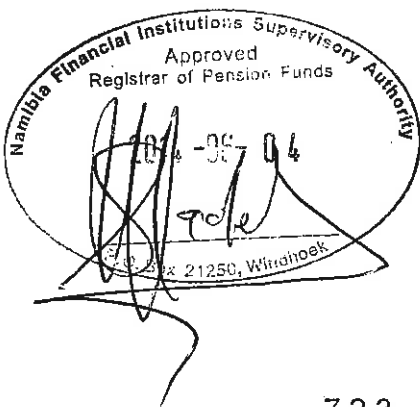
7.2.1 Unless a Member elects to preserve his benefit in terms of Rule 7.2.2, the benefit in terms of this Rule shall be paid to the Member as a lump sum. Payment shall be made as soon as possible after the date of his leaving Service.

7.2.2 A Member may elect to preserve any part of the benefit in terms of Rule 7.1 that he does not take in cash or that he does not require to redeem a loan granted to him in terms of Rule 13.2, by either:

(a) transferring all or part of the benefit to another Approved Pension Fund, an Approved Pension Preservation Fund, an Approved Provident Fund, an Approved Provident Preservation Fund or an Approved Retirement Annuity Fund of his choice; or

(b) electing to become a Deferred Pensioner and for his benefit or part thereof to be retained in the Fund in accordance with the provisions of Rule 7.3; or

7.2.3 When a benefit has been paid to the Member as a lump sum in terms of Rule 7.2.1 or transferred in terms of Rule 7.2.2 (a), the Member shall have no further claim on the Fund.

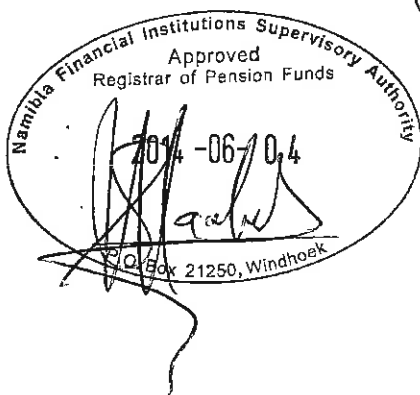


DJ  
RH

### 7.3 Deferred Pensioners

The following provisions shall apply if a Member elects to become a Deferred Pensioner in terms of the option in Rule 7.2.2 (b):

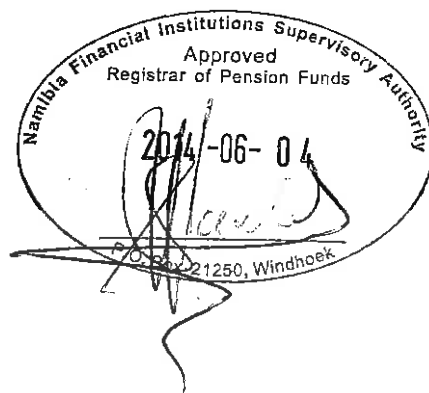
- (a) the value of the Member's Fund Credit at the date of withdrawal, less any amount thereof that was paid in cash, will form the opening balance of his Fund Credit at the date of leaving Service;
- (b) no further contributions will be payable by or on behalf of the Deferred Pensioner on or after the date of his withdrawal from Service;
- (c) his Fund Credit shall be debited by expenses incurred by the Administrators and increased or decreased by the Investment Return of the Fund until it becomes payable in terms of (e) below;
- (d) the Deferred Pensioner shall not be entitled to benefits other than those provided for under this Rule 7.3;
- (e) the benefit shall become payable to the Deferred Pensioner in the following circumstances:
  - (i) on the Deferred Pensioner's attainment of a retirement age in terms of Rule 5, whereupon he shall become entitled to retirement benefits in terms of Rule 5, and may either:



*RH*

- (aa) receive a Pension vesting on the following day, in which case he shall become a Pensioner in terms of the Rules of the Fund; or
  - (bb) request the Board to pay the amount determined in accordance with (c) above to a Registered Insurer or to an Approved Retirement Annuity Fund in accordance with the provisions of Rule 5.1 (b);
- (ii) on his death prior to attainment of a retirement age, the benefit shall become payable in accordance with the provisions of Section 37C of the Act quoted in Annexure D to the Rules;

provided that a Deferred Pensioner may elect to transfer the amount determined in accordance with (c) above to an Approved Pension Fund, an Approved Provident Fund or an Approved Retirement Annuity Fund at any time between the date of his withdrawal from the Fund in terms of this Rule 7 and the date of his retirement in terms of (i) above, after which the Fund shall have no further liability towards the Deferred Pensioner.



RH  
05  
W

## 8. ABSENCE

8.1 When a Member is on leave with full pay or with pay less than full pay, he shall contribute to the Fund in accordance with Rule 4.1.1 and the Employer shall continue to contribute in respect of him in accordance with Rule 4.2 and all benefits under the Fund in respect of him shall be maintained.

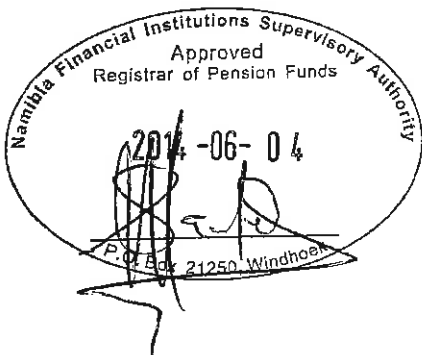
8.2 A Member qualifying for a disability income benefit from the Disability Income Insurance Scheme shall be deemed to remain in Service for the purposes of the Fund.

8.3 If a Member is on leave without pay, the Member shall cease to contribute in terms of Rule 4.1 and the Employer may elect whichever of the following options is acceptable to the Employer in his case:

(a) to cease contributions under Rule 4.2 during the Member's leave and in the event of the Member's death during this period, the Insured Death Benefit shall not become payable; or

(b) to limit his contributions during such period to the amount required to maintain the Insured Death Benefit, which benefit shall continue to be payable for such period as is set out by the Registered Insurer in the policy in terms of which the benefit in that Rule is insured;

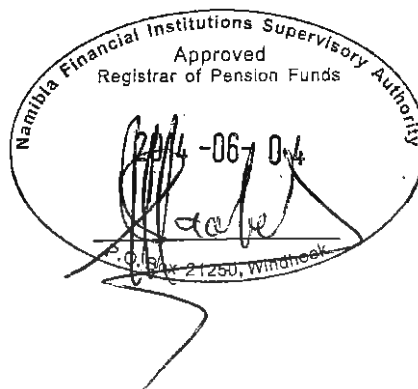
(c) to maintain contributions under Rule 4.2 by reference to the Member's Fund Salary immediately prior to the commencement of the period of leave whereupon the Member shall be deemed to remain in Service.



RH  
DJ  
DB

8.4 An option provided for in Rule 8.3 shall be exercisable by the Employer's giving notice of the option elected in writing to the Board before the date on which the Member's leave commences.

If the Employer fails to exercise the option he shall be deemed to have exercised option (a) in Rule 8.3.



*Handwritten initials/signature*



## 9. TRANSFERS

### 9.1 Transfers into the Fund

9.1.1 If a Member who was a member of another Approved Pension Fund, an Approved Pension Preservation Fund, an Approved Provident Fund, or an Approved Provident Preservation Fund prior to becoming a Member of the Fund chooses to transfer the benefit to which he is entitled on leaving that fund into the Fund, the amount so transferred shall be applied under the Member's Fund Credit.

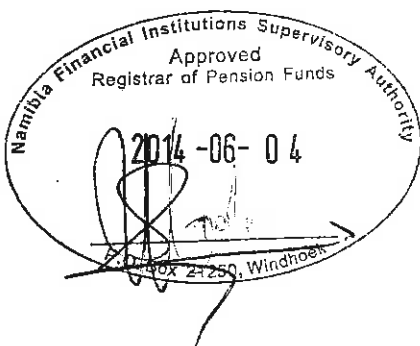
9.1.2 If a Member or a group of Members transfers to the Fund from a Previous Fund in terms of the provisions of Section 14 of the Act, quoted in Annexure F to these Rules, the Fund shall receive from the Previous Fund the amount payable to the Fund in respect of each such Member. Such amount shall be applied under the Member's Fund Credit.

### 9.2 Transfers out of the Fund

If retirement benefit arrangements for employees of an Employer are restructured and in consequence Members become members of another Approved Pension Fund or an Approved Provident Fund, the following shall apply:

(a) on such date as it may determine, the Board shall arrange for the transfer to such Approved Pension Fund or Approved Provident Fund of:

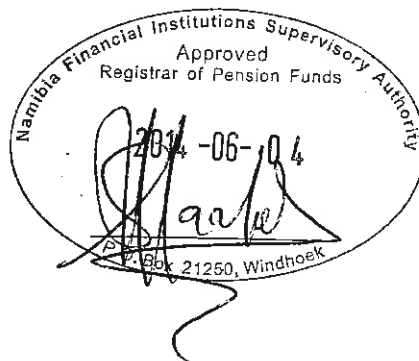
(i) the Fund Credit of each Member in the Service of



05/10  
RHB

that Employer who is eligible for membership of such fund; and

- (ii) the benefit, as determined in accordance with Rule 7.3 (c) of each Deferred Pensioner who was in the Service of that Employer;
- (b) in determining a Member's Fund Credit and the benefit payable in respect of a Deferred Pensioner for the purpose of (a) above, the Board after consultation with the Valuator shall consider the equity between the groups of Members participating in the Fund and the groups of Deferred Pensioners and recommend what portion, if any, of the Reserve Account shall be transferred with the Member's or Deferred Pensioners Fund Credit to such Approved Pension Fund or Approved Provident Fund;
- (c) the Employer may request that the Pensioners who were employed by him prior to their retirement, be transferred to the new Approved Pension Fund or Approved Provident Fund, in which case the Board shall transfer the appropriate proportion of the Pooled Pensions Account, as determined by the Board after consultation with the Valuator, to such Approved Pension Fund or Approved Provident Fund.



