

**RULES
OF THE
ELECTRICAL CONTRACTING INDUSTRY
NATIONAL PENSION FUND**

RESOLUTION

Extract from the minutes of a meeting of the National Bargaining Council for the Electrical Industry of South Africa, ('the Council') held at Johannesburg on the 4th day of October 2023.

RESOLVED THAT:

1. the Electrical Contracting Industry National Pension Fund, ('the Fund'), be established in terms of a board resolution of the National Bargaining Council for the Electrical Industry of South Africa, duly registered with the Department of Labour in terms of the LABOUR RELATIONS ACT; and
2. these RULES of the FUND take effect from the date of registration and tax approval by the FINANCIAL SECTOR CONDUCT AUTHORITY in terms of the Pension Funds Act, 1956, and the INCOME TAX ACT.

CERTIFIED THAT:

The above is a true extract and that the accompanying RULES are the RULES of the FUND which will be effective from the date of registration with the AUTHORITY.

Signed at Johannesburg on this 6th day of December 2023 on behalf of COUNCIL by:

1. 
CHAIRMAN

1. 
WITNESS

2. 
ACTING GENERAL SECRETARIES

2. 
WITNESS

VALUATOR'S CERTIFICATE

1. I, the undersigned, in my capacity as appointed ACTUARY of the FUND, hereby certify that these RULES, effective from the IMPLEMENTATION DATE, are financially sound; and
2. that all benefits payable by the FUND in terms of its RULES, other than those secured by a policy of insurance are limited, to an amount that can be provided by an amount equal to an accumulation of actual contributions, adjusted in terms of direct investment returns, both in terms of income and in growth or decrease in the value of the FUND'S assets.



ACTUARY

6 December 2023

DATE

Peter Theunissen

NAME

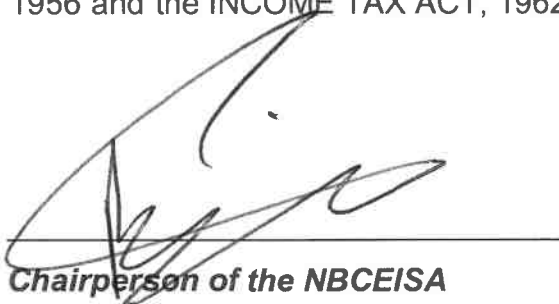
FASSA

QUALIFICATIONS

**AUTHORITY FOR THE ESTABLISHMENT OF THE ELECTRICAL CONTRACTING
INDUSTRY NATIONAL PENSION FUND**

We, the undersigned confirm that these are the RULES of the Electrical Contracting Industry National Pension Fund to be established in terms of a board resolution of the National Bargaining Council for the Electrical Industry of South Africa ('the National Council') duly registered in accordance with the Labour Relations Act, 1995 (Act No. 66 of 1995).

These RULES will be effective from the date of registration and tax approval by the FINANCIAL SECTOR CONDUCT AUTHORITY in terms of the Pension Funds Act, 1956 and the INCOME TAX ACT, 1962.



Chairperson of the NBCEISA

Mr RHF McAlpine

Date: 8 December 2023

VALUATOR'S CERTIFICATE

1. I, the undersigned, in my capacity as appointed ACTUARY of the FUND, hereby certify that these RULES, effective from the IMPLEMENTATION DATE, are financially sound; and
2. that all benefits payable by the FUND in terms of its RULES, other than those secured by a policy of insurance are limited, to an amount that can be provided by an amount equal to an accumulation of actual contributions, adjusted in terms of direct investment returns, both in terms of income and in growth or decrease in the value of the FUND'S assets.



ACTUARY

6 December 2023

DATE

Peter Theunissen

NAME

FASSA

QUALIFICATIONS

CONTENTS

RULE	DESCRIPTION	PAGE
PART 1		1
1	INTRODUCTION	1
1.1	NAME AND INCEPTION DATE	1
1.2.	OBJECTIVE OF THE FUND	1
1.3.	LEGAL CAPACITY AND POWERS	1
1.4.	REGISTERED OFFICE	2
1.5	FUND IS TO BE GOVERNED IN ACCORDANCE WITH THE RULES	2
PART 2		4
2.1	INTERPRETATION	4
2.2	DEFINITIONS	4
PART 3		23
3	MEMBERSHIP	23
3.1	MEMBERSHIP QUALIFICATION	23
3.2	CESSATION OF MEMBERSHIP	23
3.3	RE-EMPLOYMENT	25
3.4	CONTINUED MEMBERSHIP IN THE TERMS OF SECTION 197 TRANSFER	25
3.5	MEMBERSHIP DURING A SECTION 14 TRANSFER	26
3.6.	UNCLAIMED BENEFITS	26
3.7.	PAID-UP MEMBERS	27
PART 4		29

4	CONTRIBUTIONS	29
4.1	MEMBER CONTRIBUTIONS	29
4.2	ADDITIONAL MEMBER CONTRIBUTIONS	29
4.3	EMPLOYER CONTRIBUTIONS	29
4.4	PAYMENT OF CONTRIBUTIONS	30
PART 5		33
5	EQUITABLE SHARE AND INVESTMENTS	33
5.1	EQUITABLE SHARE	33
5.2	GENERAL PROVISIONS REGARDING UNITISED INVESTMENT PORTFOLIOS	34
5.2.1	PAYMENTS TO INVESTMENT MANAGER(S)	34
5.2.2	INVESTMENT OF ASSETS	34
5.2.3	DISINVESTMENT OF ASSETS	34
5.2.4	VALUE OF UNITISED INVESTMENT PORTFOLIOS	35
5.2.5	TRANSFERS FROM UNITISED INVESTMENT PORTFOLIOS	35
5.2.6	PAYMENTS FROM UNITISED INVESTMENT PORTFOLIOS	35
5.2.7	PAYMENT BY THE ADMINISTRATOR	36
PART 6		41
6	RESERVES AND ACCOUNTS	41
6.1	DATA AND PROCESSING RESERVE ACCOUNT	41
6.2	RISK RESERVE ACCOUNT	42
6.3	EXPENSE RESERVE ACCOUNT	43
6.4	INDIVIDUAL MEMBER ACCOUNT	45
6.5	UNPAID MEMBER ACCOUNT	47
6.6	PENSIONER ACCOUNT	48

PART 7	50
7 RETIREMENT	50
7.1 RETIREMENT BENEFITS	50
7.2 NORMAL RETIREMENT	50
7.3 VOLUNTARY EARLY RETIREMENT	50
7.4 LATE RETIREMENT	51
7.5 DEFERRED RETIREMENT BENEFIT	51
7.6 RETIREMENT BENEFITS COUNSELLING AND ANNUITY STRATEGY	52
PART 8	53
8 CONTINUED FUND MEMBERSHIP IF THE MEMBER IS RECEIVING DISABILITY BENEFITS FROM THE COUNCIL	53
PART 9	54
9 WITHDRAWAL	54
9.1 WITHDRAWAL BENEFITS	54
9.2 CASH BENEFIT	54
9.3 PRESERVATION BENEFIT	54
9.4 PAID-UP MEMBERSHIP	55
PART 10	56
10 DEATH	56
10.1 DEATH BENEFITS	56
10.2 BENEFIT ON DEATH BEFORE THE NORMAL RETIREMENT AGE	56
10.3 BENEFIT ON DEATH ON OR AFTER THE NORMAL RETIREMENT AGE	57
10.4 INSURANCE	57

10.5 CONDITIONS APPLICABLE TO THE PAYMENT OF DEATH BENEFITS	57
PART 11	59
11 TEMPORARY ABSENCE	59
PART 12	60
12 MANAGEMENT OF THE FUND	60
12.1 CONSTITUTION AND APPOINTMENT OF THE TRUSTEES	60
12.2 MEETINGS OF THE TRUSTEES	64
12.3 POWERS OF THE TRUSTEES	68
12.4 DUTY TO DISCLOSE	70
12.5 PRINCIPAL OFFICER	70
12.6 APPOINTMENT OF MONITORING PERSON	73
12.7 SIGNING POWERS	73
12.8 BOOKS OF ACCOUNTS	74
12.9 BANK ACCOUNT	74
12.10 ADMINISTRATOR	74
12.11 AUDITOR	74
12.12 COST OF MANAGEMENT OF THE FUND	75
12.13 PERSONAL LIABILITY	75
12.14 INDEMNIFICATION	75
12.15 REGISTRATION AND SAFE CUSTODY OF DOCUMENTS	75
12.16 ACTUARY AND ACTUARIAL VALUATION	76
12.17 INVESTMENT MANAGER	77
12.18 EXPENSES INCURRED BY THE TRUSTEES	77
12.19 REMUNERATION OF THE TRUSTEES, THE PRINCIPAL OFFICER, THE INFORMATION OFFICER AND OTHER SERVICE PROVIDERS	78

12.20	APPOINTMENT OF INFORMATION OFFICER	78
12.21	FIDELITY GUARANTEE	79
PART 13		80
13	DISSOLUTION OR AMALGAMATION OF THE FUND	80
13.1	PARTIAL DISSOLUTION	80
13.2	TOTAL DISSOLUTION	81
13.3	FULL TRANSFER OUT OF THE FUND	82
PART 14		83
14	GENERAL	83
14.1	NON-ASSIGNABILITY OF BENEFITS	83
14.2.	TRANSFERS TO OR FROM OTHER FUNDS	84
14.4	PAYMENT OF BENEFITS	86
14.5	LATE PAYMENT OF BENEFITS	87
14.6	CURRENCY	87
14.7	DISPUTES AND COMPLAINTS	88
14.8	AMENDMENTS TO THE RULES	90
14.9	MEMBERS AND BENEFICIARIES ARE DEFERRED CREDITORS	90
14.10	INSPECTION OF DOCUMENTS OF THE FUND	90
14.11	CONDITIONS OF SERVICE NOT OTHERWISE AFFECTED	91
14.12	MONIES DUE TO THE EMPLOYER, THE FUND, A BENEFICIARY OR ANY OTHER PERSON	91
14.13	UNFORESEEN CIRCUMSTANCES	94
14.14	CONFIDENTIALITY OF INFORMATION	94
14.15	LIMITATION OF A BOARD MEMBER'S LIABILITY	95
14.16	CHANGE IN LEGISLATION	95

PART 1

1 INTRODUCTION

1.1 NAME AND INCEPTION DATE

The Electrical Contracting Industry National Pension Fund was established on the date of registration and approval of the rules of the FUND by the AUTHORITY and operates as a 'Type B' umbrella pension fund.

1.2. OBJECTIVE OF THE FUND

The FUND is established with the objective of providing its MEMBERS and BENEFICIARIES with the benefits described in the RULES, and to provide cost-effective services in order to enhance MEMBER retirement benefits.

1.3. LEGAL CAPACITY AND POWERS

The FUND is an independent legal entity, existing separately from its MEMBERS and BENEFICIARIES and is, in its own name, capable in law of –

1.3.1. suing and of being sued, and

1.3.2 acquiring, holding and alienating movable and immovable property, and

1.3.3 acquiring rights and obligations; and

1.3.4 performing all acts which may reasonably be necessary or ancillary to the exercise of its powers or performance of its functions.

1.4. REGISTERED OFFICE

The registered office of the FUND is at:

122 Queen Street
South Kensington
Johannesburg
2094

and its postal address is:

PO Box 31402
Braamfontein
2017

1.5 FUND IS TO BE GOVERNED IN ACCORDANCE WITH THE RULES

1.5.1 The FUND is governed in accordance with these RULES, which will be binding on the FUND, the BOARD OF TRUSTEES, MEMBERS, the EMPLOYERS and upon all persons who claim in terms of the RULES or whose claim is so derived from a person so claiming.

1.5.2 The RULES shall not be in conflict with the ACT or the COUNCIL'S MAIN COLLECTIVE AGREEMENT. Should a conflict arise, the RULES will prevail.

1.5.3 Subject to RULE 14.17 EXPIRY OF COUNCIL'S AGREEMENT, in the event that the COUNCIL'S MAIN COLLECTIVE AGREEMENT expires or lapses, the FUND will continue to operate, and its RULES shall continue to be in force and effect.

1.5.4 The FUND will comply with all applicable financial services legislation, as well as all amendments that are applicable to the FUND.

1.5.5 The BOARD has the discretion to amend the RULES, subject to following the procedure in the RULES and the ACT.

PART 2

2.1 INTERPRETATION

2.1.1 In the RULES, unless inconsistent with the context, words defined in the ACT and not in the RULES will bear the meanings thus assigned to them in the ACT; words or expressions denoting the singular will include the plural and vice versa; and words or expressions denoting one gender will include all other genders.

2.1.2 Headings and sub-headings are solely for ease of reference and will not be taken into account in the interpretation of the RULES and shall in no way explain, modify, amplify or aid in the interpretation of these RULES.

2.2 DEFINITIONS

Cognate expressions shall have corresponding meanings and unless inconsistent with the context, the following definitions will bear the meanings assigned to them below:

2.2.1 ACT

The Pension Funds Act, 1956 (Act 24 of 1956) (or similar Act regulating retirement funds in South Africa in the event that the legislature replaces the Pension Funds Act, 1956) and the regulations and directives promulgated thereunder, as amended.

2.2.2 ACTUARY

A natural person admitted as a fellow member of the Actuarial Society of South Africa or any other similar institution, who is approved by the Financial Sector

Conduct Authority to conduct the valuation of retirement funds and who has been appointed by the FUND as its valuator.

2.2.3 ADJUDICATOR

The Pension Funds Adjudicator or Deputy Pension Funds Adjudicator and any acting Pension Funds Adjudicator appointed in terms of Section 30C(1) of the ACT.

2.2.4 ADMINISTRATOR

The person, who is appointed in terms of these RULES, including a legal person, approved and licensed as a retirement fund administrator by the AUTHORITY in terms of the provisions of Section 13B of the ACT and authorised to administer the disposition of the benefits payable by the FUND.

2.2.5 ANNUITY STRATEGY

The FUND policy which sets out the FUND'S annuitisation objectives and strategy as contemplated in the Regulations to the ACT.

2.2.6 ANNUAL WAGE

The annual equivalent of a MEMBER'S actual wages but must not be less than the minimum wages as prescribed in the COUNCIL'S MAIN COLLECTIVE AGREEMENT, on which the MEMBER'S last contribution in terms of these RULES was based.

2.2.7 APPROVED FUND

A retirement fund that is recognised or has been approved by the South African Revenue Service in terms of the INCOME TAX ACT as a pension fund, a provident fund, a pension preservation fund, a provident preservation fund or a retirement

annuity fund and registered by the AUTHORITY as such and in respect of which a MEMBER meets the eligibility requirements for admission to membership thereof.

2.2.8 AUDITOR

An auditor registered under the Auditing Profession Act, 2005 (Act No. 26 of 2005) duly appointed in terms of these RULES and whose appointment is notified and approved by the AUTHORITY in terms of the ACT.