## 10. TERMINATION OF THE FUND

10.1 The Fund may be terminated:

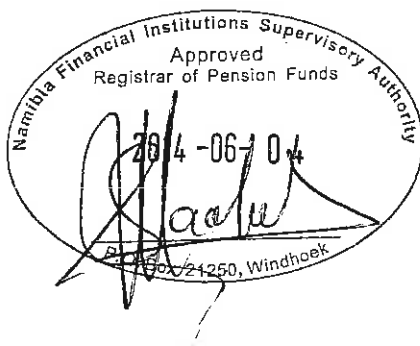
- (a) by the Board; or
- (b) by order of the court; or
- (c) if the Participating Employers should for any reason cease to operate.

10.2 If the Fund is to be terminated, then the Board shall, subject to the approval of the Registrar, appoint a liquidator who must liquidate the Fund with effect from the date of the Registrar's ' approval of his appointment.

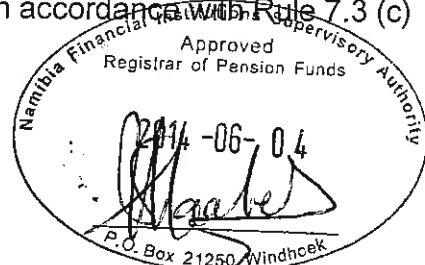
10.3 In accordance with the instructions of the liquidator, the total moneys available under the Fund after payment of all expenses incurred in the liquidation shall be applied to provide benefits for all Members, Pensioners, Deferred Pensioners and other Beneficiaries on an equitable basis recommended by the Valuator and approved by the liquidator.

10.4 The procedure in terms of Rule 10.3 shall be subject to the following provisions:

- (a) the liquidator shall allocate the balance in the Pooled Pensions Account to the Pooled Pensioners on a basis determined by the Valuator, and shall use the amount available for each such Pensioner's allocation to purchase a Pension from a Registered Insurer on terms and conditions as similar to the Pension being paid from the Fund as is reasonably possible;



- (b) the amount available in terms of Rule 10.3 for a person prospectively entitled to a Pension shall, as directed by the liquidator, either
    - (i) be transferred for his benefit to another Approved Pension Fund, an Approved Pension Preservation Fund, an Approved Provident Fund an Approved Provident Preservation Fund, or an Approved Retirement Annuity Fund; or
    - (ii) if the Member so requests, be paid to the Member as a lump sum benefit;
  - (c) if a person to whom an amount is payable cannot be traced, the amount referred to in Rule 10.4.(b) shall be either be dealt with in terms of the scheme for liquidation of the Fund or paid to the Guardian's Fund;
  - (d) in making an apportionment in terms of Rule 10.3, the liquidator shall take into consideration every former Member who left Service during the period of at least twelve months ending on the date of commencement of liquidation. The former Member's apportionment shall be reduced by the amount of the benefit which he received on leaving Service.
- 10.5 When all payments have been made by the Fund in terms of Rule 10.4, the Fund shall have no further liability to any person and its registration in terms of the Act shall be cancelled.
- 10.6 If any Participating Employer is, for any reason whatsoever, to cease its participation as an Employer in the Fund, then the Fund Credit of each Member in the Service of that Employer and the benefit payable in respect of each Deferred Pensioner as determined in accordance with Rule 7.3 (c) shall, as directed by the Board, either

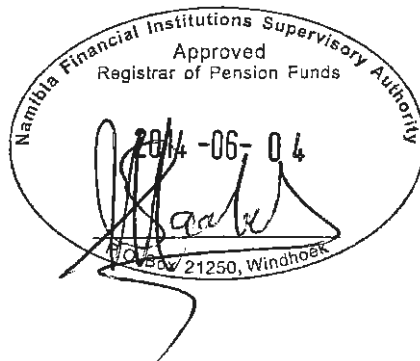


Handwritten initials or signature, possibly "EIT DJ".

- (a) be transferred to another Approved Pension Fund, an Approved Pension Preservation Fund, an Approved Provident Fund, an Approved Provident Preservation Fund, or an Approved Retirement Annuity Fund; or
- (b) if the Member so requests, be paid to the Member as a lump sum benefit;

provided that if the Participating Employer ceases participation due to the restructuring of its arrangements for the provision of retirement benefits as contemplated in Rule 9.2, the provisions of that Rule shall apply.

On finalisation of the transfer of benefits in terms of (a) above, or on payment to the Member in terms of (b) above, the Participating Employer shall then cease to be a Participating Employer and its Members shall cease to be Members and shall have no further claim on the Fund.



*Handwritten initials/signature*  
R.H. DJ

**11. DEDUCTIONS FROM BENEFITS**

The Board shall have the right to make such deductions from the benefit to which a Member or other Beneficiary is entitled in terms of the Rules as are permitted in terms of Section 37D of the Act (quoted in Annexure G to the Rules) and in respect of which a claim has been lodged in writing within such reasonable time of the event giving rise to the benefit as the may from time to time fix for making such claims.

Namibia Financial Institutions Supervisory Authority  
Approved  
Registrar of Pension Funds  
2014-06-04  
Windhoek

B  
DJ  
RH

## 12. MANAGEMENT OF THE FUND

### 12.1 Board of Trustees

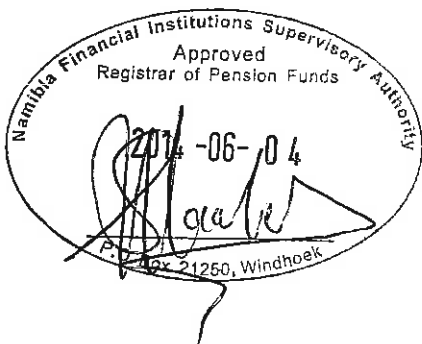
12.1.1 The control, management and administration of the Fund shall vest in a Board of Trustees, who shall be elected in terms of this Rule 12.1.1 and Rule 12.1.2. Each Region participating in the Fund shall be represented by one representative of the Participating Employer and one representative for the Members. The following shall apply:

- (a) the representatives of the Participating Employers shall be serving local authority Councilors and/or other suitable persons and shall be elected in each Region where at least one local authority council is a Participating Employer;
- (b) the representatives of the Members shall be elected by the Members in each Region where at least one local authority council is a Participating Employer;

provided that

- (i) an additional Councilor or other suitable person to represent the Participating Employers and an additional Member representative shall be elected in the Khomas Region; and
- (ii) an alternate shall be elected for each Trustee.

12.1.2 Out of the Trustees elected in terms of Rule 12.1.1, one of the representatives of the Participating Employers shall be elected by ALAN to represent the Pensioners and one Pensioner shall be nominated and elected by the Management Committee as the Pensioners' representative.



B  
D  
R  
H

12.1.3 The Trustees shall from their ranks elect a chairperson and a vice-chairperson every 2 years, provided that:

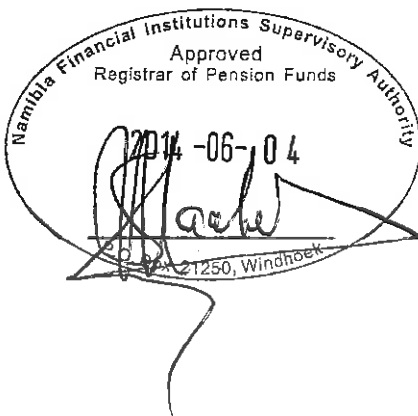
- (a) the chairpersonship shall alternate annually between a Member representative and a Participating Employer representative;
- (b) the vice-chairperson shall be a Member representative while the chairperson is a Participating Employer representative and vice versa.

12.1.4 Only a Member, including a member of a Trade Union registered as such in terms of an Act of Parliament, will qualify to serve as a Trustee or alternate Trustee who is a Member representative, other than as a Pensioner representative.

## 12.2 Disqualification from holding office as a member of the Board of Trustees and Term of Office

12.2.1 None of the following persons shall qualify for election as a member of the Board or his alternate :

- (a) a minor;
- (b) an unrehabilitated insolvent;
- (c) any person convicted by a competent court of theft, fraud, forgery or any other similar offence;
- (d) any person convicted by a competent court of corruption as defined in the Anti-Corruption Act 2003 (Act 3 of 2003);



*Handwritten initials/signature*



- (e) any person discharged by a competent court from any office of trust on account of misconduct;
- (f) any person who has been sentenced to a prison term without the option of a fine.

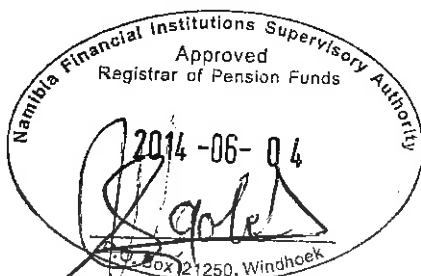
12.2.2 A member of the Board shall hold office for a period of four years, provided that:

- (a) any member of the Board may be re-elected;
- (b) elections for fifty percent of the Trustees will be held every second year (in alphabetical order of the Regions) after the first election for the full Board of Trustees shortly after the Commencement Date.

The election of the alternates of the Trustees will be held in the same manner.

12.2.3 Any Member of the Board or his alternate shall cease to hold office if:

- (a) he resigns from the Board; or
- (b) he becomes disqualified in terms of Rule 12.2.1;
- (c) he becomes mentally or physically incapable of acting; or
- (d) his term of office expires in terms of Rule 12.2.2; or



*Handwritten initials/signature*

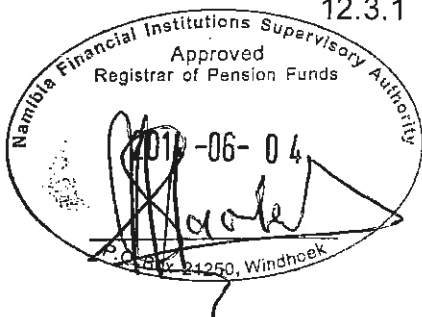
- (e) in the case of a Member representative, he ceases to be a Member of the Fund, or an official of a representative union; or
- (f) in the case of an Employer representative who is also a Councillor, he ceases to serve as a Councillor on a participating local authority council; or
- (g) he has been found guilty of transgressing the Code of Ethics of the Fund and has been asked to resign as a Trustee.

12.2.4 If a vacancy occurs in respect of a member of the Board, for any reason other than the expiry of such person's official term of office:

- (a) in the case of a member of the Board, his alternate shall be appointed as a member of the Board for the remainder of the retiring member's official term of office;
- (b) in the case of an alternate, a successor shall be elected in the same manner as the retiring alternate or the alternate who becomes a member of the Board in terms of (a) above was elected, for the remainder of the term of office.

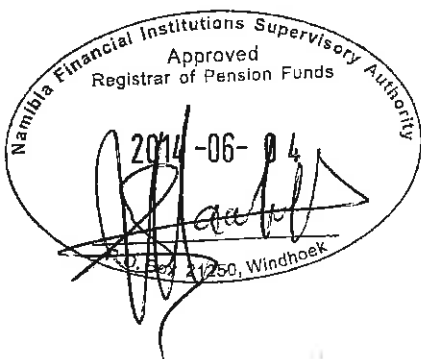
### 12.3 Meetings of the Board of Trustees

12.3.1 The Board shall meet at such times as it deems necessary to conduct the business of the Fund.



DJ  
RH

- 12.3.2 A special meeting shall be convened at any time upon the instruction of the chairperson or following a written request by any ten members of the Board.
- 12.3.3 The chairperson shall be responsible for the orderly conduct of meetings of the Board and shall have the right to suspend or exclude from a meeting any member of the Board who deliberately disregards the chairperson's authority, who disrupts the activities of the Board, or who transgresses the Code of Ethics of the Fund.
- 12.3.4 If the chairperson is unable to attend a meeting of the Board, the vice-chairperson shall act as chairperson for the meeting. If neither the chairperson nor the vice-chairperson is able to attend a meeting of the Board, the members of the Board present at such meeting shall elect one of their number to act as chairperson.
- 12.3.5 The majority of the members of the Board shall constitute a quorum for the meeting. If a quorum is not present within thirty minutes after the appointed time for the commencement of a meeting, the meeting shall adjourn for at least one week. At such adjourned meeting the members of the Board then present shall constitute a quorum.
- 12.3.6 Decisions by the Board shall be taken by a counting of hands or, if so requested by any member of the Board present at such meeting, by voting by means of ballot paper. A decision by the majority of members of the Board shall constitute a decision by the Board. In the event of an equality of votes, negotiations on the issue shall be instituted, failing which a conciliation board shall be appointed. In the event of a dispute arising on the appointment of a conciliation board, such conciliation board shall be appointed by the Labour Commissioner's Office.



DJW  
RH

12.3.7 Minutes of all meetings must be kept and at least 15 days' notice of each ordinary meeting shall be given to each member of the Board; provided that at the discretion of the Board this notice period may be waived or reduced.

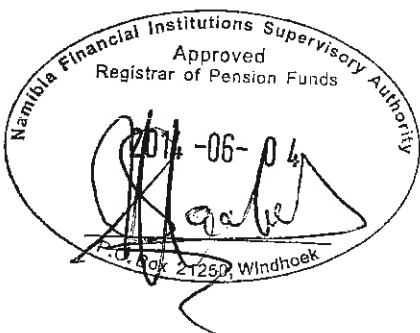
## 12.4 Duties and Powers of the Board

12.4.1 The Board shall:

- (a) consider and approve the accounts for each Financial Year as submitted to it by the Management Committee in accordance with Rule 13.4;
- (b) consider matters referred to it for attention;
- (c) arrange the appointment and election of members of the Management Committee in terms of Rule 12.5.

The foregoing duties or functions may, notwithstanding anything to the contrary in the Rules, be delegated.

12.4.2 The Board may, by way of a decision of the majority of its members, make rules and a Code of Ethics which will be binding upon itself, the Management Committee or any other committee or person in respect of the conduct and proceedings of any meeting of the Board, the Management Committee or any other committee, subject to the provisions of the Rules. Such Rules shall be known as the Rules of Conduct and/or code of Ethics and may be amended or added to from time to time by the Board.



B/D  
RH DT

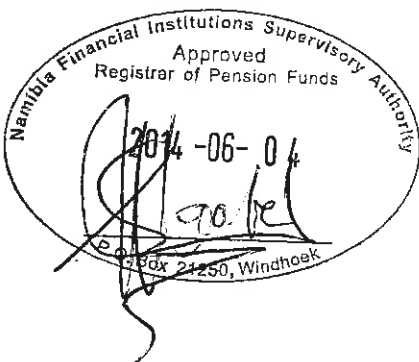
12.4.3 Subject to the provisions of the Act, the Board shall be empowered to carry out the objects and purposes of the Fund in terms of these Rules and accordingly shall have the powers set out in Rule 13.1.

12.4.4 Subject to the provisions of the Act, the Board and the Management Committee may from time to time establish such sub-committees as they may deem necessary to advise them generally or in relation to any particular matter concerning the exercise of any of their powers or the performance of any of their duties and functions. It is a proviso that:

- (a) one such sub-committee shall be established to deal with matters related to the Fund's investments and another such sub-committee shall be established to deal with death benefit claims;
- (b) the Board and the Management Committee may appoint such Trustees as they deem fit to serve on such sub-committees for such terms of office as they deem fit. If a casual vacancy arises on any such sub-committee, the Board or the Management Committee, as the case may be, shall appoint a Trustee to fill such vacancy for the remainder of the retiring Trustee's term of office.

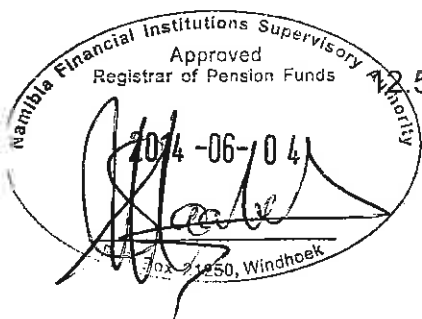
## 12.5 Management Committee

12.5.1 Notwithstanding the provisions of Rule 12.4, the Board shall have the specific power to delegate any of the management and administrative functions set out in Rule 13.1 to a Management Committee, subject to the provisions of Rule 12.5.3.



B. A.  
R.H. D.J.

- 12.5.2 The Management Committee shall comprise ten members of the Board, inclusive of the chairperson and the vice-chairperson, five of whom shall be Employer representatives and five of whom shall be Member representatives, provided that any such member may be removed from the Management Committee by a vote of no-confidence. The chairperson and vice-chairperson of the Board shall be the chairperson and vice-chairperson of the Management Committee respectively.
- 12.5.3 The Management Committee shall not have the right to do anything which is contrary to a decision of or rule made by the Board and may also not amend the Rules of the Fund.
- 12.5.4 If a vacancy on the Management Committee arises, the remaining members shall elect a member to fill such vacancy for the remainder of the retiring member's term of office.
- 12.5.5 The chairperson shall preside over each meeting of the Management Committee and his absence, the vice-chairperson shall act in his stead. In the absence of both the chairperson and vice-chairperson from any meeting, the members present shall elect one of their number to act as chairperson.
- 12.5.6 The Management Committee may co-opt any person, by virtue of his knowledge, expertise or skill, to serve on the Management Committee, but such person shall have no right to make a proposal, second a proposal or vote on a proposal.
- 12.5.7 A member of the Management Committee shall hold office for as long as he remains a member of the Board of Trustees.

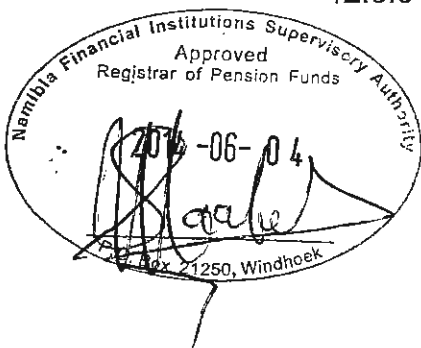


B A  
RH DJ

- 12.5.8 The Management Committee shall meet as often as it deems necessary to conduct the business of the Management Committee, but at least once every four months. At all meetings of the Management Committee, the majority of the members shall constitute a quorum.
- 12.5.9 Decisions by the Management Committee shall be taken by a show of hands or, if so requested by any member of the Management Committee present at such meeting, by voting by ballot. A decision by the majority of members of the Management Committee shall constitute a decision by the Management Committee. In the event of an equality of votes, negotiations shall be instituted, failing which the matter shall be referred to the Board.

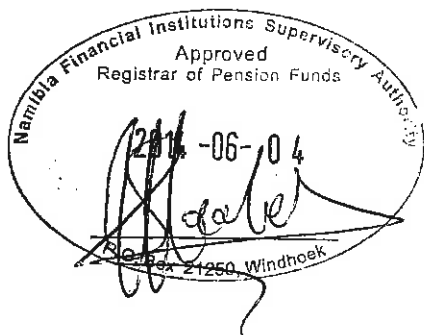
## 12.6 Executive Committee

- 12.6.1 The Board and Management Committee shall have the power to delegate any of their respective functions in terms of Rule 12.4 or 12.5 to an Executive Committee, subject to the provisions of 12.6.3 below.
- 12.6.2 The Executive Committee will comprise four members of the Board, two of whom shall be Employer representatives, and two of whom shall be Member representatives, provided that any such member may be removed from the Executive Committee by a vote of no-confidence. The chairperson and vice-chairperson of the Board shall be the chairperson and vice-chairperson of the Executive Committee respectively.
- 12.6.3 The Executive Committee shall not have the right to do anything which is contrary to a decision of or rule made by the Board and may also not amend the Rules of the Fund.



B R  
RH 25

- 12.6.4 If a casual vacancy arises on the Executive Committee, the Board or the Management Committee, as the case may be, shall appoint a member to fill such vacancy for the remainder of the retiring member's term of office.
- 12.6.5 The chairperson shall preside over each meeting of the Executive Committee and his absence, the vice-chairperson shall act in his stead. In the absence of both the chairperson and vice-chairperson from any meeting, the members present shall elect one of their number to act as chairperson.
- 12.6.6 The Executive Committee may co-opt any person, by virtue of his knowledge, expertise or skill, to serve on the Executive Committee, but such person shall have no right to make a proposal, second a proposal or vote on a proposal.
- 12.6.7 A member of the Executive Committee shall hold office for long as he remains a member of the Board of Trustees.
- 12.6.8 The Executive Committee shall meet at least 6 times per calendar year, to conduct the business of the Fund. At all the meetings of the Executive Committee, the majority of the members shall constitute a quorum.
- 12.6.9 Decisions by the Executive Committee may be taken by a show of hands or, if so requested by any member of the Executive Committee present at such meeting, by voting by ballot. A decision by the majority of members of the Executive Committee shall constitute a decision by the Executive Committee. In the event of an equality of votes, negotiations shall be instituted, failing which the matter shall be referred to the Management Committee.