2.2.9 AUTHORITY

The Financial Sector Conduct Authority established in terms of the Financial Sector Regulation Act, 2017, (Act. No. 9 of 2017).

2.2.10 BENEFICIARY

A NOMINEE of a MEMBER or a DEPENDANT who is entitled to a BENEFIT, as provided for in the RULES.

2.2.11 BENEFIT

A benefit payable in terms of the RULES.

2.2.12 BOARD

The BOARD of a FUND contemplated in sections 7A and 7B of the ACT and as constituted in terms of the RULES.

2.2.13 BOARD MEMBER

A member of the BOARD appointed in terms of the RULES.

2.2.14 BOARD OF TRUSTEES or BOARD OF MANAGEMENT

The body of persons who manages, directs and controls the FUND in accordance with the RULES and all applicable legislation and who are appointed in terms of these RULES. The term "BOARD" shall have a corresponding meaning.

2.2.15 CHAIRPERSON

The chairperson elected by the TRUSTEES in terms of these RULES.

2.2.16 COMPLAINANT

Shares the meaning ascribed to it in the ACT and means –

- (a) Any person, as defined in the ACT, who is or who claims to be:
 - (i) a MEMBER or FORMER MEMBER of the FUND;
 - (ii) a BENEFICIARY or former beneficiary of the FUND;
 - (iii) an EMPLOYER who participates in the FUND;
 - (iv) a SPOUSE or a NON-MEMBER SPOUSE of a MEMBER or FORMER MEMBER of a FUND;
- (b) Any group of persons referred to in paragraph (a) to (d); A BOARD of a fund or MEMBER thereof; or
- (c) Any person who has an interest in a COMPLAINT.

2.2.17 COMPLAINT

A COMPLAINT of a COMPLAINANT relating to the administration of the FUND, the investment of its funds or the interpretation and application of its rules, and alleging –

- (a) that a decision of the fund or any person purportedly taken in terms of the rules was in excess of the powers of that fund or person, or an improper exercise of powers;
- (b) that the complainant has sustained or may sustain prejudice in consequence of the maladministration of the FUND by the FUND or any person, whether by act or omission;
- (c) that a dispute of fact or law has arisen in relation to a fund between the FUND or any person and the COMPLAINANT; or
- (d) that an EMPLOYER who participates in a fund has not fulfilled its duties in terms of the RULES of the FUND; but shall not include a COMPLAINT which does not relate to a specific COMPLAINANT.

but shall not include a complaint which does not relate to a specific complainant.

2.2.18 CONTRIBUTIONS

The amounts paid or payable (depending on the context) to the FUND by a MEMBER or an EMPLOYER, as the case may be, in terms of the RULES.

2.2.19 COUNCIL

National Bargaining Council for the Electrical Industry of South Africa, as registered with the Department of Employment and Labour in terms of the LABOUR RELATIONS ACT.

2.2.20 COUNCIL'S CONSTITUTION

The Constitution of the COUNCIL as amended or substituted from time to time.

2.2.21 COUNCIL'S MAIN COLLECTIVE AGREEMENT

The collective agreement and retirement funds agreement between the parties to the COUNCIL in accordance with the LABOUR RELATIONS ACT and any reference to the MAIN COLLECTIVE AGREEMENT in terms of these RULES shall have the same meaning.

2.2.22 DATA AND PROCESSING RESERVE ACCOUNT

A separate account established in the books of the FUND in terms of these RULES to make provision for data and/or processing contingencies.

2.2.23 DEFERRED RETIREMENT MEMBER

A MEMBER who has reached NORMAL RETIREMENT DATE but who has not yet elected to receive a retirement benefit in terms of these RULES.

2.2.24 DEMARCATED ASSETS

FUND assets ring-fenced by the BOARD on the advice of the ACTUARY with the object of backing different types of liabilities and/or reserve accounts maintained in accordance with Part 6 of the RULES.

2.2.25 DEPENDANT

In relation to a MEMBER bears the meaning ascribed to it in the ACT, and means:

- (a) a person in respect of whom the MEMBER is legally liable for maintenance;

a person in respect of whom the MEMBER is not legally liable for maintenance, if such person:

- (i) was, in the opinion of the BOARD, upon the death of the MEMBER in fact dependent on the MEMBER for maintenance;
 - (ii) is the SPOUSE of the MEMBER;
 - (iii) as a child of the MEMBER, including a posthumous child, an adopted child and a child born out of wedlock;
- (b) a person in respect of whom the MEMBER would have become legally liable for maintenance, had the MEMBER not died.

2.2.26 DISCLOSURE

In addition to the meaning ascribed to “disclosure” in section 1 of the Protected Disclosures Act, 2000, includes the disclosure of information:

- (a) regarding any conduct of a pension fund, an ADMINISTRATOR, or a BOARD MEMBER, PRINCIPAL OFFICER, deputy PRINCIPAL OFFICER, ACTUARY, officer or EMPLOYEE of a pension fund or ADMINISTRATOR, made by a BOARD MEMBER, PRINCIPAL OFFICER, deputy PRINCIPAL OFFICER or ACTUARY, or other officer or EMPLOYEE, of a pension fund or administrator to the AUTHORITY; and
- (b) relating to the affairs of the pension FUND which may prejudice the FUND or its MEMBERS.

2.2.27 ELIGIBLE EMPLOYEE

Any person –

- (a) who is an EMPLOYEE employed in the INDUSTRY; and

- (b) in respect of whom a contribution is prescribed in terms of the PENSION FUND AGREEMENT; or
- (c) any other person or category of persons which the COUNCIL has permitted to join the FUND or whom the COUNCIL has not exempted from participating in the FUND.

2.2.28 EMPLOYEE

Any employee in the INDUSTRY for whom a CONTRIBUTION is prescribed in the COUNCIL'S MAIN COLLECTIVE AGREEMENT or PENSION FUND AGREEMENT and shall include any other category of persons designated as such by the COUNCIL.

2.2.29 EMPLOYER

Any employer that is defined within the COUNCIL'S MAIN COLLECTIVE AGREEMENT. In respect of any MEMBER, EMPLOYER means the EMPLOYER in whose service the MEMBER is at that point in time or by whom the MEMBER was last so employed, as the case may be.

In addition, this may include an EMPLOYER admitted to participate in the FUND as agreed by the BOARD from time to time.

2.2.30 EMPLOYER REPRESENTATIVE

A BOARD MEMBER who is appointed by the employer organisation that is party to the COUNCIL.

2.2.31 EQUITABLE SHARE

In respect of any MEMBER, the amount determined in terms of RULE 5.

2.2.32 EXPENSE RESERVE ACCOUNT

A reserve account maintained in terms of RULE 6.6 for the expenses required to operate the FUND.

2.2.33 FINANCIAL YEAR

The twelve months ending on 31 December, each year.

2.2.34 FORMER MEMBER

Any person who was a MEMBER but whose membership terminated in terms of these RULES or is no longer eligible for FUND membership.

2.2.35 FUND

Electrical Contracting Industry National Pension Fund.

2.2.36 FUND ANNIVERSARY

The first day of January in each year.

2.2.37 FUND RETURN

For each MEMBER or any account referred to in RULE 6, in respect of any period determined by the BOARD, means the monthly, or such other period as decided by the BOARD, net investment gain or loss made by the FUND, as calculated by the ACTUARY, ADMINISTRATOR or other person as decided by the BOARD, on the assets backing the FUND'S specific liability or sub-categories of liability in respect of the MEMBER, UNPAID-MEMBER, PENSIONER MEMBER, PAID-UP

MEMBER, DEFERRED RETIREMENT MEMBER, UNCLAIMED BENEFIT or an account referred to in RULE 6, as the case may be, taking into account any:-

- (a) interest, dividends and any other investment income received by the FUND;
- (b) gains and losses made by the FUND on the disposal of investments;
- (c) unrealised growth or depreciation in the value of investments; and
- (d) profits and losses arising during the course of a month as a result of the difference between the actual market value of assets and the market value of such assets, as advised by the manager of the relevant INVESTMENT PORTFOLIO at the time when the assets are invested, or disinvested in an INVESTMENT PORTFOLIO or when INVESTMENT RETURNS earned by the FUND in a particular INVESTMENT PORTFOLIO are accounted for by the ADMINISTRATOR - and which net investment gain or loss shall be allocated to the MEMBERS, UNPAID MEMBER, PENSIONER MEMBER, PAID-UP MEMBER, DEFERRED RETIREMENT MEMBER, UNCLAIMED BENEFIT or accounts referred to in RULE 6 on such basis as the BOARD determines from time to time, but at least annually at the end of each FINANCIAL YEAR, on the advice of the ACTUARY.

2.2.38 FUND YEAR

A period of 12 (twelve) calendar months, commencing on the FUND ANNIVERSARY and terminating on the day before the subsequent FUND ANNIVERSARY or such other period as may be approved by the AUTHORITY on application by the FUND.

2.2.39 INCEPTION DATE

The date of registration of the FUND by the AUTHORITY in terms of the ACT.

2.2.40 INCOME TAX ACT

The Income Tax Act, 1962 (Act No. 58 of 1962).

2.2.41 INDEPENDENT TRUSTEE or INDEPENDENT BOARD MEMBER

An independent BOARD MEMBER with the appropriate skill and experience of retirement funds as determined by the BOARD and subject to any specific requirements prescribed by the AUTHORITY, appointed in terms of these RULES and who shall not be an EMPLOYER REPRESENTATIVE nor a MEMBER REPRESENTATIVE.

2.2.42 INDIVIDUAL MEMBER ACCOUNT

The individual account maintained in respect of each MEMBER in terms of these RULES.

2.2.43 INDUSTRY

The Electrical Industry as defined in the certificate of registration issued by the Department of Employment and Labour in terms of the LABOUR RELATIONS ACT.

2.2.44 INFORMATION OFFICER

An INFORMATION OFFICER or deputy INFORMATION OFFICER as contemplated in section 55 of the Protection of Personal Information Act, 2013, (Act No. 4 of 2013), ('POPIA') and duly appointed as such in accordance with the RULES and registered with the Information Regulator in terms of POPIA.

2.2.45 INSURER

An insurer registered under the Long-Term Insurance Act, 1998 (Act 52 of 1998) or the Short-Term Insurance Act, 1998 or the Insurance Act, 2017 (Act No. 18 of 2017) whichever is applicable to the nature of the business conducted by the INSURER in relation to the FUND.

2.2.46 INVESTMENT MANAGER

An institution approved by the AUTHORITY and authorised in terms of the approval to administer and/or advise on the investment of retirement fund assets and which is appointed in terms of these RULES.

2.2.47 INVESTMENT PORTFOLIO

An investment account which is operated by an INVESTMENT MANAGER, including any deposit account in the name of the FUND with any financial institution, on behalf of the FUND and which is approved by the TRUSTEES for the purposes of the investment of the assets of the FUND.

2.2.48 INVESTMENT RETURN

The rate or rates of return as determined by the INVESTMENT MANAGER or ACTUARY, as the case may be after taking into account the net yield achieved on the investment of the FUND'S assets in the relevant INVESTMENT PORTFOLIO. The INVESTMENT RETURN will, where applicable, be utilised as the TRUSTEES, in consultation with the ACTUARY, will determine.

2.2.49 LABOUR RELATIONS ACT

The Labour Relations Act, 1995, (Act No. 66 of 1995), as amended.

2.2.50 MEMBER

An EMPLOYEE who has been admitted to membership of the FUND in terms of the RULES and who has not ceased to be a MEMBER in terms of the RULES, which shall also include:

- (a) a DEFERRED RETIREMENT MEMBER;
- (b) a PAID-UP MEMBER;
- (c) an UNPAID MEMBER;
- (d) an UNCLAIMED BENEFIT MEMBER;
- (e) a person in receipt of a disability income benefit from the Disability Income Benefit Policy issued to the COUNCIL, in terms of the COUNCIL'S MAIN COLLECTIVE AGREEMENT; and
- (f) an EMPLOYEE temporarily absent from the service of the EMPLOYER in terms of the COUNCIL'S MAIN COLLECTIVE AGREEMENT.

2.2.51 MEMBER REPRESENTATIVE

A BOARD MEMBER who is appointed by a trade union that is party to the COUNCIL.

2.2.52 MEMBER SHARE

In regard to any MEMBER means the balance of such MEMBER'S INDIVIDUAL MEMBER ACCOUNT.

2.2.53 MONITORING PERSON

A person appointed by the BOARD to fulfil the role, in terms of these RULES and the ACT.

2.2.54 NOMINEE

In respect of any MEMBER, a person, other than a DEPENDANT, designated by the MEMBER in writing to the FUND, including an electronic format as approved by the TRUSTEES, to receive the BENEFIT or a portion thereof, in accordance with these RULES and the ACT, upon the MEMBER'S death.

2.2.55 NON-MEMBER SPOUSE

In relation to a MEMBER of a FUND, means a person who is no longer the SPOUSE of that MEMBER due to the dissolution or confirmation of the dissolution of the relationship by court order and to whom the court ordering or confirming the dissolution of the relationship has granted a share of the MEMBER'S pension interest in the FUND.

2.2.56 NORMAL RETIREMENT AGE

Age 65 (sixty-five) years.

2.2.57 NORMAL RETIREMENT DATE

Shall bear the meaning assigned to it in Section 1 of the INCOME TAX ACT, and shall be the age on which a MEMBER shall become entitled to retire from service in terms of the RULES and as stated in that MEMBER'S contract of employment.

2.2.58 PAID-UP MEMBER

A MEMBER who has left the services of the EMPLOYER before retirement but who has not yet elected in writing to receive or transfer his or her withdrawal BENEFIT in terms of these RULES and has become a PAID-UP MEMBER in terms of these RULES.

2.2.59 PARTICIPATION DATE

The INCEPTION DATE; provided that in relation to an EMPLOYER who is admitted to the FUND subsequent to that date, PARTICIPATION DATE will mean the date as from which the EMPLOYER is admitted to the FUND.

2.2.60 PENSION FUND

Means a pension fund organisation as defined in the ACT, or the FUND, as the context determines.

2.2.61 PENSION FUND AGREEMENT

The agreement between the parties to the COUNCIL governing contributions and participation in the FUND, referred to as the NATIONAL PENSION AND PROVIDENT FUND COLLECTIVE AGREEMENT.

2.2.62 PENSIONABLE SALARY

The annual remuneration of a MEMBER on which contributions must be paid, as determined in the COUNCIL'S MAIN COLLECTIVE AGREEMENT and PENSION FUND AGREEMENT from time to time, on which CONTRIBUTIONS will be determined.

2.2.63 PENSIONER ACCOUNT

The account maintained in terms of RULE 6.5 to pay PENSIONER MEMBERS.

2.2.64 PENSIONER MEMBER

Any person in receipt of monthly pension from the Fund, as approved by the TRUSTEES.

2.2.65 PREVIOUS FUNDS

An APPROVED FUND in which a MEMBER participated prior to joining the FUND.