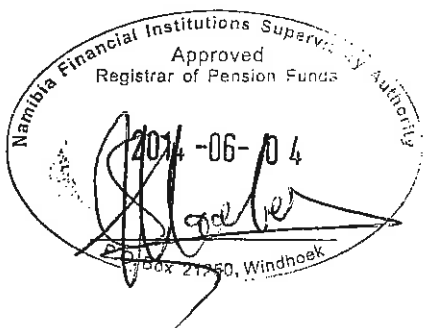


B A  
RH DJ



## 12.7 Other Appointments

- 12.7.1 Subject to the provisions of the Act, the Board shall appoint an Auditor, and may withdraw any such appointment and make another appointment in its place at any time.
- 12.7.2 Subject to the approval of the Registrar, the Board shall appoint a Valuator as valuator of the Fund, and may withdraw any such appointment and make another appointment in its place at any time.
- 12.7.3 The Board shall appoint a Principal Officer in terms of the Act and may withdraw any such appointment and make another appointment in its place at any time. If the Principal Officer is absent from the Republic of Namibia or is otherwise unable to perform his duties, the Trustees shall within 30 days appoint another person to act as Principal Officer for the period of his absence or inability.
- 12.7.4 The Principal Officer shall be entitled to such reasonable remuneration for his services as may be decided from time to time by the Board.
- 12.7.5 The Board may appoint an administrator to administer the Fund and may withdraw any such appointment and make another appointment in its place at any time.
- 12.7.6 The Board may appoint a consultant, including an asset consultant, and other service providers on such terms as they may determine and may withdraw any such appointment and make another appointment in its place at any time.

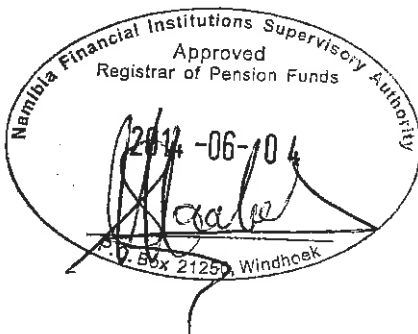


12.7.7 The Board may from time to time appoint a suitable person or body to attend to the day-to-day operation of the Fund. Any such appointment may be changed by the Board in its sole discretion.

## 12.8 Indemnification of Officers of the Fund

12.8.1 The Board and all other officers of the Fund shall be indemnified by the Fund against all proceedings, costs and expenses incurred by reason of any claim in connection with the Fund not arising from their negligence, dishonesty or fraud.

12.8.2 The Board must ensure that the Fund is insured against any loss resulting from actions and omissions as well as the dishonesty or fraud of any of its officers.

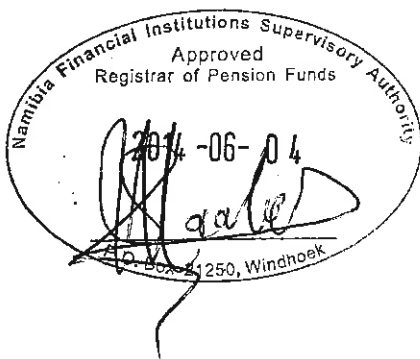


RH DJ

### 13. FINANCIAL PROVISIONS

#### 13.1 Investments

- 13.1.1 All moneys received on account of the Fund must be paid into a bank account in the name of the Fund at a bank registered in terms of the Banking Institutions Act No. 2 of 1998.
- 13.1.2 The Board shall have full power, subject to the provisions of the Act and the requirements of the Registrar, to receive, administer and apply the moneys of the Fund and in their absolute discretion to invest, put out at interest, place on deposit, make advances, or otherwise deal with the moneys of the Fund upon such security and in such manner as they may from time to time determine and to realise, vary, reinvest or otherwise deal with such securities and other investments as they from time to time determine.
- 13.1.3 The Board shall have power to effect policies of insurance with one or more Registered Insurers for the purpose of investing the Fund's moneys in order to meet the cost of providing benefits in terms of these Rules and/or to insure, in whole or in part, the death benefits payable in terms of these Rules.
- 13.1.4 All title deeds and securities must be registered in the name of the Fund or in the name of such nominee company acceptable to the Registrar, as the Board may appoint. The documents of title registered in the name of the Fund in connection with any investment or asset of the Fund must be kept in safe custody at the registered office of the Fund or in a banking institution, as decided by the Trustees. Any documents of title registered in the name of a nominee company in connection with any investment or asset of the Fund must be kept in safe custody in a banking institution, as decided by that company.



B  
RHOJ

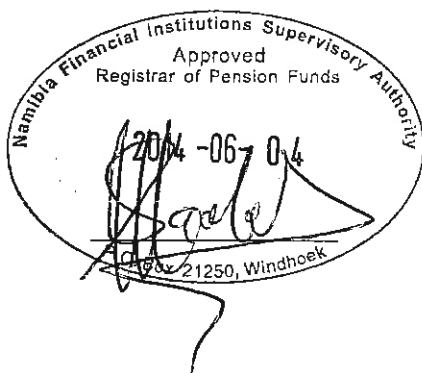
13.1.5 The power of the Board to make investments and to realise, vary, reinvest or otherwise deal with the securities concerned, may be delegated by the Board, on such terms and conditions as it may specify, to

- (a) a sub-committee of such of its number as it nominates;
- (b) a financial institution as defined in the Namibia Financial Institutions Supervisory Authority Act No. 3 of 2001; or
- (c) a person approved in terms of Section 4(1)(f) of the Stock Exchanges Control Act, 1985.

The Board shall not be liable for the negligence, dishonesty or fraud of an institution referred to in (b) or a person referred to in (c);

provided that the Board has received written confirmation that the institution referred to in (b) or the person referred to in (c) has arranged fidelity guarantee and professional indemnity insurance cover of an amount satisfactory to the Board in respect of any liability which may be incurred by such person or institution in respect of the Fund's investments.

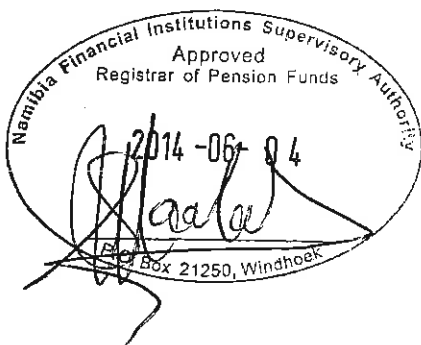
13.1.6 The Board shall have the power, subject to the provisions of Section 14 of the Act, quoted in Annexure F to the Rules, to transfer the assets and liabilities of the Fund or a portion thereof to another Approved Pension Fund or to an Approved Provident Fund or to take transfer of the assets and liabilities or a portion thereof of another Approved Pension Fund or an Approved Provident Fund.



B/D  
RH DJ

13.1.7 (a) Notwithstanding the provisions of Rule 13.1.2, the investment powers of the Trustees may be delegated by the Trustees to each Member of the Fund on such terms and conditions and in accordance with such procedures as the Trustees may prescribe from time to time. These terms, conditions and procedures include but are not limited to:

- (i) the right of the Trustees to determine, and change from time to time, the number, range and composition of any investment portfolios from which a Member may elect to invest all or part of his Fund Credit and/or contributions paid by and in respect of him;
- (ii) the right of the Trustees, in their sole discretion, to take into account any charges incurred in connection with any investment choice made by a Member when determining the Investment Return in respect of that Member;
- (iii) in the case of a Member who does not elect within such timeframe specified by the Trustees, an investment portfolio in respect of all or part of their Fund Credit and/or contributions paid by and in respect of him, the right of the Trustees to select and change the appropriate investment portfolio best suited to such a Member taking into account the period remaining to a notional target retirement age as determined by the Trustees.



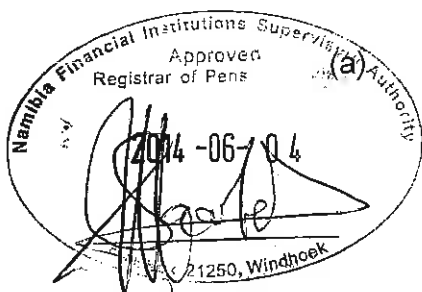
RH B  
DJ

- (b) The Trustees shall take reasonable steps to ensure that Members are adequately informed of their investment choices available to them and the consequences of their decisions. The Trustees shall in no way advise, influence or assist Members in making their choices, such advice to be obtained by Members from their personal financial planners or such other financial advisors as the Trustees may from time to time arrange for the benefit of Members.
  
- (c) Whilst the Trustees shall take reasonable steps to ensure that the interests of all Members are protected, the Trustees and the Fund shall not be liable for any loss, damage or prejudice suffered, or alleged to be suffered, by any Member or other person claiming to be entitled to a benefit or any other amount under the Fund, as a result of or in connection with any investment choice made by a Member.

### 13.2 Housing Loans

The Board shall have the power to grant a loan to a Member or to furnish a guarantee in respect of a loan by some other person to a Member for a purpose referred to in Section 19(5)(a) of the Act (quoted in Annexure B to the Rules) and, if so required for such purpose, may make a deposit in pledge with a bank or building society as collateral security; provided that:

such guarantee shall be subject to the provisions of the Act and the requirements of the Registrar;



BAD  
RH OJ

- (b) any loan granted in terms of this Rule shall be repaid immediately on termination of the Member's Service, and may, in accordance with the provisions of Rule 11 and Section 37D of the Act, quoted in Annexure G to the Rules, be deducted from any benefit payable in respect of such Member to which a Beneficiary becomes entitled.

### 13.3 Expenses

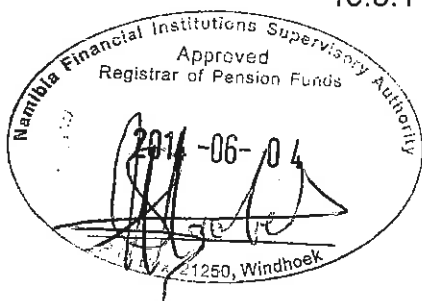
Except where otherwise provided, the whole of the expenses in connection with or incidental to the management or administration of the Fund, including but not limited to Trustee remuneration, audit fees, actuarial fees, insurance premiums and investment charges shall be paid by the Fund.

### 13.4 Accounts

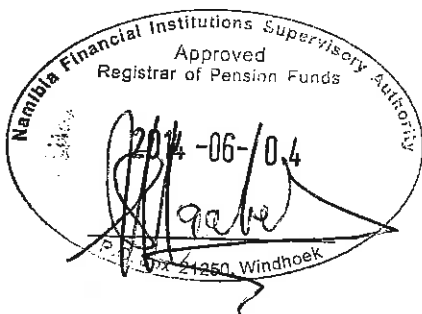
The Board shall cause full and true accounts of the Fund to be kept. Such accounts shall be made up as at the end of each Financial Year, audited by the Auditor recommended by the Management Committee, forwarded and submitted to the Board of Trustees for approval. Once approved by the Board of Trustees, the accounts shall be submitted to the Registrar within six months of the end of the Financial Year in accordance with the provisions of Section 15 of the Act, quoted in Annexure H to the Rules.

### 13.5 Actuarial Valuations

- 13.5.1 The Board shall ensure that such registers and records as will enable the Valuator to undertake an actuarial valuation of the Fund at any time are kept.



- 13.5.2 The Fund shall be valued by the Valuator at intervals not exceeding three years, the first such valuation to be done not later than the end of the third Financial Year following the date of registration of the Fund. The Valuator shall submit a valuation report to the Board within twelve months of the date of valuation, which report shall contain recommendations in respect of any balances in the Reserve Account existing at the date of valuation. The Board shall, send a copy of such report to the Participating Employers and to the Registrar within twelve months of the end of the applicable Financial Year, and shall indicate to the Registrar the action it and/or the Participating Employers propose taking with regard to any recommendation made by the Valuator in his report.
- 13.5.3 In carrying out such valuation, the Valuator shall establish the balance in the Pooled Pensions Account and he shall estimate what portion of the Investment Return is attributable to the various accounts, to ensure that any gain resulting from assets underlying each account is credited to that account. The basis of such estimated portion shall be agreed with the Board from time to time.
- 13.5.4 If in the opinion of the Valuator, the financial position of the Fund requires or allows it and the Valuator so recommends, the Trustees may from time to time, subject to the provisions of Rule 15 increase or decrease the contribution rate and/or the benefits under the Fund in any manner including the granting of bonuses; provided that if the valuation reveals a surplus and the Valuator so agrees, such surplus shall be allocated to the various accounts in such proportions as decided upon by the Trustees after consultation with the Valuator, to be utilised in terms thereof to increase the benefits supported by such accounts.

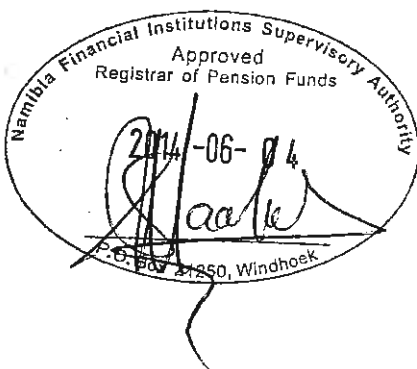




### 13.6 Late Payment Interest on Benefits

Late payment interest shall be payable by the Administrators appointed in terms of Rule 12.7.5 on any benefit due to a Member or beneficiary on such Member's retirement, leaving Service in terms of Rule 5, Rule 7 or on death, in accordance with the following:

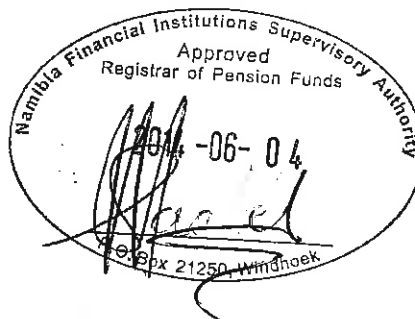
- (a) late payment interest shall be determined by applying the Fund' current bank account interest rate as at the first day of the previous month to the current month;
- (b) in the case of a claim arising on withdrawal or retirement, late payment interest shall be payable on the benefit payable to the Member with effect from the first day of the month following the date of termination of membership until the actual date of payment;
- (c) in the case of a claim arising on the death of a Member, late payment interest shall be payable;
  - (i) on that part of the benefit constituting the Member's Fund Credit, from the first day of the month following the Member's death until the actual date of payment;
  - (ii) on the part of the benefit that has been insured with a Registered Insurer, from the date on which the amount payable by the Registered Insurer has been received by the Fund until the actual date of payment.



RH DJ

#### 14. ADMINISTRATION OF THE FUND

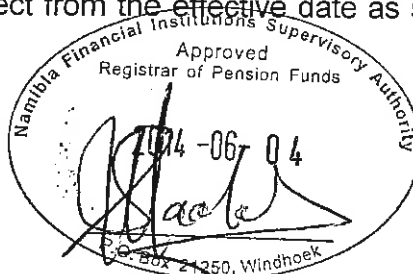
- 14.1 The Fund shall be administered by Administrators appointed by, and acting on the instructions of, the Board.
- 14.2 The Employers shall from time to time furnish to the Fund in respect of those employees who are Members all necessary particulars affecting their benefits or their entitlement to benefits. The Fund shall be entitled to act upon such particulars without further enquiry and shall not be responsible to any Member or to the Employer or to any other person or body whatsoever for any misstatements, errors or omissions which may be contained in such particulars.
- 14.3 The Administrators shall keep a complete record of all necessary particulars of the Members of the Fund and of all persons entitled to benefits and of all other matters essential to the operation of the Fund.
- 14.4 All cheques of the Fund shall be issued by the Administrators and all contracts and other documents pertaining to the Fund shall be signed by such persons as the Fund may appoint; provided that documents to be deposited with the Registrar must be signed in the manner set out in the Act. Trustee expenses and such other expenses approved by the Executive Committee will be paid by the Fund by cheque issued by the Board.
- 14.5 The Administrators shall ensure the maintenance of fidelity guarantee cover to indemnify the Fund against any loss resulting from the dishonesty or fraud of any person dealing with the administration of the Fund. The Administrators shall also ensure the maintenance of adequate professional indemnity cover to indemnify the Fund against any loss resulting from the negligence of any person dealing with the administration of the Fund.



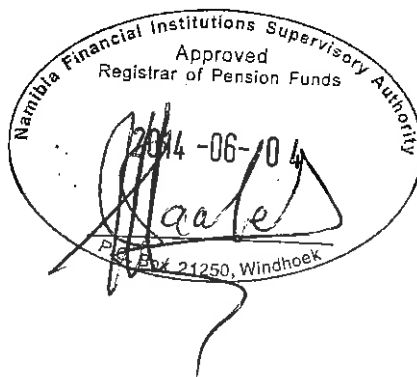
B  
RH  
DJ

## 15. RULES AND AMENDMENTS

- 15.1 The Board shall apply for registration of the Fund in terms of the Act and shall apply for approval of the Fund as a pension Fund in terms of the Income Tax Act.
- 15.2 The Board may amend these Rules at any time; provided that:
- (a) such amendment is recommended by the Management Committee;
  - (b) the value of a Member's Fund Credit prior to such amendment shall not be reduced;
  - (c) the amendment is not inconsistent with the provisions of the Act or of the Income Tax Act;
  - (d) any amendment to the Rules affecting the financial basis of the Fund shall be referred to the Valuator before being adopted; and
  - (e) in consultation with the Trustees and on the advice of the Valuator, the Participating Employers shall also have power from time to time to alter the contributions and/or benefits under the Fund.
- 15.3 All alterations to the Rules shall be submitted in writing to the Registrar within one month from the date of the passing of the resolution for the alteration to the Rules and shall also be submitted to the Commissioner and any other statutory authority who so requires.
- 15.4 If the registration of any amendment to these Rules in terms of the Act is effected on a date after the effective date of the amendment, the amendment shall nevertheless take effect from the effective date as stated in the amendment.



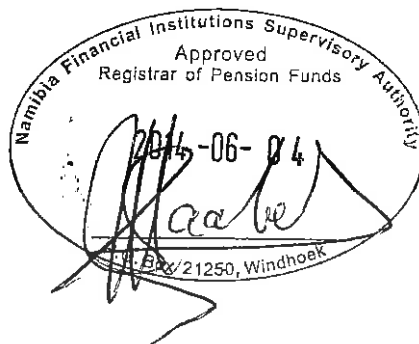
- 15.5 The provisions of the Rules shall be binding on the Members, the Fund and its officers, the Employer, and any person who institutes a claim against the Fund.



RH  
DJ

## 16. INTERPRETATION OF RULES AND DISPUTES

- 16.1 The decision of the Fund as to the meaning of or interpretation of these Rules or of any particular Rule or part of a Rule shall be final and binding on the Members and every person claiming to be entitled to a benefit under these Rules.
- 16.2 If any person affected by a decision of the Fund in terms of Rule 16.1 is dissatisfied with the decision, he shall have the right to submit a complaint to the Fund in writing. The Fund must respond within thirty days of receipt of the complaint. If the complainant is still dissatisfied with the Fund's response, the complainant shall have the right to refer the matter to arbitration in accordance with the provisions of the Arbitration Act, 1965 (Act No. 42 of 1965). The costs of the arbitration will follow the award of the arbitrator.



RH  
BJ

## 17. MISCELLANEOUS PROVISIONS

17.1 (a) Subject to payment of such fee as the Fund may require, a Member shall be entitled on application to a copy of any of the documents referred to in Section 35(1) of the Act quoted in Annexure C to the Rules.

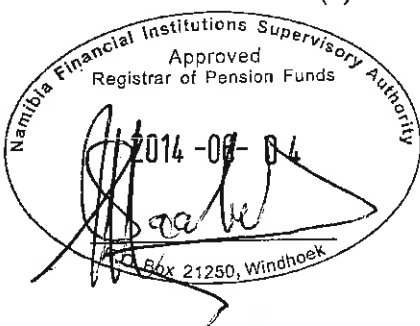
(b) A Member shall be entitled on application to inspect without charge a copy of any of the documents referred to in Section 35(2) of the Act quoted in Annexure C to the Rules and to make extracts therefrom.