2.2.66 PRINCIPAL OFFICER

The natural person appointed in terms of these RULES to fulfil the function of principal officer or deputy principal officer as set out in section 8 of the ACT.

2.2.67 REALISATION DATE

The date on which an individual MEMBER'S share of the FUND, representing the MEMBER'S BENEFIT in the FUND, is disinvested from the FUND'S assets in terms of these RULES.

2.2.68 RESPONSIBLE PERSON

Shall be appointed in term of the ACT and RULES and shall report outstanding CONTRIBUTIONS and non-transmission of the minimum information to the MONITORING PERSON within the period prescribed in the ACT or RULES.

2.2.69 RETIREMENT BENEFITS COUNSELLING

RETIREMENT BENEFITS COUNSELLING as contemplated in the Regulations to the ACT; provided that retirement benefit counselling shall not include 'advice' as defined in the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002).

2.2.70 RETIREMENT DATE

Shall have the meaning assigned to it in Section 1 of the INCOME TAX ACT, being the end of the month in which the MEMBER turns 65 (sixty-five) years.

2.2.71 REVENUE AUTHORITIES

The SOUTH AFRICAN REVENUE SERVICE, whose approval of the RULES and any amendments thereto may be required from time to time.

2.2.72 RISK RESERVE ACCOUNT

A separate account established in the books of the FUND in terms of these RULES.

2.2.73 RULES

The rules of the FUND as amended from time to time and as registered by the AUTHORITY.

2.2.74 SPONSOR

The SPONSOR of the FUND is the COUNCIL.

2.2.75 SPOUSE

A person who is the permanent life partner or spouse or civil union partner of a MEMBER in accordance with the Marriage Act, 1961 (Act 68 of 1961), the Recognition of Customary Marriages Act, 1998 (Act 120 of 1998), or the Civil Union Act, 2006 (Act 17 of 2006), or the tenets of a religion.

2.2.76 TRUSTEES

Persons appointed as BOARD MEMBERS in terms of these RULES.

2.2.77 UNCLAIMED BENEFIT

Bears the similar meaning to the definition in the ACT.

2.2.78 UNIT

In respect of any UNITISED INVESTMENT PORTFOLIO, the measurement used by the INVESTMENT MANAGER to allocate the assets in the UNITISED INVESTMENT PORTFOLIO proportionally to MEMBERS, on the understanding that the underlying net value in any UNITISED INVESTMENT PORTFOLIO will be represented by the total number of UNITS in the UNITISED INVESTMENT PORTFOLIO, multiplied by the relevant UNIT PRICE as determined by the INVESTMENT MANAGER, after accounting for all associated costs.

2.2.79 UNIT PRICE

The price of the UNIT at any given time, calculated in terms of the rules of the specific UNITISED INVESTMENT PORTFOLIO, and as provided by the relevant INVESTMENT MANAGER.

2.2.80 UNITISED INVESTMENT PORTFOLIO

An INVESTMENT PORTFOLIO providing for the allocation of UNITS by the relevant INVESTMENT MANAGER at a specific UNIT PRICE.

2.2.81 UNPAID MEMBER

A MEMBER whose CONTRIBUTIONS are paid up to date, has exited the FUND by providing due notification and whose BENEFIT is still to be paid by the FUND.

2.2.82 UNPAID MEMBER ACCOUNT

An account maintained in terms of RULE 6.4.

PART 3

3 MEMBERSHIP

3.1 MEMBERSHIP QUALIFICATION

3.1.1 Any person who becomes an ELIGIBLE EMPLOYEE on or after the PARTICIPATION DATE will become a MEMBER on the effective date of participation, as agreed upon between the COUNCIL and the EMPLOYER ("the PARTICIPATION DATE"), on which the EMPLOYEE qualifies for membership of the FUND.

3.1.2 An EMPLOYER shall ensure that all ELIGIBLE EMPLOYEES are admitted as MEMBERS of the FUND; provided that the person has not yet attained the NORMAL RETIREMENT AGE as at the date of application for membership.

3.1.3 Any person approved as such by the BOARD OF TRUSTEES.

3.2 CESSATION OF MEMBERSHIP

A MEMBER shall not be permitted to withdraw from membership of the FUND while such MEMBER remains in the service of the participating EMPLOYER unless provided for in the RULES. Notwithstanding, a MEMBER'S membership of the FUND will cease only:

3.2.1 upon the MEMBER'S death after all benefits due to such late MEMBER'S BENEFICIARIES has been paid by the FUND;

3.2.2 upon the MEMBER ceasing to be an EMPLOYEE or ELIGIBLE EMPLOYEE, unless the MEMBER's BENEFIT payable in terms of the RULES has not as yet been paid by the FUND;

3.2.3 upon the dissolution of the FUND;

3.2.4 when an exemption from membership is granted by COUNCIL in terms of the COUNCIL'S MAIN COLLECTIVE AGREEMENT, whichever event occurs first.

3.2.5 A MEMBER who has left employment for any reason and who has received all the BENEFITS which may be due to him/her in terms of these RULES shall immediately cease to be a MEMBER.

3.2.6 A MEMBER who remains in the employment of an EMPLOYER, but who is also eligible for membership of another APPROVED FUND in which the EMPLOYER participates, may, upon approval by the COUNCIL, elect to: -

3.2.6.1 Remain a MEMBER of the FUND and continue to pay or have CONTRIBUTIONS, in respect of such membership, continue to be paid to the FUND; or

3.2.6.2 Cease CONTRIBUTIONS but the MEMBER will retain their INDIVIDUAL MEMBER ACCOUNT in the FUND, in which case such MEMBER will be regarded as a PAID-UP MEMBER.

Provided that, in the event that evidence is produced that the MEMBER'S election to transfer out of the FUND was not made voluntarily, but as a result of alleged coercion, intimidation or deliberate misinformation, the BOARD shall arrange for the circumstances surrounding such election to be investigated and if the BOARD finds, on a balance of probabilities, that the election was made as a result of alleged coercion, intimidation or deliberate misinformation, any application for withdrawal or

transfer out of the FUND by the MEMBER shall be declined and the MEMBER'S membership of the FUND shall continue uninterrupted.

3.2.6.3 The EMPLOYER shall advise the FUND of a MEMBER'S decision to withdraw from membership.

3.2.6.4 If a MEMBER who remains in the employment of an EMPLOYER, but who is also eligible for membership of another APPROVED FUND in which the EMPLOYER participates takes no action and makes no election, he will continue as a MEMBER of the FUND.

3.3 RE-EMPLOYMENT

3.3.1 If a MEMBER referred to in RULE 3.2.2 subsequently re-enters the INDUSTRY as an ELIGIBLE EMPLOYEE and qualifies for membership of the FUND, such person will, subject to RULE 3.3.2, be treated as a new MEMBER.

3.3.2 If a MEMBER re-joins the FUND and such MEMBER'S BENEFIT has not already been paid, such MEMBER is not entitled to a withdrawal benefit, in order to prevent simulated exits for purposes of paying WITHDRAWAL BENEFITS.

3.4 CONTINUED MEMBERSHIP IN THE TERMS OF SECTION 197 TRANSFER

If the employment of a MEMBER is transferred to a new EMPLOYER in terms of section 197 of the LABOUR RELATIONS ACT or if the employment of a MEMBER is otherwise changed from one EMPLOYER to another, that MEMBER shall remain a MEMBER of the FUND for such period and on such terms as the BOARD

may decide. For as long as the MEMBER remains a MEMBER in terms of this RULE, such MEMBER'S new EMPLOYER will become an EMPLOYER in respect of that MEMBER for the purposes of the RULES.

3.5 MEMBERSHIP DURING A SECTION 14 TRANSFER

If a MEMBER transfers to another APPROVED FUND or 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 effective date of transfer as specified in the Section 14 documentation, CONTRIBUTIONS in terms of RULE 4 shall cease and in the event of such MEMBER'S death or disablement, prior to the transfer of that MEMBER'S BENEFIT in terms of these RULES from the FUND to such other fund, the BENEFIT payable by the FUND shall be limited to the MEMBER'S EQUITABLESHARE.

3.6. UNCLAIMED BENEFITS

3.6.1 If a BENEFICIARY, excluding a MEMBER or PAID-UP MEMBER, does not claim monies payable to such BENEFICIARY in terms of the RULES, such monies will be retained in the FUND or be transferred after expiry of a period of 24 (twenty-four) months, (at which time it becomes an UNCLAIMED BENEFIT for FUND purposes) to an APPROVED FUND that has been approved by the REVENUE AUTHORITIES to accept UNCLAIMED BENEFITS whereafter the BENEFICIARY will have no further claim against the FUND.

3.6.2 For the first 24 (twenty-four) months from the date that a benefit becomes payable in terms of these RULES, such BENEFIT will remain in the INVESTMENT PORTFOLIO(S) it was invested in immediately prior to the BENEFIT becoming unclaimed, or as determined by the BOARD, and at the expiry of the 24 (twenty-four) month-period, an UNCLAIMED BENEFIT that is retained in the FUND will be disinvested and be invested in another

product or investment vehicle, as determined by the BOARD OF TRUSTEES from time to time.

3.6.3. The BENEFIT payable in terms of RULES 7, 8, 9 and 10 as the case may be, that remains unclaimed in the FUND, will be adjusted with the following, as approved by the BOARD OF TRUSTEES:

- (a) the rate of interest as determined by the BOARD OF TRUSTEES from time to time, taking into account the investment vehicle in which and the period during which the assets representing the BENEFIT are invested and all other relevant facts, until the date of payment of the BENEFIT;
- (b) the reasonable cost that was incurred to trace or endeavour to trace the MEMBER or BENEFICIARY; and
- (c) the proportionate share of the cost of management of UNCLAIMED BENEFITS.

3.6.4. The BOARD OF TRUSTEES will make payment of monies that have not yet been transferred to an APPROVED FUND that has been approved by the REVENUE AUTHORITIES to accept UNCLAIMED BENEFITS, to a MEMBER or BENEFICIARY if such person satisfies the BOARD OF TRUSTEES of such person's right to claim such monies.

3.7. PAID-UP MEMBERS

3.7.1. A MEMBER who leaves the service of an EMPLOYER before retirement becomes a PAID-UP MEMBER.

3.7.2. No further CONTRIBUTIONS in terms of these RULES are payable after the date of termination of service of such PAID-UP MEMBER, unless the

PAID-UP MEMBER again becomes employed by the EMPLOYER before the NORMAL RETIREMENT DATE and thereafter becomes a MEMBER.

3.7.3. Insured risk benefits provided for in the RULES will not be applicable to the PAID-UP MEMBER.

3.7.4. The PAID-UP MEMBER'S EQUITABLE SHARE will remain in the INVESTMENT PORTFOLIO(S) in which it was invested immediately prior to becoming a PAID-UP MEMBER, or such alternative portfolios as determined by the BOARD.

3.7.5. The paid - up benefit will be payable on receipt of the MEMBER'S written election to receive the BENEFIT after the terms and procedures of such payment or transfer was made available to such PAID-UP MEMBER. The PAID-UP MEMBER may therefore request payment of the paid - up benefit at any time.

3.7.6. If the PAID-UP MEMBER dies after termination of service, but prior to the paid – up benefit becoming payable, a BENEFIT equal to the value of the PAID-UP MEMBER's EQUITABLE SHARE as at the REALISATION DATE, will be paid in accordance with section 37C of the ACT.

PART 4

4 CONTRIBUTIONS

4.1 MEMBER CONTRIBUTIONS

Every MEMBER who is an EMPLOYEE shall contribute to the FUND the amount as prescribed in the COUNCIL'S MAIN COLLECTIVE AGREEMENT and PENSION FUND AGREEMENT based on the MEMBER's PENSIONABLE SALARY. The current rate of CONTRIBUTIONS for each week or month that the MEMBER worked in the INDUSTRY for such minimum number of shifts or hours as is specified in the COUNCIL'S MAIN COLLECTIVE AGREEMENT, is 7,5% (seven comma five per cent) of the MEMBER's PENSIONABLE SALARY, as the case may be, which shall be paid on a monthly basis to the FUND, by the EMPLOYER.

4.2 ADDITIONAL MEMBER CONTRIBUTIONS

4.2.1 A MEMBER may transfer to the FUND any lump sum BENEFIT or transfer value arising from membership of another APPROVED FUND and may also make additional contributions to the FUND.

4.2.2 The lump sums and/or additional contributions will be applied to increase the MEMBER's EQUITABLE SHARE.

4.3 EMPLOYER CONTRIBUTIONS

The EMPLOYER will contribute to the FUND each month in respect of each MEMBER who is an EMPLOYEE an amount equal to 7,5% (seven comma five per cent) of each MEMBER'S weekly or monthly PENSIONABLE SALARY, or such other amount as prescribed in the COUNCIL'S MAIN COLLECTIVE AGREEMENT

as promulgated by the Minister of Employment and Labour, from which is deducted the costs of the risk benefits provided by the COUNCIL in the MAIN COUNCIL AGREEMENT.

A portion of the EMPLOYER contributions will be used to cover costs associated with the FUND and membership, such as the FUND'S administration costs, allocations to the RISK RESERVE ACCOUNT and other associated costs, and the remaining balance will be allocated to the MEMBER'S INDIVIDUAL MEMBER ACCOUNT for investment purposes.

The EMPLOYER contributions will include the amounts, as calculated by the ACTUARY, required to maintain the balance in the EXPENSE RESERVE ACCOUNT and the RISK RESERVE ACCOUNT at an acceptable level as determined by the ACTUARY.

4.4 PAYMENT OF CONTRIBUTIONS

4.4.1 Subject to the approval of the AUTHORITY, CONTRIBUTIONS shall be paid to the COUNCIL monthly in arrears in a lump sum by the EMPLOYER by the 15th of the month following the month in respect of which the CONTRIBUTIONS are due. The COUNCIL will pay the CONTRIBUTIONS to the FUND in terms of its licence requirements. All CONTRIBUTIONS will be paid to the FUND, including CONTRIBUTIONS received after the 15th of the month.

4.4.1.1 The EMPLOYER shall ensure that the minimum information prescribed in FSCA RF Notice 8 of 2023, or any other requirements prescribed by the AUTHORITY with regard to payment of CONTRIBUTIONS, is submitted to the FUND within the prescribed period.

4.4.1.2 The EMPLOYER shall be liable to pay late payment interest on the outstanding amount at the rate prescribed in terms of

the ACT, calculated from the first day of the month following the month in respect of which the CONTRIBUTIONS are due until date of payment, at a rate determined in terms of or as prescribed by the AUTHORITY.