17.2 (a) Payment of each benefit in terms of these Rules shall be made to the person entitled thereto by means of electronic transfer into the bank account of such person at a bank registered in terms of the Banking Institutions Act No. 2 of 1998.

(b) At the request of the beneficiary, payment may be made in some other manner agreed upon by the beneficiary and the TRUSTEES, including

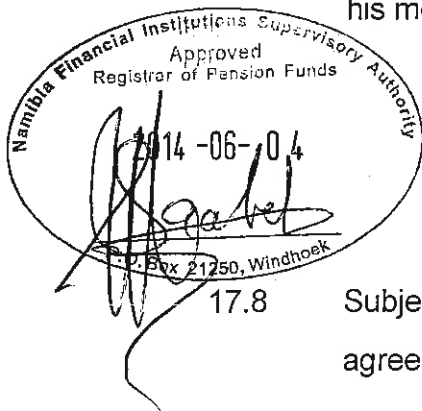
- (i) payment at the registered office of the FUND; or
- (ii) postage by registered mail or by such other means as agreed to by the TRUSTEES.

(c) Payment in terms of (a) or (b) shall constitute full and final settlement of all claims to the benefit against the Fund and neither the Fund, the Trustees nor the Administrators shall have any further liability for the benefit to any person.



RH  
DJ  
B

- 17.3 All benefits and rights to benefits in terms of these Rules shall be subject to the prohibitions as to reduction contained in Sections 37A and 37B of the Act quoted in Annexure E to the Rules.
- 17.4 If a Beneficiary does not claim a benefit, other than a death benefit, payable to him within three years of the date of such benefit becoming payable, such benefit shall be paid to the Guardian's Fund for the benefit of the Beneficiary concerned, where after the Fund will have no further liability toward such Beneficiary.
- 17.5 Nothing in these Rules shall in any way restrict the right of the Employer to terminate the employment of any Member or affect any agreement between the Employer and an employee in regard to conditions of Service.
- 17.6 No person shall have any claim concerning the Fund either upon the Fund or against the Employers, except in accordance with these Rules.
- 17.7 Admission to membership of the Fund shall be regarded as an acknowledgement by the Member that he agrees that these Rules, including any alteration to these Rules, shall be binding upon him and upon any person claiming to derive a benefit under the Fund by virtue of his membership.

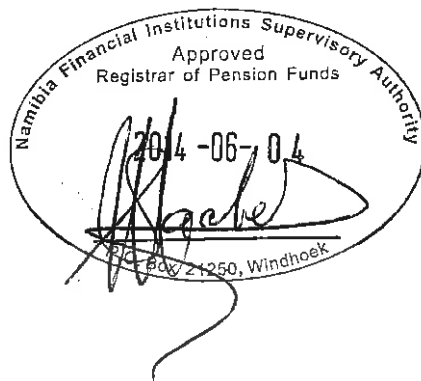


- 17.8 Subject to the approval of the Commissioner, the Fund, with the agreement of the Employer, may direct that any benefit payable to or in

RH  
DJ  
B

respect of any Member be increased on such basis as shall be determined in consultation with the Valuator. The cost of such increased benefits shall be met either by the Employer paying such additional contribution, or contributions as the Trustees after consulting the Valuator may decide to be necessary, or from the Reserve Account.

17.9 Contributions and benefits are payable in the currency of the Republic of Namibia.

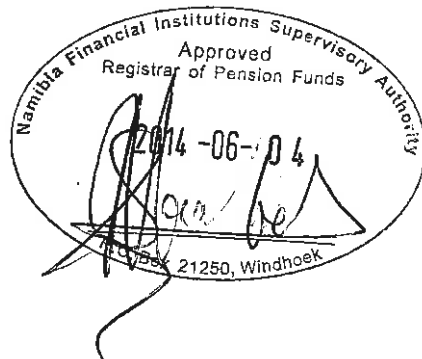




## 18. SPECIAL PROVISIONS REGARDING THE DISABILITY INCOME INSURANCE SCHEME

If at any time before his Normal Retirement Date a Member becomes entitled to a disability income benefit from the Disability Income Insurance Scheme, the following provisions apply:

- 18.1 For as long as the disability income benefit remains payable by the Disability Income Insurance Scheme, the Member will remain a Member of the Fund, contributions by and in respect of the Member will continue to be payable and his rights and entitlements to benefits in terms of the Rules will not be affected.
- 18.2 If the disability income benefit from the Disability Income Insurance Scheme ceases to be payable before the Member's Normal Retirement Date, the Member may retire in terms of Rule 5 if he so qualifies. If the Member is ineligible for a retirement benefit and he does not return to Service, he will cease to be a Member of the Fund and will receive a benefit in terms of Rule 7.



Handwritten initials "RH B" and a signature.

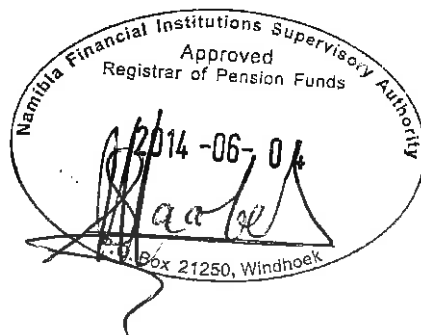
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE A**

"dependant", in relation to a member, means -

- (a) a person in respect of whom the member is legally liable for maintenance;
- (b) a person in respect of whom the member is not legally liable for maintenance, if such person -
  - (i) was upon the death of the member in fact dependent on the member for maintenance; or
  - (ii) is a child or descendant of a child of the member or the spouse of such child or descendant;
- (c) a person in respect of whom the member would have become legally liable for maintenance, had the member not died,



*RH Dg*

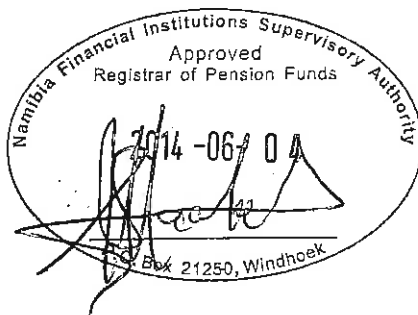
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE B**

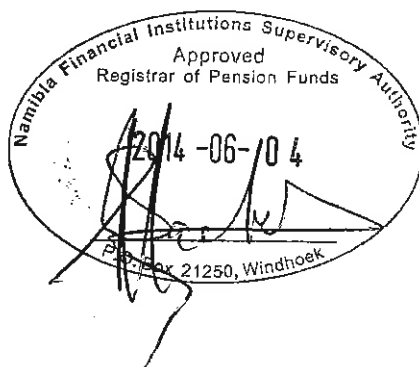
**SECTION 19(5) OF THE ACT**

- (a) A registered fund may, if its rules so permit, grant a loan to a member by way of investment of its funds to enable the member -
- (i) to redeem a loan granted to the member by a person other than the fund, against security of immovable property which belongs to the member or his or her spouse and on which a dwelling has been or will be erected which is occupied or, as the case may be, will be occupied by the member or a dependant of the member;
  - (ii) to purchase a dwelling, or to purchase land and erect a dwelling on it, for occupation by the member or a dependant of the member; or
  - (iii) to make additions or alterations to or to maintain or repair a dwelling which belongs to the member or his or her spouse and which is occupied or will be occupied by the member or a dependant of the member.
- (b) A loan contemplated in paragraph (a) shall not be granted after the commencement of the Financial Institutions Amendment Act, 1986 -



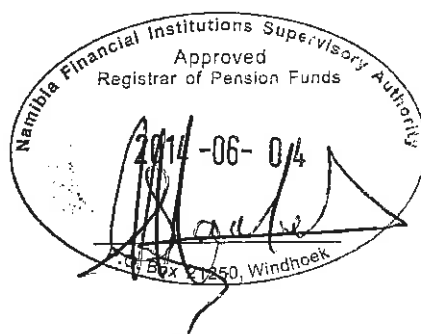
RH  
DJ  
B

- (i) unless secured by -
    - (aa) a first mortgage on the immovable property in respect of which it is granted; or
    - (bb) a pledge of the benefits to which the member is entitled in terms of the rules of the fund; or
    - (cc) both such mortgage and such pledge;
  - (ii) in respect of immovable property if the member concerned is liable to the fund in respect of a loan granted to him in respect of other immovable property;
  - (iii) at a lower rate of interest than that which may from time to time be prescribed by regulation;
  - (iv) unless the capital sum is redeemable over a period not exceeding 30 years in equal weekly or monthly instalments, which shall include the interest on the capital sum outstanding.
- (c) A loan contemplated in paragraph (a) shall not exceed where it is secured in accordance with -
- (i) paragraph (b)(i)(aa), 90 per cent of the market value of the hypothecated property concerned;
  - (ii) paragraph (b)(i)(bb), the amount of the benefit which the member would receive if he were to terminate his membership of the fund voluntarily or the market value of the immovable property concerned, whichever is the lesser amount; or



RH 10  
25  
B

- (iii) paragraph (b)(i)(cc), the amount equal to the aggregate of 90 per cent of the market value of the hypothecated property concerned and the amount of the benefit which the member would receive if he were to terminate his membership of the fund voluntarily or the market value of the property, whichever is the lesser amount.
- (cA) The percentages referred to in subparagraphs (i) and (iii) of paragraph (c), may be increased to 100 per cent, subject to the furnishing to the fund by the employer of the member of an irrevocable guarantee in respect of so much of the loan as may exceed 90 per cent.
- (d) For the purposes of this section "immovable property" includes a surveyed site in respect of which a right of leasehold is registered in terms of Section 6A of the Black (Urban Areas) Consolidation Act, 1945 (Act No.25 of 1945).
- (5A) For the purposes of subsection (5) "market value" means the price which would be obtained on a sale in the Republic between a willing seller and a willing purchaser, (between whom there is no other direct or indirect connection), as estimated by a person appointed by the registered fund concerned for that purpose: Provided that where a transaction for the purchase of an immovable property (other than vacant land upon which a dwelling is in the course of erection or about to be erected) is pending and a purchase price has already been agreed upon, or where such an immovable property was acquired by purchase not more than six months before the date on which the estimate is made, the market value of the property shall not be fixed at an amount higher than the true purchase price of the property, as declared or to be declared by the parties concerned for transfer duty purposes, plus, in the last-mentioned case, one hundred rand.



RH DJ  
B

(5B) Notwithstanding anything to the contrary contained in the rules of a registered fund, such a fund shall not, directly or indirectly, after the commencement of the Financial Institutions Amendment Act, 1986 –

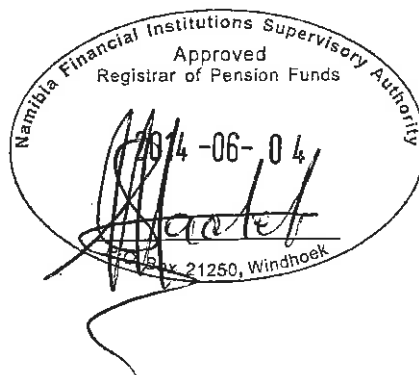
(a) grant a loan to a member or make any of its funds available, whether by way of an investment or otherwise, to be utilised in any manner by the fund or someone else for a loan to a member, other than a loan for a purpose mentioned in paragraph (a) of subsection (5) and which complies with the provisions of paragraph (b) and (c) of that subsection;  
or

(b) grant a loan to, or invest in the shares of –

(i) a company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established;  
or

(ii) a subsidiary company or a controlled company (as defined in the Companies Act, 1973 (Act No. 61 of 1973)), of such a first-mentioned company.

(5C) A registered fund may, if its rules so permit, contribute to any other pension fund registered under this Act, or any fund of any kind whatsoever, which is conducted for the benefit of the employees of the said registered fund.



RH  
2014

**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE C**

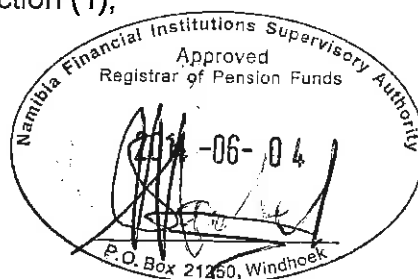
**35. Right to obtain copies of or to inspect certain documents**

(1) Every registered fund shall deliver to any member on demand by such member, and on payment of such sum as may be determined by the rules of the fund, a copy of any of the following documents, that is to say -

- (a) the rules of the fund;
- (b) the last revenue account and the last balance sheet prepared in terms of subsection (1) of section fifteen.

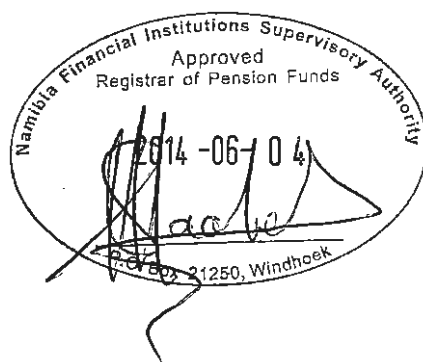
(2) Any member shall be entitled to inspect without charge at the registered office of a registered fund, a copy of any of the following documents and make extracts therefrom, that is to say -

- (a) the documents referred to in subsection (1);



RH  
DJ  
B

- (b) the last report (if any) by a valuator prepared in terms of section sixteen;
- (c) the last statement (if any) and report thereon prepared in terms of section seventeen;
- (d) any scheme which is being carried out by the fund in accordance with the provisions of section eighteen.



RH DJ  
B



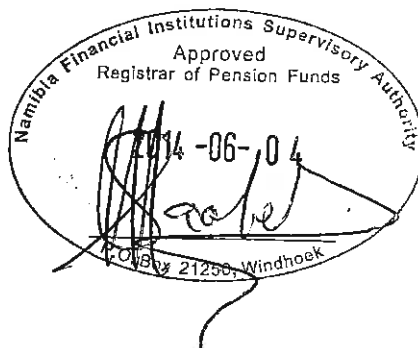
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE D**

**37C. Disposition of pension benefits upon death of member**

- (1) Notwithstanding anything to the contrary contained in any law or in the rules of a registered fund, any benefit payable by such a fund in respect of a deceased member, shall, subject to a pledge in accordance with section 19(5)(b)(i) and subject to the provisions of sections 37A (3) and 37D, not form part of the assets in the estate of such a member, but shall be dealt with in the following manner:
- (a) If the fund within twelve months of the death of the member becomes aware of or traces a dependant or dependants of the member, the benefit shall be paid to such dependant or, in such proportions as may be deemed equitable by the person managing the business of the fund, to such dependants.
- (b) If the fund does not become aware of or cannot trace any dependant of the member within twelve months of the death of the member, and the member has designated in writing to the fund a nominee who is not a dependant of the member, to receive the benefit, the benefit shall be paid to such nominee:



RH  
DJ

Provided that where the aggregate amount of the debts in the estate of the member exceeds the aggregate amount of the assets in his estate, so much of the benefit as is equal to the difference between such aggregate amount of debts and such aggregate amount of assets shall be paid into the estate and the balance of such benefit shall be paid to the nominee.

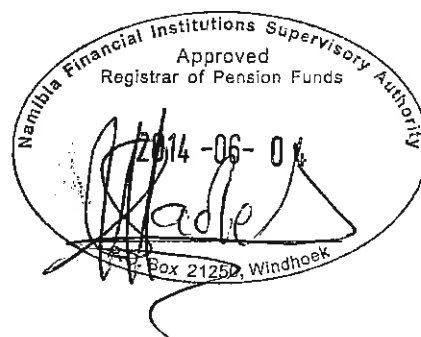
(bA) if the fund within twelve months of the death of the member becomes aware of or traces a dependant or dependants of the member, and the member has designated in writing to the fund a nominee who is not a dependant of the member, to receive the benefit –

(i) so much of the benefit as is, in the opinion of the person managing the business of the fund, required for the maintenance of the dependant or dependants, shall be paid to such dependant or dependants; and

(ii) the balance of the benefit shall, subject to the proviso to paragraph (b), be paid to the nominee;

(c) If the fund does not become aware of or cannot trace any dependant of the member within twelve months of the death of the member, and if the member has not designated a nominee, the benefit shall be paid into the estate of the member or, if no inventory in respect of the member has been received by the Master of the Supreme Court in terms of section 9 of the Estates Act, 1965 (Act No. 66 of 1965), into the Guardian's Fund.

(2) For the purpose of this section, a payment by a registered fund to a dependant shall be deemed to include a payment made by the fund to a trustee contemplated in the Trust Moneys Protection Act, 1934 (Act of No. 34 of 1934), for the benefit of a dependant contemplated in this section.



RH  
B  
DS

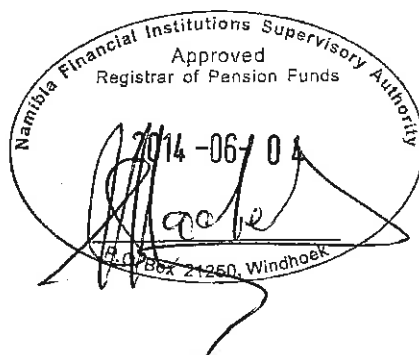
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE E**

**37A. Pension benefits not reducible, transferable or executable**

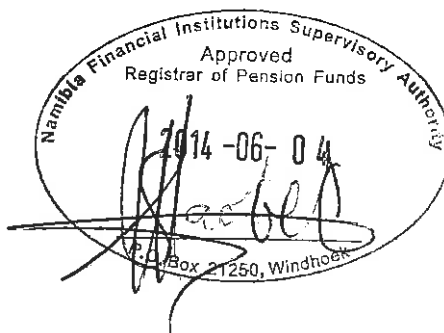
- (1) Save to the extent permitted by this Act, the Income Tax Act, 1962 (Act No. 58 of 1962), and the Maintenance Act, 1963 (Act No. 23 of 1963), no benefit provided for in the rules of a registered fund (including an annuity purchased or to be purchased by the said fund from an insurer for a member), or right to such benefit, or right in respect of contributions made by or on behalf of a member, shall, notwithstanding anything to the contrary contained in the rules of such a fund, be capable of being reduced, transferred or otherwise ceded, or of being pledged or hypothecated, or be liable to be attached or subjected to any form of execution under a judgment or order of a court of law, or to the extent of not more than three thousand rand per annum, be capable of being taken into account in a determination of a judgment debtor's financial position in terms of section 65 of the Magistrate's Courts Act, 1944 (Act No. 32 of 1944), and in the event of the member or beneficiary concerned attempting to transfer or otherwise cede, or to pledge or hypothecate, such benefit or right, the fund concerned may withhold or suspend payment thereof:



12/4  
DJ  
23

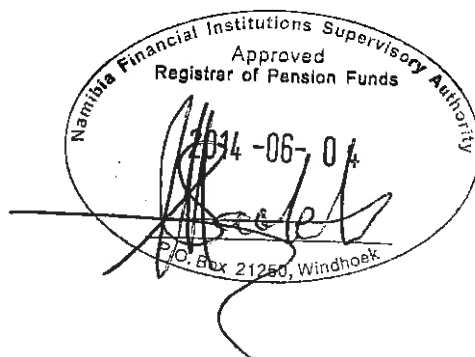
Provided that the fund may pay any such benefit or any benefit in pursuance of such contributions, or part thereof, to any one or more of the dependants of the member or beneficiary or to a guardian or trustee for the benefit of such dependant or dependants during such period as it may determine.

- (2) (a) If in terms of the rules of a fund the residue of a full benefit, after deduction of any debt due by the person entitled to the benefit, represents the benefit due to that person, such reduction shall for the purposes of subsection (1) be construed as a reduction of the benefit.
- (b) The set-off of any debt against a benefit shall for the purposes of subsection (1) be construed as a reduction of the benefit.
- (3) The provisions of subsection (1) shall not apply with reference to anything done towards reducing or obtaining settlement of a debt-
- (a) which, in the case of a fund to which the Financial Institutions Amendment Act, 1976 (Act No. 101 of 1976), applies, arose before the commencement of that Act;
- (b) which, in the case of a fund to which the Financial Institutions Amendment Act, 1976 does not apply, arose before the commencement of the Financial Institutions Amendment Act, 1977;
- or
- (c) which a fund may reduce or settle under section 37D, to the extent to which a fund may reduce or settle such debt.