- 4.4.1.3 The FUND shall not be liable for payment of any BENEFIT payable in terms of the RULES that would have been secured by the CONTRIBUTIONS not transmitted to the FUND, provided that the BOARD shall take all reasonable steps to ensure that CONTRIBUTIONS are paid to the FUND and the interests of MEMBERS are protected in terms of the ACT, any other legislation and the RULES.
- 4.4.1.4 The RESPONSIBLE PERSON shall report outstanding CONTRIBUTIONS and non-transmission of the minimum information to the MONITORING PERSON within the period prescribed in terms of the Pension Funds Act, 1956.
- 4.4.1.5 The MONITORING PERSON shall then, in writing, report the matter to the BOARD within 7 days after receipt of the report from the RESPONSIBLE PERSON.
- 4.4.1.6 Within such reasonable period as determined by the BOARD, after receipt of the report from the MONITORING PERSON, the BOARD shall report the matter to the MEMBERS who have been affected by the non-payment of the CONTRIBUTIONS.
- 4.4.1.7 Where the EMPLOYER has not paid CONTRIBUTIONS for a period of 90 days, the MONITORING PERSON shall report the matter in detail, within 14 days after the expiration of such 90-day period, to the South African Police Service and inform the AUTHORITY accordingly.

- 4.4.1.8 The EMPLOYER shall provide the FUND with a monthly reconciliation of MEMBERS for whom CONTRIBUTIONS were paid in terms of the RULES and the amount contributed in respect of such MEMBERS.
- 4.4.2 The FUND shall recover from the EMPLOYER, collection expenses it may incur in addition to CONTRIBUTIONS that are not paid in terms of RULE 4.4.1, as well as late payment interest calculated from the first day of the month following the month in respect of which the CONTRIBUTIONS are due until date of payment at a rate determined in the ACT or by the AUTHORITY.
- 4.4.3 The FUND will comply with the Authority's prescriptions in respect of the collection of contributions as and when the Authority issues new requirements for implementation by retirement funds.

PART 5

5 EQUITABLE SHARE AND INVESTMENTS

5.1 EQUITABLE SHARE

An **EQUITABLE SHARE** is an amount as calculated by the **ADMINISTRATOR** equal in value to the total number of **UNITS** multiplied by the **UNIT PRICE** comprising the **MEMBER'S EQUITABLE SHARE**, including any monies transferred into the **FUND** on behalf of a **MEMBER**, plus the total number of **UNITS** purchased monthly with the net **CONTRIBUTIONS** in respect of the **MEMBER** allocated in terms of **RULE 4**, adjusted proportionally with:

- (a) the number of **UNITS** required in respect of the **MEMBER'S UNITISED INVESTMENT PORTFOLIO**-related expenses;
- (b) the number of **UNITS** purchased or redeemed in respect of amounts released from or allocated to the **FUND'S** contingency reserve accounts as calculated by the **ACTUARY** on a basis deemed equitable and as approved by the **TRUSTEES**;
- (c) if applicable, the number of **UNITS** required for the reasonable and proportionate cost of management of the **FUND** attributable to the evaluation and processing of the **MEMBER'S** divorce order in terms of **RULE 13.12.1.(d)** and a deduction in terms of **RULE 13.12.1.(e)**;
- (d) if applicable, the number of **UNITS** required for the deduction and payment of a debt owed to the **FUND** or the **EMPLOYER** in terms of **RULE 13.12.1.(a)**, the deduction and payment of the **NON-MEMBER SPOUSES** portion of the pension interest in terms of **RULE 13.12.1.(d)**, and the deduction and payment of the allocated amount to a person in terms of

RULE 13.12.1.(e); and if applicable, the number of UNITS required for the cost of obtainment of tax directives and the payment of tax;

5.2 GENERAL PROVISIONS REGARDING UNITISED INVESTMENT PORTFOLIOS

5.2.1 PAYMENTS TO INVESTMENT MANAGER(S)

The net CONTRIBUTIONS in respect of retirement benefits that are earmarked to be invested in a UNITISED INVESTMENT PORTFOLIO, will as far as is reasonably possible be paid to the INVESTMENT MANAGER(S) by the ADMINISTRATOR within 5 days of receipt of such monies, which amount will be applied to purchase UNITS in the UNITISED INVESTMENT PORTFOLIOS as specified.

5.2.2 INVESTMENT OF ASSETS

5.2.2.1 The INVESTMENT MANAGER must invest the assets of the FUND in the UNITISED INVESTMENT PORTFOLIO within the period following receipt of payment thereof by the INVESTMENT MANAGER, as agreed upon with the TRUSTEES.

5.2.2.2 The ADMINISTRATOR must maintain a register reflecting the UNIT allocation of each MEMBER'S UNITISED INVESTMENT PORTFOLIO in which the MEMBER'S assets are invested on a daily basis.

5.2.3 DISINVESTMENT OF ASSETS

Should the TRUSTEES deem it necessary to disinvest the assets of the FUND in respect of any MEMBER or group of MEMBERS invested in a specific UNITISED INVESTMENT PORTFOLIO, the INVESTMENT MANAGER will calculate the value of the UNITS on the date of the disinvestment and will pay the proceeds to the FUND within such period and in such manner as agreed between the TRUSTEES and the INVESTMENT MANAGER from time to time.

5.2.3.1 The TRUSTEES may direct that the disinvested money be transferred directly to a new or other investment.

5.2.4 VALUE OF UNITISED INVESTMENT PORTFOLIOS

The value at any given time of a MEMBER'S UNITS in any specific UNITISED INVESTMENT PORTFOLIO selected or deemed to have been selected by the MEMBER will be calculated by the ADMINISTRATOR or service provider as decided by the TRUSTEES, using the UNIT PRICE as provided by the relevant INVESTMENT MANAGER in respect of that specific UNITISED INVESTMENT PORTFOLIO.

5.2.5 TRANSFERS FROM UNITISED INVESTMENT PORTFOLIOS

When the value of a MEMBER'S UNITS in a specific UNITISED INVESTMENT PORTFOLIO is to be transferred to any other INVESTMENT PORTFOLIO, the transfer will be effected by no later than a date as determined by the TRUSTEES from time to time following receipt by the relevant INVESTMENT MANAGER of written notification thereof, unless the TRUSTEES specify that the transfer be effected at a later date.

5.2.6 PAYMENTS FROM UNITISED INVESTMENT PORTFOLIOS

When the value of a MEMBER'S UNITS which is invested in the specific UNITISED INVESTMENT PORTFOLIO, are disinvested because of the termination of the MEMBER'S membership of the FUND for whatever reason in terms of the RULES and on receipt of the MEMBER'S payment instructions, the payment will be effected by the relevant INVESTMENT MANAGER into the FUND'S bank account by no later than a date as determined by the TRUSTEES from time to time following receipt by the INVESTMENT MANAGER of written notification thereof.

5.2.7 PAYMENT BY THE ADMINISTRATOR

The ADMINISTRATOR will effect payment of the MEMBER'S BENEFIT after receipt thereof by the INVESTMENT MANAGER in terms of RULE 5.2.6, increased with a rate of interest from the FUND'S bank account where interest has accrued and make payment to the MEMBER or relevant BENEFICIARY within a period as agreed upon between the TRUSTEES and the ADMINISTRATOR from time to time, or make payment on behalf of the MEMBER or relevant BENEFICIARY to another APPROVED FUND.

PART 6

6 RESERVES AND ACCOUNTS

6.1 DATA AND PROCESSING RESERVE ACCOUNT

6.1.1 The DATA AND PROCESSING RESERVE ACCOUNT will be credited with the following amounts, as the case may be, in consultation with the ACTUARY:

- (a) the inflow of any amounts to establish this account, or from any data and/or processing contingencies that may arise in the FUND from time to time;
- (b) if applicable, in respect of UNITISED INVESTMENT PORTFOLIOS, the value of the number of unitised shares allocated from MEMBERS' EQUITABLE SHARES required to maintain the balance in this account at an acceptable level as determined by the ACTUARY;
- (c) any amounts transferred to this account from a DATA AND PROCESSING RESERVE ACCOUNT in another APPROVED FUND, if applicable; and
- (d) INVESTMENT RETURN on the credit balance in this account.

6.1.2 The DATA AND PROCESSING RESERVE ACCOUNT will be debited with the following amounts, as the case may be, in consultation with the ACTUARY:

- (a) the cost of any possible data and/or processing contingencies financed from this account as calculated by the ACTUARY from time to time; and
- (b) the release of any excess amount not required to protect the FUND against adverse data and/or processing contingencies as calculated by the ACTUARY from time to time and approved by the BOARD.

6.1.3 In the event of a partial dissolution of the FUND in terms of RULE 12.1, a proportionate share of the DATA AND PROCESSING RESERVE ACCOUNT, as calculated by the ACTUARY will be distributed amongst the affected MEMBERS, and in the event of a total dissolution of the FUND in terms of RULE 12.2, any remaining credit balance in the DATA AND PROCESSING RESERVE ACCOUNT, will be distributed proportionally to all the MEMBERS' EQUITABLE SHARES.

6.2 RISK RESERVE ACCOUNT

- 6.2.1 The RISK RESERVE ACCOUNT will be credited with the following amounts, as the case may be, in consultation with the ACTUARY:
- (a) an initial balance as determined by the TRUSTEES;
 - (b) the EMPLOYER CONTRIBUTIONS, as calculated by the ACTUARY, required to maintain the balance in this account at an acceptable level;
 - (c) any additional amounts required to protect the FUND against adverse death or other contingencies;
 - (d) any amounts transferred to this account from another APPROVED FUND.

6.2.2 The RISK RESERVE ACCOUNT will be debited with the following amounts, as the case may be, in consultation with the ACTUARY.:

- (a) The cost of any possible death or other risk.
- (b) contingencies financed from this account as calculated by the ACTUARY from time to time; and
- (c) The release of any excess amount not required to protect the FUND against adverse risk contingencies, as calculated by the ACTUARY from time to time and approved by the BOARD.

6.3 EXPENSE RESERVE ACCOUNT

6.3.1 The FUND keeps an EXPENSE RESERVE ACCOUNT which is credited with:-

- (a) an opening balance consisting of a portion of the FUND assets as determined by the BOARD in consultation with the ACTUARY at the date of each statutory actuarial valuation; plus
- (b) the amount of the EMPLOYER'S CONTRIBUTIONS made in terms of RULE 4.3 to meet the administration and management costs with regards to the FUND as determined by the BOARD in consultation with the ACTUARY; plus
- (c) any amounts transferred from other accounts as the BOARD shall determine in consultation with the ACTUARY, and as permitted by the ACT; plus
- (d) the EMPLOYER'S CONTRIBUTIONS made in terms of RULE 4.3. to meet the cost of the risk insurance effected by the FUND in respect of the MEMBERS; plus
- (e) BENEFITs payable by the INSURER; plus

- (f) accumulated profits transferred from the INSURER; plus
- (g) FUND RETURN on DEMARCATED ASSETS.

6.3.2 The EXPENSE RESERVE ACCOUNT may be debited with:-

- (a) fees and reimbursements payable to the COUNCIL ; plus
- (b) any taxes and levies not taken into account in the costs of the administration of the FUND or the investment of its assets; plus
- (c) premiums for fidelity and professional indemnity insurance taken out by the FUND; plus
- (d) fees and reimbursement payable to the BOARD MEMBERS; plus
- (e) fees and reimbursements payable to consultants, the ACTUARY and other service providers appointed by the FUND; plus
- (f) the costs of audits of the FUND; plus
- (g) fees and reimbursements payable to the PRINCIPAL OFFICER appointed by the FUND; plus
- (h) amounts paid in respect of disbursement accounts; plus
- (i) reasonable travelling, accommodation and related expenses incurred by the BOARD MEMBERS in directing, controlling and overseeing the operations of the FUND; plus
- (j) costs of training of BOARD MEMBERS; plus
- (k) fees payable to the ADMINISTRATOR of the FUND for administration of the FUND (excluding investment administration); plus

- (l) cost of tracing and payment of BENEFITs to BENEFICIARIES insofar as it is not recovered directly from MEMBERS; plus;
- (m) any amounts transferred to other accounts as the BOARD shall determine in consultation with the ACTUARY, and as permitted by the ACT; plus
- (n) the premiums paid to the INSURER underwriting the risk insurance provided by the FUND; plus
- (o) accumulated losses payable to the INSURER in terms of the insurance policy; plus
- (p) negative FUND RETURN on DEMARCATED ASSETS; plus
- (q) any other cost incurred by the FUND including expenses as defined in these RULES, other than those not provided for above, relating to the management and administration of the FUND, as determined by the BOARD, from time to time.

6.3.3 On liquidation of the FUND, any balance in this account shall be applied by the liquidator in accordance with Section 15I of the ACT.

6.4 INDIVIDUAL MEMBER ACCOUNT

6.4.1 The FUND keeps an INDIVIDUAL MEMBER ACCOUNT for each MEMBER, which is credited with: -

- (a) the net CONTRIBUTIONS for retirement benefits in respect of the MEMBER, including additional voluntary contributions referred to in terms of RULE 4.2 and transfers received for the MEMBER; plus
- (b) FUND RETURNS on CONTRIBUTIONS, including that on DEMARCATED ASSETS; plus

- (c) any amount transferred from other reserve accounts as shall be determined by the BOARD from time to time, in consultation with the ACTUARY, and as permitted by the ACT; plus
- (d) any amounts recovered after excluding expenses of recovery.

6.4.2 The INDIVIDUAL MEMBER ACCOUNT is debited with: -

- (a) the portion of the MEMBER SHARE which is payable to the MEMBER or BENEFICIARIES or to be transferred in terms of the RULES; plus
- (b) the MEMBER'S proportionate share of the FUND costs and expenses; plus
- (c) any other amount as determined by the BOARD.

6.4.3 In respect of each PAID UP MEMBER, an INDIVIDUAL MEMBER ACCOUNT shall be credited with: -

- (a) that part of the CONTRIBUTIONS made by the EMPLOYER and the MEMBER, in terms of the RULES, towards the INDIVIDUAL MEMBER ACCOUNT, and any other CONTRIBUTIONS paid in terms of the RULES; plus
- (b) transfer amounts (if any) received by the FUND in terms of the RULES; plus
- (c) FUND RETURN on DEMARCATED ASSETS; plus
- (d) any amount transferred from other reserve accounts as shall be determined by the BOARD from time to time, in consultation with the ACTUARY, and as permitted by the ACT.

6.4.4 In respect of each PAID UP MEMBER, an INDIVIDUAL MEMBER ACCOUNT shall be debited with: -

- (a) the proportionate amount to be credited to the EXPENSE RESERVE ACCOUNT for payment of the administration, tracing and payment costs in respect of PAID-UP MEMBER; plus
- (b) payment or transfer of the MEMBER'S SHARE in terms of the RULES; plus
- (c) deductions from the INDIVIDUAL MEMBER ACCOUNT for tracing and payment of BENEFITS; plus
- (d) negative FUND RETURN on DEMARCATED ASSETS; plus
- (e) any other adjustment as shall be agreed to, from time to time, by the BOARD in consultation with the ACTUARY.