**37B. Disposition of pension benefits upon insolvency**

If the estate of any person entitled to a benefit payable in terms of the rules of a registered fund (including an annuity purchased by the said fund from an insurer for that person) is sequestrated or surrendered, such benefit or any part thereof which became payable after the commencement of the Financial Institutions Amendment Act, 1976 (Act No. 101 of 1976) shall, subject to a pledge in accordance with section 19(5)(b)(i) and subject to the provisions of sections 37A (3) and 37D, not be deemed to form part of the assets in the insolvent estate of that person and may not in any way be attached or appropriated by the trustee in his insolvent estate or by his creditors, notwithstanding anything to the contrary in any law relating to insolvency.



RH 25  
D

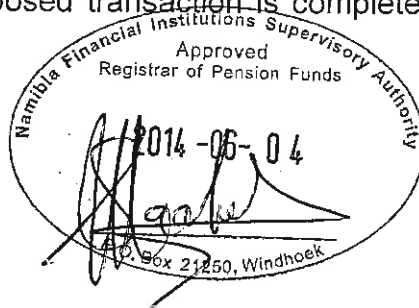
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE F**

**SECTION 14 OF THE ACT – AMALGAMATIONS AND TRANSFERS**

- (1) No transaction involving the amalgamation of any business carried on by a registered fund with any business carried on by any other person (irrespective of whether that other person is or is not a registered fund), or the transfer of any business from a registered fund to any other person, or the transfer of any business from any other person to a registered fund, shall be of any force or effect unless—
- (a) the scheme for the proposed transaction, including a copy of every actuarial or other statement taken into account for the purposes of the scheme, has been submitted to the registrar;
  - (b) the registrar has been furnished with such additional particulars or such a special report by a valuator, as he may deem necessary for the purposes of this subsection;
  - (c) the registrar is satisfied that the proposed transaction would not render any fund which is a party thereto and which will continue to exist if the proposed transaction is completed, unable to meet the



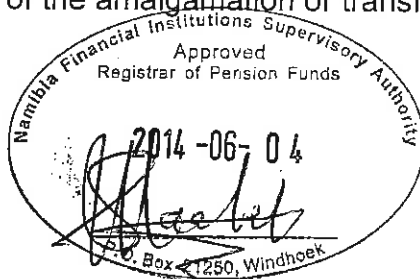
requirements of this Act or to remain in a sound financial condition or, in the case of a fund which is not in a sound financial condition, to attain such a condition within a period of time deemed by the registrar to be satisfactory;

(d) the registrar has been furnished with such evidence as he may require that the provisions of the said scheme and the provisions, in so far as they are applicable, of the rules of every registered fund which is a party to the transaction, have been carried out or that adequate arrangements have been made to carry out such provisions at such times as may be required by the said scheme;

(e) the registrar has forwarded a certificate to the principal officer of every such fund to the effect that all the requirements of this subsection have been satisfied.

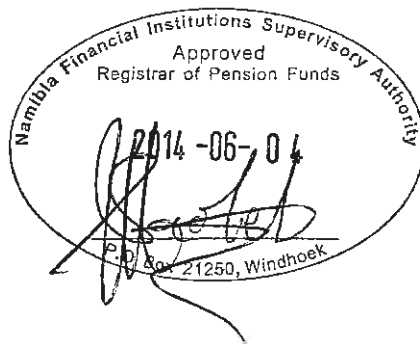
(2) Whenever a scheme for any transaction referred to in subsection (1) has come into force in accordance with the provisions of this section, the relevant assets and liabilities of the bodies so amalgamated shall respectively vest in and become binding upon the resultant body, or as the case may be, the relevant assets and liabilities of the body transferring its assets and liabilities or any portion thereof shall respectively vest in and become binding upon the body to which they are to be transferred.

(3) The officer in charge of a deeds registry in which is registered any deed or other document relating to any asset which is transferred in accordance with the provisions of subsection (2), shall, upon production to him by the person concerned of such deed or other document and of the certificate referred to in paragraph (e) of subsection (1), without payment of transfer duty, stamp duty, registration fees or charges, make the endorsements upon such deed or document and the alterations in his registers that are necessary by reason of the amalgamation or transfer;



RH  
2014  
2014

- (4) A transaction effected in terms of this section shall not deprive any creditor of a party thereto (other than in his capacity as a member or a shareholder of such party) of any right or remedy which he had immediately prior to that date against any party to the transaction or against any member or shareholder or officer of such party.



RH 05  
10



**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

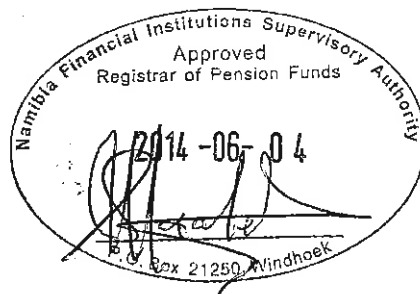
**ANNEXURE G**

**37D. Fund may make certain deductions from pension benefits**

A registered fund may -

- (a) deduct any amount due to the fund in respect of -
- (i) a loan granted to a member in terms of section 19(5)(a);
- or
- (ii) any amount for which the fund is liable under a guarantee furnished in respect of a loan by some other person to a member for any purpose referred to in section 19(5)(a),

from the benefit to which the member or a beneficiary is entitled in terms of the rules of the fund, to an amount not exceeding the amount which in terms of the Income Tax Act, 1962 (Act No. 58 of 1962), may be taken by a



*RH 25*  
*B*

member or beneficiary as a lump sum benefit as defined in the Second Schedule to that Act;

(b) deduct any amount due by a member to his employer on the date of his retirement or on which he ceases to be a member of the fund, in respect of

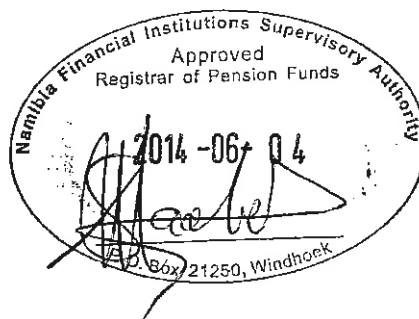
(i) (aa) a loan granted by the employer to the member for any purpose referred to in section 19(5)(a); or

(bb) any amount for which the employer is liable under a guarantee furnished in respect of a loan by some other person to the member for any purpose referred to in section 19(5)(a),

to an amount not exceeding the amount which in terms of the Income Tax Act, 1962, may be taken by a member or beneficiary as a lump sum benefit as defined in the Second Schedule to that Act; or

(ii) compensation (including any legal costs recoverable from the member in a matter contemplated in subparagraph (bb)) in respect of any damage caused to the employer by reason of any theft, dishonesty, fraud or misconduct by the member, and in respect of which -

(aa) the member has in writing admitted liability to the employer; or



RH  
B

(bb) judgment has been obtained against the member in any court, including a magistrate's court;

from any benefit payable in respect of the member or a beneficiary in terms of the rules of the fund, and pay such amount to the employer concerned;

(c) deduct any amount which the fund has paid or will pay by arrangement with, and on behalf of, a member or beneficiary in respect of -

(i) such member's or beneficiary's subscription to a medical scheme, registered otherwise than provisionally in terms of the Medical Schemes Act, 1967 (Act. No. 72 of 1967);

(ii) any insurance premium payable by such member or beneficiary to an insurer registered in terms of the Insurance Act, 1943 (Act No. 27 of 1943);

(iii) any purpose approved by the registrar, on the conditions determined by him, upon a request in writing from the fund;

from the benefit to which the member or beneficiary is entitled in terms of the rules of the fund, and pay such amount, if due, to such medical scheme, insurer or person concerned, as the case may be.



*Handwritten initials and signature:*  
D  
R  
B

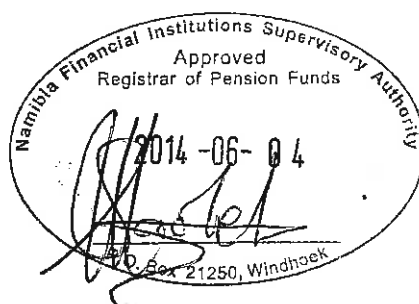
**EXTRACTS FROM  
ACT NO. 24 OF 1956  
as amended by:**

Act No. 81 of 1957	Act No. 23 of 1970	Act No. 99 of 1980
Act No. 80 of 1959	Act No. 91 of 1972	Act No. 82 of 1982
Act No. 68 of 1962	Act No. 101 of 1976	Act. No. 46 of 1984
Act No. 58 of 1966	Act No. 94 of 1977	Act No. 86 of 1984
Act No. 65 of 1968	Act No. 80 of 1978	Act No. 50 of 1986
Act No. 80 of 1969	Act No. 103 of 1979	Act No. 51 of 1988

**ANNEXURE H**

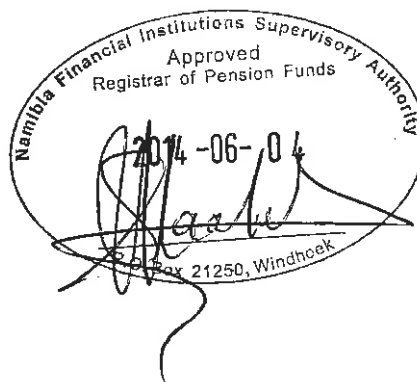
**SECTION 15 OF THE ACT – ACCOUNTS**

- (1) Every registered fund shall, within six months as from the expiration of every financial year, furnish to the registrar a revenue account showing the revenue and expenditure of the fund for that year, and a balance sheet showing the financial position of the fund, duly certified by the auditor of the fund.
- (2) Every registered fund shall, when furnishing to the registrar the documents referred to in subsection (1), also furnish to the registrar—
  - (a) a copy of any special report by the auditor relating to any of the activities of the fund during the financial year to which such documents relate;
  - (b) a copy of any annual report that the fund may have issued to its members or shareholders in respect of the said financial year; and
  - (c) a copy of any other statement that the fund may have presented to its members or shareholders in respect of any of its activities during such financial year.



RH DJ  
B

- (3) If the registrar is of the opinion that any document furnished by a registered fund in terms of subsection (1) does not correctly reflect the revenue and expenditure or the financial position (as the case may be) of the fund, he may reject the said document, and in that event—
- (a) he shall notify the fund concerned of the reasons for such rejection; and
  - (b) the fund shall be deemed not to have furnished the said document to the registrar: Provided that in such event the registrar may apply the provisions of section *thirty-three*, even though the period concerned may have expired before application is made for extension.



RH DJ  
13