6.4.5 On liquidation of the FUND, any balance in the account must be applied in accordance with Section 15I of the ACT.

6.5 UNPAID MEMBER ACCOUNT

6.5.1 The FUND keeps an UNPAID MEMBER ACCOUNT to which is credited: -

- (a) the BENEFITS in respect of UNPAID MEMBERS; plus
- (b) FUND RETURN on DEMARCATED ASSETS; plus
- (c) any amount transferred from other reserve accounts as shall be determined by the BOARD from time to time, in consultation with the ACTUARY, and as permitted by the ACT.

6.5.2 The UNPAID MEMBER ACCOUNT is debited with: -

- (a) the portion of BENEFITs which is payable in respect of UNPAID MEMBERS who have been successfully identified and traced; plus
- (b) the amount for payment of the administration, tracing and payment cost in respect of UNPAID MEMBERS; plus
- (c) an amount referred to in RULE 6.4.2(c) above; plus
- (d) negative FUND RETURN on DEMARCATED ASSETS

6.6 PENSIONER ACCOUNT

6.6.1 In the event that the FUND decides to provide in-house pensions to its MEMBERS, a PENSIONER ACCOUNT will be established to which is credited: -

- (a) the amounts transferred from the INDIVIDUAL MEMBER ACCOUNT for a new PENSIONER or an existing PENSIONER MEMBER who is in receipt of a monthly pension from the FUND, as approved by the TRUSTEES, or in respect of a DEFERRED PENSIONER or PAID-UP MEMBER; plus
- (b) FUND RETURN on DEMARCATED ASSETS;
- (c) a portion of the FUND assets as determined by the BOARD in consultation with the ACTUARY in order to maintain the solvency reserves within the PENSIONER ACCOUNT to cushion against adverse experience that result in possible shortfalls in assets in the PENSIONER ACCOUNT that are backing the PENSIONER ACCOUNT liabilities;

6.6.2. The PENSIONER ACCOUNT is debited with: -

- (a) the portion of monthly pensions which are payable in respect of PENSIONER MEMBERS; plus
- (b) the amount for payment of the administration and payment cost in respect of PENSIONER MEMBERS and/or PAID-UP MEMBERS; plus
- (c) negative FUND RETURN on DEMARCATED ASSETS.

PART 7

7 RETIREMENT

7.1 RETIREMENT BENEFITS

On receipt by the FUND of satisfactory proof of the retirement of a MEMBER, a MEMBER may retire in terms of RULE 7.2 NORMAL RETIREMENT, 7.3 VOLUNTARY EARLY RETIREMENT or 7.4 LATE RETIREMENT, as the case may be.

7.2 NORMAL RETIREMENT

On a MEMBER'S RETIREMENT DATE, such MEMBER will be entitled to take up to 1/3 (one-third) of the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE in cash the remaining portion must be used to provide the retiring member with a pension annuity purchased from an INSURER as decided by the retiring MEMBER, or if the FUND decides to in-source pensions, the remaining portion would be transferred to the PENSION ACCOUNT; provided that if the total pension that can be purchased from the INSURER, before any portion thereof is taken in cash, is less than the maximum pension that may be taken in cash in terms of the INCOME TAX ACT, the whole of the pension may be taken in cash.

7.3 VOLUNTARY EARLY RETIREMENT

7.3.1 A MEMBER may elect to retire at any time after attaining the age of 55 (fifty-five) years.

7.3.2 Should a MEMBER be entitled in terms of the prevailing law to take the whole or only a part of the MEMBER'S EQUITABLE SHARE in cash

and elects to do so, the cash BENEFIT will be paid to the MEMBER by the FUND.

- 7.3.3 In respect of the remaining BENEFIT or any portion not taken in cash, the MEMBER will be entitled from such MEMBER'S early retirement date to a pension from an INSURER, or from the FUND if it decides to provide in-house pensions, that can be secured by the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE.

7.4 LATE RETIREMENT

Subject to the consent of the EMPLOYER, a MEMBER may remain in the FUND after the NORMAL RETIREMENT DATE. In this event, CONTRIBUTIONS will continue to be payable until the MEMBER'S actual RETIREMENT DATE. When the MEMBER retires the MEMBER will be entitled from his or her RETIREMENT DATE to take a pension similar to that in rule 7.2.

7.5 DEFERRED RETIREMENT BENEFIT

- 7.5.1 A MEMBER who becomes entitled to a BENEFIT in terms of RULE 7.2 on attainment of the NORMAL RETIREMENT AGE and for whom no contributions are received after NORMAL RETIREMENT AGE and who has not made an election to receive a pension, will become a DEFERRED RETIREMENT MEMBER.
- 7.5.2 No further CONTRIBUTIONS are payable by or on behalf of each DEFERRED RETIREMENT MEMBER.
- 7.5.3 The DEFERRED RETIREMENT MEMBER'S EQUITABLE SHARE will remain in the INVESTMENT PORTFOLIO(S) in which they were invested immediately prior to becoming a DEFERRED RETIREMENT MEMBER, or such other portfolio as determined by the BOARD.
- 7.5.4 If the DEFERRED RETIREMENT MEMBER dies, a lump sum BENEFIT equal to the DEFERRED RETIREMENT MEMBER'S

EQUITABLE SHARE as at the REALISATION DATE will be paid in accordance with section 37C of the ACT.

- 7.5.5 The deferred retirement BENEFIT in terms of this RULE will become payable upon receipt by the FUND of the DEFERRED RETIREMENT MEMBER'S completed retirement form and will be equal to the DEFERRED RETIREMENT MEMBER'S EQUITABLE SHARE as at the REALISATION DATE and will be paid in accordance with the provisions of RULE 7.2.

7.6 RETIREMENT BENEFITS COUNSELLING AND ANNUITY STRATEGY

- 7.6.1 The BOARD shall ensure that each MEMBER to whom Part 7 applies shall be provided with access to RETIREMENT BENEFITS COUNSELLING within 6 calendar months or such other period as may be prescribed by the AUTHORITY before a benefit becomes payable in terms of these RULES.
- 7.6.2 The BOARD shall decide on an ANNUITY STRATEGY for the FUND, in terms of regulation 39 to the ACT, which shall be communicated to the MEMBERS and be regularly reviewed in line with the regulation.

PART 8**8 CONTINUED FUND MEMBERSHIP IF THE MEMBER IS RECEIVING DISABILITY BENEFITS FROM THE COUNCIL**

- 8.1. If a MEMBER receives an insured disability income benefit in accordance with the disability income insurance effected by COUNCIL on behalf of the EMPLOYERS for the BENEFIT of the MEMBER, such MEMBER will remain a MEMBER of the FUND until the earlier of such MEMBER'S NORMAL RETIREMENT DATE or death.
- 8.2. While the MEMBER receives such a disability income benefit the following applies:
- (a) the BENEFIT in terms of RULE10.1 applicable to such MEMBER is that which applied immediately before such MEMBER qualified for the disability income benefit and will be calculated based on this value.
 - (b) EMPLOYER CONTRIBUTIONS based on a percentage of the MEMBER'S PENSIONABLE SALARY will be made to the FUND by the INSURER of the disability income insurance policy.

PART 9

9 WITHDRAWAL

9.1 WITHDRAWAL BENEFITS

If a MEMBER leaves the service of the EMPLOYER before reaching NORMAL RETIREMENT AGE and did not elect to retire early in terms of RULE 7 RETIREMENT.3 or is not entitled to any other BENEFIT in terms of the RULES, such MEMBER shall become a PAID-UP MEMBER, unless such a MEMBER instructs the FUND in writing, in a format that the FUND may prescribe, that the BENEFIT be paid in a cash lump sum in terms of RULE 9.2 CASH BENEFIT or transferred to another retirement fund selected by the MEMBER in terms of RULE 9.3 PRESERVATION BENEFIT. Notwithstanding the foregoing, a withdrawal BENEFIT will be paid subject to the principles prescribed in law or by the AUTHORITY from time to time.

9.2 CASH BENEFIT

Subject to RULE 9.1 above and prevailing legislation regarding the payment of cash benefits, a lump sum BENEFIT equal to the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE will be paid by the FUND, less the applicable statutory tax and other permissible deductions.

The BOARD OF TRUSTEES shall ensure that a MEMBER to whom this RULE applies shall be provided with RETIREMENT BENEFITS COUNSELLING.

9.3 PRESERVATION BENEFIT

A MEMBER shall have the right to request the FUND to transfer the whole or any portion of the BENEFIT to which the MEMBER is entitled in terms of RULE 9.2 to another APPROVED FUND chosen by the MEMBER. In this event, the FUND will

transfer the MEMBER'S BENEFIT, or the portion thereof as requested by the MEMBER, directly to the other APPROVED FUND on the MEMBER'S behalf.

9.4 PAID-UP MEMBERSHIP

9.4.1 A MEMBER may, on termination of service, in terms of regulation 38 of the ACT elect in terms of this RULE, to become a PAID-UP MEMBER, in accordance with RULE 9.1 above.

9.4.2 No further CONTRIBUTIONS in terms of these RULES are payable after the date of termination of service of such PAID-UP MEMBER, unless the PAID-UP MEMBER again becomes employed by the EMPLOYER before the NORMAL RETIREMENT DATE and thereafter becomes a MEMBER.

9.4.3 Insured risk benefits provided for in RULE 10 will not be applicable to the PAID – UP MEMBER unless the PAID – UP MEMBER again becomes employed by an EMPLOYER before the NORMAL RETIREMENT DATE and again becomes a MEMBER.

9.4.4 The PAID-UP MEMBER'S EQUITABLE SHARE will remain in the INVESTMENT PORTFOLIO(S) in which it was invested immediately prior to becoming a PAID-UP MEMBER.

9.4.5 The paid - up benefit payable in terms of RULE 9.4.1 will be payable on receipt of the MEMBER'S written election to receive the BENEFIT after the terms and procedures of such payment or transfer was made available to such PAID-UP MEMBER. The PAID-UP MEMBER may therefore request payment of the paid - up BENEFIT at any time.

9.4.6 If the PAID-UP MEMBER dies after termination of service, but prior to the paid – up BENEFIT becoming payable, a BENEFIT equal to the value of the PAID-UP MEMBER'S EQUITABLE SHARE as at the REALISATION DATE, will be paid in accordance with section 37C of the ACT.

PART 10

10 DEATH

10.1 DEATH BENEFITS

If a MEMBER who has not yet retired in terms of the RULES dies, a death benefit in terms of this RULE and section 37C of the ACT will become payable; provided that satisfactory proof of the death of the MEMBER is submitted to the FUND and the claim is admitted by the FUND and its INSURER if the BENEFIT is underwritten.

10.2 BENEFIT ON DEATH BEFORE THE NORMAL RETIREMENT AGE

A lump sum BENEFIT equal to:

- 10.2.1 A multiple of the deceased MEMBER'S annual PENSIONABLE SALARY as at the date of death; to be determined by the BOARD from time to time; plus
- 10.2.2 the deceased MEMBER'S EQUITABLE SHARE as at the REALISATION DATE, adjusted with the rate of interest as determined by the TRUSTEES from time to time, taking into account the investment vehicle in which and the period during which the assets representing the BENEFIT are invested and all other relevant facts, until the actual date of payment of the BENEFIT and subject to deduction of the cost, as approved by the TRUSTEES from time to time, that was necessary to trace the BENEFICIARIES in terms of RULE 13.4, and any other permissible deductions, will become payable.

10.3 BENEFIT ON DEATH ON OR AFTER THE NORMAL RETIREMENT AGE

If a MEMBER dies on or after attaining the NORMAL RETIREMENT AGE but before the MEMBER'S retirement in terms of the RULE 7.4, a lump sum BENEFIT equal to the deceased MEMBER'S EQUITABLE SHARE as at the REALISATION DATE, adjusted with the rate of interest as determined by the TRUSTEES from time to time, taking into account the investment vehicle in which and the period during which the assets representing the BENEFIT are invested and all other relevant facts, until the actual date of payment of the BENEFIT and the cost, as approved by the TRUSTEES, that was necessary to trace the BENEFICIARIES in terms of RULE 13.4, will become payable.

10.4 INSURANCE

The FUND may insure the BENEFIT set out in RULE 10.2.1 with an INSURER of its choice. The payment of the BENEFIT referred to in RULE 10.2.1 shall be subject to the admission of the death insurance claim by the INSURER and the FUND shall not be liable to pay this portion of the death benefit.

10.5 CONDITIONS APPLICABLE TO THE PAYMENT OF DEATH BENEFITS

10.5.1 The total of or any portion of the lump sum BENEFIT to which a BENEFICIARY is entitled in terms of the provisions of RULE 10.2 or RULE 10.3, may be converted into a pension if so elected by the BENEFICIARY within a period as determined by the TRUSTEES from time to time, and will be purchased from a domestic INSURER of the BENEFICIARY'S choice and in the name of the BENEFICIARY, on a basis that the BENEFICIARY becomes the owner of the pension.

10.5.2 The purchase of the BENEFICIARY'S pension in terms of RULE 10.5.1 will be subject to the express conditions that:

- (a) the annual amount of the BENEFICIARY'S pension as well as the conditions applicable to the payment thereof will be mutually agreed between the BENEFICIARY and the relevant INSURER at the time of purchase thereof.
- (b) the BENEFIT in terms of RULES 10.2 or 10.3 that is applied to purchase the BENEFICIARY'S pension as provided in RULE 10.5.1, will be transferred directly to the relevant INSURER on the BENEFICIARY'S behalf, whereafter the BENEFICIARY will have no further claim against the FUND.

10.5.3 The lump sum BENEFITs will be paid in accordance with the provisions of RULE 13.4.

10.5.4 In addition to the proof of age that must be submitted in terms of RULE 13.4.9, every person who qualifies to receive a BENEFIT in terms of this RULE will submit proof that the person complies with the requirements to qualify as a BENEFICIARY on the date of the MEMBER'S death. No BENEFIT will be paid to a BENEFICIARY until the proof has been submitted to the FUND.

PART 11

11 TEMPORARY ABSENCE

- 11.1 If a MEMBER is temporarily absent from service with the consent of the EMPLOYER, and the full CONTRIBUTIONS are continued, the MEMBER'S membership of the FUND and the BENEFITs payable in respect of the MEMBER will not be affected; provided that any such BENEFITs which are insured with an INSURER will be subject to such limitations and conditions as the relevant INSURER may impose.
- 11.2 If a MEMBER is temporarily absent from service, for the period as stipulated by the EMPLOYER from time to time, without the consent of the EMPLOYER, the MEMBER will become entitled to the BENEFIT provided for in terms of RULES 7 or 9, as the case may be, at the end of the period.
- 11.3 The EMPLOYER or COUNCIL may revise a MEMBER'S PENSIONABLE SALARY, subject to COUNCIL'S MAIN COLLECTIVE AGREEMENT during the period of approved absence and the FUND must be notified of such revision; provided that the PENSIONABLE SALARY for the purposes of BENEFITs insured with an INSURER will be subject to such limitations and conditions as the relevant INSURER may impose.

PART 12

12 MANAGEMENT OF THE FUND

12.1 CONSTITUTION AND APPOINTMENT OF THE TRUSTEES

- 12.1.1 The BOARD OF TRUSTEES appointed in terms of this RULE will be responsible for the management of the FUND and will perform all necessary actions on behalf of the FUND in accordance with the applicable legislation and the RULES. The BOARD OF TRUSTEES shall retain its authority to make decisions even in cases where decision-making may have been delegated to another person or committee, provided that such decisions are taken in compliance with these RULES and applicable legislation.
- 12.1.2 Prior to the INCEPTION DATE the FUND shall be managed by an interim BOARD OF TRUSTEES comprising 4 (four) persons appointed by the SPONSOR. The interim BOARD OF TRUSTEES shall be tasked to attend to and to complete all the FUND founding formalities, including but not limited to the registration of the FUND RULES with the AUTHORITY and to make such interim appointments as may be necessary for this purpose.
- 12.1.3 The SPONSOR shall appoint one of the persons referred to in RULE 12.1.2 above as CHAIRPERSON of the interim BOARD OF TRUSTEES.
- 12.1.4 Within 3 (three) months of INCEPTION DATE the BOARD OF TRUSTEES shall be appointed in accordance with RULE 12.1.6 below.
- 12.1.5 On the appointment of the BOARD OF TRUSTEES the interim BOARD OF TRUSTEES shall vacate office.

- 12.1.6 The BOARD OF TRUSTEES will comprise of 9 (nine) persons and shall be constituted as follows:
- (a) 4 (four) TRUSTEES shall be appointed by COUNCIL from among the persons nominated by the employer organisation party or parties to the COUNCIL; and
 - (b) 4 (four) TRUSTEES shall be appointed by COUNCIL from among the persons nominated by the trade union party or parties to the COUNCIL; and
- 12.1.7 Once the TRUSTEES referred to in RULE 12.1.6(a) and (b) have been appointed, they shall appoint one additional INDEPENDENT TRUSTEE with the appropriate skills and expertise in order to constitute the BOARD OF TRUSTEES, within 90 (ninety) days of their appointment.
- 12.1.9 The person referred to in RULE 12.1.7 shall be a suitably competent person as decided by the other TRUSTEES.
- 12.1.10 The TRUSTEES will hold office for a term of 5 (five) years; provided that they will be eligible for re-appointment, upon the expiry of their term of office. The TRUSTEES will only vacate office at the first BOARD OF TRUSTEES' meeting following the expiry of their term of office when the new TRUSTEES commence with their duties as TRUSTEES. Once the BOARD OF TRUSTEES is fully constituted after the appointment of the INDEPENDENT TRUSTEE, the TRUSTEES shall appoint the CHAIRPERSON and the deputy CHAIRPERSON for the TRUSTEES from their own ranks on a majority vote of TRUSTEES. In the absence of the CHAIRPERSON at any meeting the deputy CHAIRPERSON shall act as CHAIRPERSON for the meeting. Their appointment shall be for a period of 5 (five) years or the balance of their term as a TRUSTEE.
- 12.1.11 After appointment of the INDEPENDENT TRUSTEE, a quorum of any meeting of the BOARD OF TRUSTEES shall consist of 5 (five) TRUSTEES and provided further that there must be at least 2 (two)

EMPLOYER PARTY and 2 (two) EMPLOYEE PARTY nominated TRUSTEES respectively, in addition to the INDEPENDENT TRUSTEE.

12.1.12 The BOARD OF TRUSTEES may appoint a secretary who must not be a TRUSTEE, on such terms as may be agreed upon in order to perform such secretarial functions as the BOARD OF TRUSTEES may direct.

12.1.13 Any TRUSTEE shall cease to be such:

- (a) on being found by at least 75% agreement of all the other TRUSTEES of the BOARD to have been in breach of the FUND'S Code of Conduct, or has been removed as a trustee of another retirement fund, unless the BOARD condones the behaviour of the TRUSTEE; or
- (b) on death; or
- (c) on resignation by the TRUSTEE by giving at least 1 (one) month's written notice to the other TRUSTEES; or
- (e) becoming contractually incapacitated; or
- (f) such TRUSTEE'S estate being sequestrated or given over to the TRUSTEE'S creditors; or
- (g) being found guilty by a competent court, in the Republic of South Africa or elsewhere, of theft, fraud, forgery or any other offence without the option of paying a fine; or
- (h) being removed from a position of trust by a competent court; or
- (i) becoming unfit to be a director of a company in terms of the Companies Act 2008 (Act No. 71 of 2008 as amended); or

- (j) expiry of the term of office, or
- (k) being removed by the AUTHORITY in terms of section 26 of the ACT; or
- (l) if a TRUSTEE, within 30 (thirty) days of appointment or election as a TRUSTEE, fails to sign the acceptance of trust form, incorporating the FUND'S Code of Conduct; or
- (m) if a TRUSTEE fails to complete or provide proof of the minimum skills and training requirements prescribed by the AUTHORITY in respect of a TRUSTEE from time to time;
- (n) if a TRUSTEE fails to comply with the minimum meeting attendance requirement of attendance at 75% (seventy-five per cent) of all BOARD meetings, including meetings of any sub-committee of which the TRUSTEE is a member, or if a TRUSTEE fails to attend 3 (three) consecutive BOARD meetings or 3 (three) consecutive sub-committee meetings of which the TRUSTEE is a member. This provision shall apply regardless of whether that TRUSTEE has tendered an apology or not. A TRUSTEE'S meeting attendance shall be measured according to the number of meetings of the BOARD or sub-committee held during each calendar year. Failure to comply with the minimum attendance requirement may be condoned after good cause has been shown by the TRUSTEE concerned and if granted by a majority of 2/3rd (two-thirds) of the TRUSTEES after considering submissions made by the TRUSTEE concerned, or
- (o) on being recalled by the COUNCIL following a request by the PARTY that nominated the TRUSTEE whichever is the earliest.

12.1.14 For the purposes of RULE 12.1.13(a) above the TRUSTEES may only remove another TRUSTEE in terms of this RULE after an investigation

by an independent person appointed by the BOARD finds that a TRUSTEE is not a fit and proper person to hold office; and provided –

- (a) that not less than 75% of the TRUSTEES in office agree with this finding, and
- (b) that the BOARD OF TRUSTEES heard prior representations on the matter by the TRUSTEE concerned, or his or her representative, before accepting or rejecting the finding.

12.1.15 A vacancy amongst the TRUSTEES shall be filled by a substitute appointed by the employer organisation party or parties to the COUNCIL, the union party or parties to the COUNCIL, or the TRUSTEES as a whole, as the case may be, to reflect the original appointment process envisaged in this RULE. Such substitute TRUSTEE shall cease to hold office upon the expiry of the term of office of the person in whose stead the substitute is appointed. In the event that a vacancy arises in the position of the INDEPENDENT TRUSTEE, a substitute must be appointed, and the provisions of RULE 12.1 shall apply with the necessary changes.

12.1.16 TRUSTEES who are nominated by a PARTY that has left the COUNCIL must also vacate their position in the BOARD and substitute nominations of TRUSTEES by the remaining PARTIES must be made within 90 days to replace the TRUSTEE who exited the BOARD.

12.2 MEETINGS OF THE TRUSTEES

12.2.1 The TRUSTEES must convene a BOARD meeting at least four times in every FUND YEAR, provided that at least 14 (fourteen) days prior written notification of such meetings shall be given to each TRUSTEE. Notwithstanding, the BOARD OF TRUSTEES may meet as often as is necessary to conduct the business of the FUND, provided that reasonable notice is given to the TRUSTEES. Such meetings may also be held by telephone or video conferencing facility where TRUSTEES

can hear and/or see each other or any other communication equipment (including a video link) that allows everybody that participates in the meeting to hear and see each other.

12.2.2 Any TRUSTEE may request the CHAIRPERSON in writing to arrange a meeting of the TRUSTEES to discuss such matters as are set out in the request. Should the CHAIRPERSON regard the request as reasonable, the CHAIRPERSON shall arrange a meeting as soon as possible; provided that if the request is supported by the majority of TRUSTEES and the CHAIRPERSON fails to arrange a meeting within 30 (thirty) days from the date on which the request was received, they may arrange the meeting themselves after notifying the CHAIRPERSON of their decision. Should a quorum be present, the decision of the majority shall be binding.

12.2.3 If at the expiry of twenty minutes after the hour at which a meeting is appointed to be held, a quorum has not been assembled, no meeting shall take place unless it is decided with the unanimous consent of the TRUSTEES present to allow further time, not exceeding ten minutes, in order to enable a quorum to assemble. If after the expiry of the additional ten minutes no quorum was obtained, the PRINCIPAL OFFICER shall convene an adjourned meeting to take place not later than three weeks thereafter.

12.2.4. VOTING RIGHTS

(a) Each TRUSTEE present at a meeting of the BOARD OF TRUSTEES shall have one vote.

(b) The PRINCIPAL OFFICER shall not have a vote.

(c) The Chairperson shall have a deliberated vote and not a casting vote.

(d) If the TRUSTEES in respect of the EMPLOYERS and the MEMBERS are not equal in number at a meeting, the party in the

majority shall withdraw so many of its TRUSTEES from voting at that meeting as it is necessary to render the parties numerically equal at the time of the voting provided a quorum is still present. The quorum shall be authorised to perform all necessary actions on behalf of the FUND.

- 12.2.5. The decision of the majority of the TRUSTEES present at a meeting of the TRUSTEES shall be binding, provided that a quorum is present at the meeting. The TRUSTEES shall also be empowered to take round-robin decisions by electronic means in accordance with the FUNDS policy on Round Robin decisions and such decisions shall be determined by consensus or by majority vote in the event of disagreement.

Approval of the round-robin resolution may be indicated by signed email or other electronic method provided that the CHAIRPERSON is satisfied that the TRUSTEE concerned actually gave his or her approval. The decision must be minuted and recorded as a resolution of the TRUSTEES.

- 12.2.6. In the event of a deadlock arising at any meeting of the TRUSTEES due to an equality of votes, the matter under dispute will be deferred to the following meeting of the TRUSTEES or to a special meeting of the TRUSTEES convened for the specific purpose of reconsidering the matter under dispute.

- 12.2.7. Either prior to or at the commencement of the subsequent meeting of the TRUSTEES, the TRUSTEES may consult with and receive such advice or evidence from such independent persons having expert knowledge of the matter under dispute, as the TRUSTEES deem appropriate. If, after reconsidering the matter under dispute, the matter remains deadlocked due to an equality of votes, the matter under dispute will be referred to an independent third party agreed upon by the TRUSTEES, who is knowledgeable on the matter under dispute, to make a recommendation on the matter, which shall not be binding on the TRUSTEES.

Provided that the full TRUSTEE BOARD must vote and no one such TRUSTEE shall be permitted to abstain from voting. If the TRUSTEES

are unable to agree upon whom the third party should be, the Association under whose jurisdiction the matter would be best suited, would be requested to assist with the appointment of the person.

- 12.2.8. Proper minutes will be kept of the meetings of the BOARD OF TRUSTEES. The minutes must reflect the decisions made by the BOARD OF TRUSTEES at a meeting. At every meeting the minutes of the previous meeting will be signed by the CHAIRPERSON and the other persons authorised by the TRUSTEES in terms of RULE 12.6, after being approved by the TRUSTEES.
- 12.2.9. A TRUSTEE will bear in mind in all dealings with matters of the FUND that the TRUSTEE does not represent any party in the FUND but that the TRUSTEE represents the FUND as a whole and acts together with the other TRUSTEES to achieve the objective of the FUND. TRUSTEES owe a fiduciary duty to the FUND and are required to exercise good faith and a high standard of care. A TRUSTEE who has a direct or indirect financial interest, other than by way of employment by an EMPLOYER, in a decision to be taken by the TRUSTEES, must disclose this interest before discussion of the matter and must refrain from voting thereon unless the BOARD OF TRUSTEES directs otherwise.
- 12.2.10. The TRUSTEES will have the right, after following due process, to replace the CHAIRPERSON from their ranks prior to the expiry of the CHAIRPERSON'S term of office at the next TRUSTEE meeting if the CHAIRPERSON is found by the BOARD to have acted contrary to the duties and responsibilities expected of a CHAIRPERSON; provided that the TRUSTEES must have given the CHAIRPERSON a fair hearing. The CHAIRPERSON will also have the right to resign as CHAIRPERSON by giving 1 (one) month's written notice to the TRUSTEES and the TRUSTEES will then elect a new CHAIRPERSON from its own ranks at the next TRUSTEE meeting. The TRUSTEES will determine whether the CHAIRPERSON will continue such term of office as TRUSTEE and inform the CHAIRPERSON of their decision. The provisions of RULE 12.1.8 will apply to the vacancy arising among the TRUSTEES in terms of this RULE.

- 12.2.11. The BOARD is empowered to establish sub-committees. Each sub-committee must have written terms of reference for their operations and reporting to the BOARD, among other matters. The BOARD is empowered to determine the composition of each sub-committee, which must be contained in the sub-committee's terms of reference. While the BOARD may delegate decision-making to a sub-committee, the BOARD remains ultimately responsible for all decisions and it may change, amend or vary a decision of a sub-committee.

12.3 POWERS OF THE TRUSTEES

Subject to the provisions of the ACT, the TRUSTEES are authorised to give effect to the objective of the FUND in terms of the RULES and, without in any way detracting from the generality of this RULE, the TRUSTEES will have the following powers:

- 12.3.1 to make any arrangements and regulations for the administration of the FUND and do anything not inconsistent with the ACT or the RULES that, in its opinion, would be for the benefit or protection of the MEMBERS;
- 12.3.2 to receive, administer and utilise the money of the FUND in accordance with these RULES;
- 12.3.3 to raise or borrow money at interest or otherwise for purposes of the FUND; provided that borrowing will be limited to temporary loans necessitated by short-term cash shortages or for taking advantage of attractive investment opportunities;
- 12.3.4 to purchase, sell, let, borrow, lend or otherwise acquire or dispose of movable or immovable property for purposes of the FUND;

- 12.3.5 to invest in an INVESTMENT PORTFOLIO or to delegate its powers to make investments to a financial institution as defined in the Financial Institutions (Protection of Funds) Act, 2001 (Act 28 of 2001) or an INVESTMENT MANAGER, place on deposit, advance or otherwise deal with any money not immediately required for running expenses of the FUND, against the securities and in the manner as the TRUSTEES may determine, and to realise, change, reinvest or otherwise deal with the securities as the TRUSTEES may determine and in particular on security of a pledge by the MEMBER of the MEMBER'S benefit in the FUND, to furnish a guarantee to a third party in respect of a housing loan to the MEMBER by the third party, as contemplated in Section 19(5) of the ACT;
- 12.3.6 to recover the amounts from a MEMBER'S benefits as described in RULE 13.12 in the circumstances provided for in that RULE;
- 12.3.7 to prescribe and rescind regulations as to how a claim should be submitted to and dealt with by the FUND;
- 12.3.8 to institute legal action or process for the FUND and to conduct, abandon or settle the action or process and to defend or settle legal action or process instituted against the FUND;
- 12.3.9 to obtain expert advice on matters in respect of which the TRUSTEES may lack sufficient expertise;
- 12.3.10 to ensure that the FUND'S investments will be made in accordance with sound financial principles and in accordance with the investment policy and strategy developed by the TRUSTEES;
- 12.3.11 to delegate the exercise of its powers and the performance of its functions to a subcommittee or other person or persons, subject to such conditions as it may determine, provided that the TRUSTEES will retain full responsibility for any subcommittee to whom the TRUSTEES' exercise of its powers and the performance of its functions in terms of the RULES

has been delegated and provided further that the delegation is lawful and consistent with the exercise of the TRUSTEES' fiduciary obligations; and

- 12.3.12 to ensure that FUND complies fully with all the requirements of the Protection of Personal Information Act (Act No. 4 of 2013 and the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000); and
- 12.3.13 to ensure that all TRUSTEES attain the prescribed levels of trustee training and that TRUSTEES retain such levels of skill for the duration of their term of office; and
- 12.3.14 to take such other steps deemed necessary to achieve the FUND'S objective, provided they comply with the RULES and the ACT.

12.4 DUTY TO DISCLOSE

- 12.4.1 On becoming aware of any matter, conduct or misconduct, or omission to perform, as the case may be, by the BOARD, that may prejudice the FUND, its MEMBERS and/or BENEFICIARIES, it is incumbent on each TRUSTEE to in terms of such TRUSTEE'S statutory duty in terms of the ACT and the TRUSTEE'S general fiduciary duty and responsibility as a TRUSTEE, to inform the AUTHORITY at the earliest possible convenience thereof, as envisaged by the provisions of the definition of "DISCLOSURE" in Part 2 of these RULES; and those of the ACT, as the case may be;
- 12.4.2 On being removed as a BOARD MEMBER in terms of these RULES, a BOARD MEMBER must submit a written report to the AUTHORITY, detailing the BOARD MEMBER'S perceived reasons for the termination within twenty-one days of removal as BOARD MEMBER for reasons other than the expiration of such BOARD MEMBER'S term of office/appointment or voluntary resignation.

12.5 PRINCIPAL OFFICER

- 12.5.1 The BOARD OF TRUSTEES shall appoint a PRINCIPAL OFFICER for the FUND. The BOARD OF TRUSTEES shall apply to the AUTHORITY for the noting of the PRINCIPAL OFFICER in accordance with the ACT. Should the AUTHORITY object to the appointment of a PRINCIPAL OFFICER, the BOARD OF TRUSTEES may not confirm the appointment of the proposed person. Should the PRINCIPAL OFFICER be absent from the Republic of South Africa or be otherwise unable to perform the duties of a PRINCIPAL OFFICER for a period greater than 30 days, the BOARD OF TRUSTEES shall appoint a new PRINCIPAL OFFICER. The provisions of Sections 8(4) and (5) of the ACT, apply with the necessary changes to the appointment of a PRINCIPAL OFFICER.
- 12.5.2 The PRINCIPAL OFFICER shall be an individual resident in the Republic of South Africa, and if the PRINCIPAL OFFICER is absent from the Republic or unable for any reason to discharge any duty imposed on the PRINCIPAL OFFICER, the BOARD in a manner directed by its RULES, must appoint a PRINCIPAL OFFICER, within such period as may be prescribed by the AUTHORITY, after the commencement of a continuing absence or inability to discharge any duty by the current PRINCIPAL OFFICER. The same procedure of notification and appointment mentioned in RULE 12.5.1, shall be applicable hereto, as is required in law.
- 12.5.3 The PRINCIPAL OFFICER shall fulfil and perform all the duties and functions required of a PRINCIPAL OFFICER in terms of the ACT, the RULES of the FUND and any directions of the BOARD OF TRUSTEES.
- (a) The duties, functions and responsibilities of the PRINCIPAL OFFICER, in terms these RULES and the ACT, shall include but not be limited to:
- (i) countersign documents as required by the ACT and these RULES;

- (ii) ensure that any rule amendment is timeously submitted to the AUTHORITY for registration and for approval, if required;
- (iii) within 6 (six) months of each FINANCIAL YEAR, ensure that all MEMBERS are provided with a written summary of all the registered RULES, and its amendments, and audited financials within that FINANCIAL YEAR, unless the FUND is exempted from this requirement;
- (iv) ensure that the FUND'S annual financial statements and other documents referred to in the ACT, are submitted to the AUTHORITY, as required by the ACT;
- (v) sign all FUND documents that must be submitted to the AUTHORITY; and
- (vi) perform all other duties and functions which is required by law, to perform. This shall include the duties envisaged in terms of RULE 12.5 and the ACT.

12.5.4 The PRINCIPAL OFFICER shall be entitled to remuneration for services rendered.

12.5.5 The duties, functions and responsibilities of the PRINCIPAL OFFICER which shall include the remuneration package as may be agreed with the BOARD OF TRUSTEES, from time to time, shall form the basis of the terms and conditions of the appointment. Such terms and conditions shall be reduced to writing in a separate document.

12.5.6 The performance of the PRINCIPAL OFFICER'S duties, functions and responsibilities, will be assessed on an annual basis in accordance with the processes and procedures determined by the BOARD, from time to time. If, on the basis of these assessments, the majority of the BOARD finds the performance of the PRINCIPAL OFFICER unsatisfactory, may

12.8 BOOKS OF ACCOUNTS

12.8

The TRUSTEES will cause the accounts, registers and records to be kept as are necessary for the proper management of the FUND and as are required in terms of the ACT. The books of account will be made up at the end of each FUND YEAR and will be audited by the AUDITOR.

12.9 BANK ACCOUNT

12.9

The TRUSTEES will arrange for an account to be opened in the name of the FUND at a registered banking institution approved by the AUTHORITY. All money received by or on behalf of the FUND will be deposited in the account.

12.10 ADMINISTRATOR

12.10

The TRUSTEES will appoint an ADMINISTRATOR to administer the FUND. The appointment will remain in force for a period as agreed between the TRUSTEES and the ADMINISTRATOR in terms of an administration agreement between the FUND and the ADMINISTRATOR. The duties and responsibilities of the ADMINISTRATOR will be determined by the TRUSTEES from time to time and will be recorded in the administration agreement between the FUND and the ADMINISTRATOR.

12.11 AUDITOR

12.11

The TRUSTEES will appoint a registered AUDITOR subject to any applicable law or regulation. The appointment will remain in force for a period as agreed upon between the TRUSTEES and the AUDITOR, unless the TRUSTEES rescinds the appointment or it is relinquished by the AUDITOR prior to the expiry of the period, whichever event occurs first. The AUDITOR will have access, at all reasonable times, to all books, accounts, vouchers and other documents pertaining to the FUND and will certify the result of each audit in writing.

12.12 COST OF MANAGEMENT OF THE FUND

The FUND will bear all expenses arising from the management of the FUND.

12.13 PERSONAL LIABILITY

The TRUSTEES, the PRINCIPAL OFFICER and any other officer of the FUND will not be personally liable for any loss suffered by the EMPLOYER, the FUND, the MEMBERS or BENEFICIARIES; provided that the loss does not result from the officer's or TRUSTEE'S negligence, dishonesty or fraud.

12.14 INDEMNIFICATION

12.14.1 The BOARD OF TRUSTEES, the PRINCIPAL OFFICER, the deputy PRINCIPAL OFFICER, the INFORMATION OFFICER, the deputy INFORMATION OFFICER and all other officers of the FUND shall be indemnified by the FUND against all proceedings, costs and expenses howsoever and when so ever arising, incurred by reason of any claim in connection with the FUND, the BOARD OF TRUSTEES or any TRUSTEE, the PRINCIPAL OFFICER, the deputy PRINCIPAL OFFICER and all other officers of the FUND, not arising from their negligence, recklessness, intentional unlawful acts, dishonesty or fraud.

12.14.2 The BOARD shall insure the FUND against losses resulting from dishonesty or fraud and also insure its fund officers in respect of professional indemnity.

12.15 REGISTRATION AND SAFE CUSTODY OF DOCUMENTS

12.15.1 All title deeds and securities belonging to the FUND will be registered in the name of the FUND or in the name of a nominee company approved by the AUTHORITY. No security will be transferred, varied,

disposed of, or otherwise alienated, except with the written approval of the TRUSTEES.

12.15.2 The documents of title in connection with any investment or asset of the FUND will be kept in safe custody:

- (a) at the registered office of the FUND; or
- (b) at the registered office of the ADMINISTRATOR, if the ADMINISTRATOR is a legal person; or
- (c) at the registered office of a nominee company which holds assets on behalf of the FUND; or
- (d) at a registered financial institution approved by the AUTHORITY; or
- (e) at a registered bank or deposit-taking institution approved by the AUTHORITY, as decided by the TRUSTEES.

12.16 ACTUARY AND ACTUARIAL VALUATION

12.16.1 The TRUSTEES shall appoint a registered ACTUARY as valuator of the FUND subject to any law and regulation. The appointment will remain in force until rescinded by the TRUSTEES or relinquished by the ACTUARY, whichever event occurs first. The TRUSTEES will cause such records to be maintained as are necessary to enable the ACTUARY to perform actuarial calculations for purposes of the FUND at any time.

12.16.2 The FUND will be valued at least once every 3 (three) years to determine its financial condition. A copy of the ACTUARY'S report will be submitted to the AUTHORITY within the period and in the manner stipulated in the ACT. A copy of the report will also be furnished to the COUNCIL.

12.16.3 If any valuation of the FUND reveals a surplus, the surplus will be applied in the manner as determined by the TRUSTEES in consultation with the ACTUARY, which will not be inconsistent with the provisions of the ACT and the RULES.

12.16.4 If any valuation of the FUND reveals a deficit, the deficit will be dealt with in a manner as agreed upon by the TRUSTEES on advice from the ACTUARY, which will not be inconsistent with the provisions of the ACT and the RULES.

12.17 INVESTMENT MANAGER

The TRUSTEES may appoint an INVESTMENT MANAGER to perform whatever acts may be necessary with regard to investments on behalf of the FUND. The appointment will remain in force until cancelled by the TRUSTEES or relinquished by the INVESTMENT MANAGER, whichever event occurs first; provided that an INVESTMENT MANAGER'S appointment will terminate immediately upon the INVESTMENT MANAGER ceasing to be approved as such in terms of the Financial Markets Act, 2012 ('Act No. 19 of 2012) or the Financial Advisory and Intermediary Services Act, 2002 (Act 37 of 2002) and Section 13B of the ACT.

12.18 EXPENSES INCURRED BY THE TRUSTEES

The TRUSTEES will receive from the FUND a refund of the expenses incurred by them, if any, whilst performing any service in such TRUSTEE'S capacity as a TRUSTEE on behalf of the FUND, in accordance with decisions taken by the

TRUSTEES in this regard, from time to time. Any such payments will be regarded as an expense in terms of RULE 12.12 and will be reflected as such in the FUND'S financial statements.

12.19 REMUNERATION OF THE TRUSTEES, THE PRINCIPAL OFFICER, THE INFORMATION OFFICER AND OTHER SERVICE PROVIDERS

12.19.1 A TRUSTEE will be entitled to remuneration for the services performed by such TRUSTEE in office as TRUSTEE in accordance with the resolution adopted by the TRUSTEES.

12.19.2 The PRINCIPAL OFFICER will be entitled to remuneration for the services performed by such PRINCIPAL OFFICER in office as PRINCIPAL OFFICER in accordance with the FUND'S resolution adopted by the TRUSTEES.

12.19.3 The INFORMATION OFFICER will be entitled to remuneration for the services performed by such INFORMATION OFFICER in office as INFORMATION OFFICER in accordance with the FUND'S resolution adopted by the TRUSTEES.

12.19.4 The BOARD may decide to appoint other service providers to the FUND, such as consultants, and these service providers will be entitled to receive fees for their services as agreed by the BOARD.

12.20 APPOINTMENT OF INFORMATION OFFICER

12.20.1 The BOARD OF TRUSTEES shall by resolution appoint an INFORMATION OFFICER and a deputy INFORMATION OFFICER in compliance with the provisions of the Protection of Personal Information Act, 2013 (Act No. 3 of 2013).

12.20.2 The duties and responsibilities of the INFORMATION OFFICER are the duties and responsibilities contemplated in section 55 and section 56 of the Protection of Personal Information Act, 2013 (Act No. 3 of 2013) and Regulation 4 of the Regulations to that Act.

12.21 FIDELITY GUARANTEE

The BOARD OF TRUSTEES shall obtain such security as it deems sufficient in respect of the FUND'S officers (including TRUSTEES, the PRINCIPAL OFFICER, the deputy PRINCIPAL OFFICER, the INFORMATION OFFICER or deputy INFORMATION OFFICER) who handle the money and assets of the FUND. The BOARD must for this purpose arrange fidelity insurance for the FUND against any loss resulting from the theft or fraud of the BOARD, the PRINCIPAL OFFICER, the deputy PRINCIPAL OFFICER and other FUND officers.

PART 13

13 DISSOLUTION OR AMALGAMATION OF THE FUND

13.1 PARTIAL DISSOLUTION

13.1.1 An EMPLOYER may only discontinue participation in the FUND with the approval of the COUNCIL. BENEFITS which are in the process of being paid in terms of these RULES at the time of such partial dissolution shall not be affected by such partial dissolution.

13.1.2 Should an EMPLOYER discontinue participation in the FUND in terms of RULE 13.1.1 and the MEMBERS employed by such EMPLOYER are admitted to another APPROVED FUND, the BOARD OF TRUSTEES shall make such arrangements and enter into such agreements as they may deem necessary for the transfer to such APPROVED FUND of the MEMBERS' shares of such MEMBERS who acquire membership of such fund, in accordance with the recommendations of the ACTUARY. Such transaction is, however, subject to the prior obtainment of certificates issued by the AUTHORITY to the relevant funds to authorise the transaction.

Any such payments to another APPROVED FUND may be made in a lump sum or in equal instalments over such period as the BOARD OF TRUSTEES shall decide upon subject to the provisions of the relevant investment vehicle. Payment of the relevant instalments concerned shall commence on a date not later than 1 (one) year after the EMPLOYER'S participation has ceased, provided the payment shall not be unreasonably delayed. The balance owing at any time to the other fund shall earn interest in each FUND YEAR during which instalments are paid, at a rate that, according to the ACTUARY, is equal to the percentage interim FUND RETURN or FUND RETURN. Notwithstanding anything to the contrary contained in this paragraph, the BOARD OF TRUSTEES reserve the right to pay the balance of any outstanding amount or part thereof in a lump

sum at any time during the period in which instalments are payable to the other fund.

13.2 TOTAL DISSOLUTION

13.2.1 The FUND may be dissolved in the event that the COUNCIL AGREEMENT expires and is not renewed by the parties to the COUNCIL within 180 (hundred and eighty) days irrespective of the date of publication of the Agreement, or the COUNCIL discontinues business operations, or the COUNCIL is wound up, whether voluntarily or not; provided that should the COUNCIL be liquidated and reconstituted in a similar or altered form, the FUND will not be dissolved, unless the reconstituted COUNCIL decides not to participate in the FUND. Alternatively, in the event of expiration or non-renewal of the COUNCIL AGREEMENT the BOARD may decide to continue the FUND, but with the necessary rule amendments to remove the COUNCIL as the SPONSOR.

13.2.2 Upon the dissolution of the FUND, the TRUSTEES will retain their duties and powers for the purpose of attending to matters relating to the dissolution of the FUND. The TRUSTEES will appoint a liquidator whose appointment will be subject to the approval of the AUTHORITY. Once the appointment of the liquidator has been approved by the AUTHORITY, the TRUSTEES will cease to hold office and the powers, duties and functions conferred upon them in terms of the RULES will devolve upon the liquidator.

13.2.3 The liquidator will consult the ACTUARY as to the value of each MEMBER'S and BENEFICIARY'S entitlement in the FUND and will apply the assets of the FUND in an equitable manner.

13.2.4 If the FUND is terminated or dissolved under Section 28 of the ACT, monies remaining unclaimed for a reasonable period as determined by the liquidator from the date on which payment of benefits by the liquidator commenced after completion of all necessary formalities, will be paid into an APPROVED FUND that has been approved by the South African Revenue Services to

accept unclaimed benefits for the account of the MEMBER or BENEFICIARY concerned and thereafter there will be no claim against the FUND in respect of such monies. The liquidator will indicate in the final liquidation and distribution account the amount thus paid and simultaneously furnish the AUTHORITY with a certificate to the effect that all reasonable steps were taken to trace the MEMBERS or BENEFICIARIES in question.

13.2.5 If the FUND is wound-up under Section 29 of the ACT and the winding-up order does not specifically make Section 410 of the Companies Act, 2008 (Act No. 71 of 2008) applicable or direct otherwise regarding unclaimed monies, the provisions of RULE 13.2.4 will apply to unclaimed monies.

13.3 FULL TRANSFER OUT OF THE FUND

13.3.1 All the MEMBERS will be transferred to another APPROVED FUND if the TRUSTEES decide and subject to COUNCIL'S approval that may not be unreasonably withheld, that they should be transferred after giving 6 (six) months' written notice to all the EMPLOYERS and MEMBERS.

13.3.2 If the FUND is dissolved in terms of RULE 13.3.1, the liquidation provisions as set out in RULE 13.2 will not be applicable in respect of the assets and liabilities of the FUND but the TRUSTEES will cause all the assets and liabilities of the FUND to be transferred to another APPROVED FUND, subject to the COUNCIL'S approval, and the relevant provisions of the INCOME TAX ACT and Section 14 of the ACT and on the terms and conditions as the TRUSTEES in consultation with the ACTUARY may decide, whereafter the FUND will be deregistered.

PART 14

14 GENERAL

14.1 NON-ASSIGNABILITY OF BENEFITS

14.1.1 Save to the extent permitted by the ACT, the INCOME TAX ACT, the Maintenance Act, 1998 (Act No. 99 of 1998), the Divorce Act, 1979 (Act 70 of 1979) and RULES 14.4 and RULE 14.12, no benefit or right thereto provided for in the RULES (including an annuity purchased or to be purchased by the FUND from an INSURER for a MEMBER or BENEFICIARY) or right in respect of CONTRIBUTIONS, will be capable of being reduced, transferred, ceded, pledged, hypothecated, attached or subjected to any form of execution under a judgment or order of a court of law.

14.1.2 If a MEMBER or BENEFICIARY attempts to transfer, cede, pledge or hypothecate a benefit or right thereto, the TRUSTEES may direct that payment of the benefit be withheld or suspended or that payment of the benefit be effected in accordance with RULE 14.4.4, 14.4.5 or 14.4.6, as the case may be.

14.1.3 Subject to the provisions of Section 37B of the ACT, if the estate of a MEMBER or BENEFICIARY who is entitled to a benefit is sequestrated or surrendered, the BENEFIT will not be regarded as an asset in the MEMBER'S or BENEFICIARY'S insolvent estate and may in no manner whatsoever be attached or appropriated by the curator of the insolvent estate or the MEMBER'S or BENEFICIARY'S creditors, notwithstanding anything to the contrary contained in any law relating to insolvency.

- 14.1.4 Subject to the provisions of Section 37C of the ACT, a benefit payable in respect of a deceased MEMBER will not be regarded as an asset in the deceased MEMBER'S estate, except as provided for in the ACT.

14.2. TRANSFERS TO OR FROM OTHER FUNDS

- 14.2.1 The FUND is empowered to receive transfers of monies and business from other APPROVED FUNDS or entities or to effect transfers of monies and business to other APPROVED FUNDS or entities subject to the relevant provisions of the INCOME TAX ACT and Section 14 of the ACT and on the terms and conditions as the TRUSTEES in consultation with the ACTUARY may decide; provided that any such transfer to or from an APPROVED FUND that has been approved by the South African Revenue Service as a pension preservation fund or a provident preservation fund will be conducted in compliance with the INCOME TAX ACT. The FUND is also empowered to receive transfers of monies and business from any other retirement funding arrangement being operated in a country other than the Republic of South Africa and approved as such by that country's relevant authorised regulators. Specific provisions may be made for transfers from other Electrical Contracting Industry Bargaining Council funds into the FUND.

- 14.2.2 Notwithstanding any other contrary provisions in the RULES, the following provisions will be applicable to a MEMBER who is transferred to another APPROVED FUND, from the effective date of the transfer until the actual date of payment of the MEMBER'S assets in the FUND to the APPROVED FUND:

- (a) No further CONTRIBUTIONS are payable to the FUND after the effective date of the transfer.
- (b) If the MEMBER retires prior to the completion of the transfer, the MEMBER will become entitled to a pension that can be secured by

the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE and the provisions of RULE 6 will apply.

- (c) If the MEMBER dies prior to the completion of the transfer, the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE, adjusted with the rate of interest as determined by the TRUSTEES from time to time, taking into account the investment vehicle in which and the period during which the assets representing the benefit are invested and all other relevant facts, until the actual date of payment of the BENEFIT and the cost, as approved by the TRUSTEES, that was necessary to trace the BENEFICIARIES in terms of RULE 14.4, will be paid in terms of the provisions of RULE 14.4.
- (d) If the MEMBER'S service is terminated prior to the completion of the transfer, the MEMBER'S EQUITABLE SHARE as at the REALISATION DATE will be paid to the MEMBER, and the provisions of RULE 9 will apply.
- (e) Any amount already paid to the MEMBER by the FUND prior to the completion of the transfer will be deducted from the amount allocated towards the MEMBER in the transfer.
- (f) A MEMBER'S BENEFIT in terms of this RULE may be increased by the proportionate share of any reserve account and/or surplus account, as determined by the TRUSTEES, in consultation with the ACTUARY, from time to time.

14.2.3 In the event of transfers of business from APPROVED FUNDS which by their nature are or were Provident Funds or Provident Preservation Funds, the annuitisation provisions in the law which became applicable from 1 March 2021 to Provident fund members, will apply to all such members in the FUND.

14.4 PAYMENT OF BENEFITS

- 14.4.1 Subject to the provisions of RULES 14.3.1, the TRUSTEES will take a decision from time to time to cause the amount, representing a BENEFIT that becomes payable in terms of the RULES, to remain in the current INVESTMENT PORTFOLIO(S) it is invested in immediately prior to the BENEFIT becoming payable, or to be disinvested and be invested in another product or investment vehicle, as determined by the TRUSTEES until the date of receipt of the MEMBER'S completed election form as provided for in RULE 10.1 or the date of disinvestment as decided by the TRUSTEES from time to time.
- 14.4.2 Subject to the provisions of RULES 14.4.4, 14.4.5, 14.4.6 and 14.12, the FUND will pay any BENEFITS that are payable in terms of the RULES in respect of any person who is still living, to the MEMBER or BENEFICIARY. The MEMBER or BENEFICIARY will be deemed to have requested payment thereof to the MEMBER'S or BENEFICIARY'S bank account, the details of which the MEMBER or BENEFICIARY will notify the TRUSTEES of in writing. However, at the request of the MEMBER or BENEFICIARY, the TRUSTEES may agree to the payment of the BENEFIT in some other specified manner which is not inconsistent with the provisions of the ACT.
- 14.4.3 A BENEFIT which becomes payable upon a MEMBER'S death, will be dealt with by the TRUSTEES in terms of section 37C of the ACT.
- 14.4.8 A decision of the TRUSTEES in accordance with this RULE dealing with death benefits may be amended from time to time; provided that the new decision does not contravene the provisions of the ACT.
- 14.4.9 The TRUSTEES have the right to require satisfactory proof of age in respect of any BENEFICIARY or deceased MEMBER, and the FUND will not be obliged to pay BENEFITS to or in respect of the BENEFICIARY or deceased MEMBER until such proof has been submitted.

14.5 LATE PAYMENT OF BENEFITS

- 14.5.1 Any amount to be transferred to another APPROVED FUND in terms of RULE 10.3 will be transferred to such other APPROVED FUND within 60 (sixty) days of receipt by the FUND of the MEMBER'S written instruction, indicating that he or she has elected to transfer such MEMBER'S BENEFIT to such other APPROVED FUND; provided that the transfer is permissible in terms of the ACT and the INCOME TAX ACT. Interest at a rate as prescribed in terms of the ACT will be paid to the other APPROVED FUND in respect of any BENEFIT transferred after the 60 (sixty)-day period and will be calculated from the expiry of the 60 (sixty)-day period until the date of payment of the BENEFIT.
- 14.5.2 Any amount to be transferred to another APPROVED FUND in terms of RULE 14.3 will be transferred to such other APPROVED FUND within 60 (sixty) days of the approval by the AUTHORITY of the transfer. Interest at a rate as determined by the TRUSTEES from time to time will be paid to such other APPROVED FUND in respect of any BENEFIT transferred after the 60 (sixty)-day period and will be calculated from the expiry of the 60 (sixty)-day period until the date of payment of the BENEFIT to such other APPROVED FUND.
- 14.5.3 Subject to the provisions of RULES 14.5.1 and 14.5.2, the TRUSTEES may determine from time to time the period in which any BENEFIT payable by the FUND must be paid, as well as the rate of interest to be added to the BENEFIT if the BENEFIT is paid after the expiry of the period.

14.6 CURRENCY

CONTRIBUTIONS and BENEFITS payable in terms of the RULES are payable in the legal currency of the Republic of South Africa. However, in special circumstances, the TRUSTEES may authorise payments outside the Republic of South Africa on the conditions as may be determined by the TRUSTEES from time to time.

14.7 DISPUTES AND COMPLAINTS

- 14.7.1 A decision of the TRUSTEES as to the meaning of or interpretation of the RULES or of any particular RULE or part of a RULE, will be final and binding on the EMPLOYERS and any MEMBER or BENEFICIARY, subject to the provisions of Section 30A of the ACT.
- 14.7.2 In the event of a COMPLAINT arising, other than a COMPLAINT by the TRUSTEES against another person, the COMPLAINANT may lodge a written COMPLAINT with the TRUSTEES at the registered office of the FUND or such other address as designated by the TRUSTEES for this purpose.
- 14.7.3 The TRUSTEES will deal with all COMPLAINTS lodged with it. For this purpose, the TRUSTEES may request the COMPLAINANT or any other person for the additional information relating to the COMPLAINT as it may deem necessary to enable it to properly deal therewith.
- 14.7.4 The TRUSTEES will furnish the COMPLAINANT with its written decision regarding the COMPLAINT within 30 (thirty) days, or such other period as mutually agreed in writing with the COMPLAINANT, on receipt of the COMPLAINT.
- 14.7.5 If the COMPLAINANT is not satisfied with the decision of the TRUSTEES, the COMPLAINANT will have the right to appeal against the decision within a period of 30 (thirty) days of receipt thereof. In this event, the TRUSTEES may revise or uphold its initial decision.

- 14.7.6 If the TRUSTEES fails to respond to the COMPLAINT within the period stipulated in RULE 14.7.4 or if the COMPLAINANT is not satisfied with the outcome of the appeal in terms of RULE 14.7.5, the COMPLAINANT will have the right to submit the COMPLAINT to the ADJUDICATOR.
- 14.7.7 Subject to the provisions of RULE 14.7.8, any determination of the ADJUDICATOR regarding a COMPLAINT will be deemed to be a civil judgment of any court of law had the COMPLAINT been heard by the court and will be legally binding on the parties thereto.
- 14.7.8 If either the TRUSTEES or the COMPLAINANT are aggrieved by the determination of the ADJUDICATOR, the aggrieved party will have the right, within a period of 6 (six) weeks following the date of the ADJUDICATOR'S determination, to apply to the division of the High Court which has jurisdiction, for relief. The aggrieved party will give simultaneous written notice to the other party of its intention to lodge the application.
- Alternatively, the aggrieved party will have the right, within 30 (thirty) days of the date of the determination, to lodge an application for the reconsideration of the determination to the Financial Services Tribunal.
- 14.7.9 For purposes of these provisions, all written notifications as contemplated therein will be transmitted to the TRUSTEES or the COMPLAINANT, as the case may be, by pre-paid registered post, legally recognised electronic transmission, facsimile transmission or physical delivery. Receipt thereof will be deemed to have taken place on the 10th (tenth) working day following the date of posting, if sent by post, or the day following the date of physical delivery or facsimile or electronic transmission.

14.7.10 The provisions of this RULE 14.7 will be applicable if the TRUSTEES lodge a COMPLAINT on behalf of the FUND; provided that nothing herein contained will limit the rights of the TRUSTEES to resort to such other remedies as it may deem appropriate in order to protect the interests of the FUND and its MEMBERS and BENEFICIARIES.

14.8 AMENDMENTS TO THE RULES

The TRUSTEES will have the right to amend the RULES at any time; provided that the amendments are not inconsistent with the provisions of the INCOME TAX ACT, the ACT and all other applicable legislation, and are registered by the AUTHORITY and approved by the South African Revenue Services; provided that any amendment to the RULES which, in the opinion of the ACTUARY, changes the EMPLOYER'S and EMPLOYEE'S financial obligation and liability in terms of the RULES, will be subject to the prior approval of the COUNCIL.

14.9 MEMBERS AND BENEFICIARIES ARE DEFERRED CREDITORS

MEMBERS and BENEFICIARIES will be regarded as deferred creditors and their claims against the FUND in their capacity as MEMBERS or BENEFICIARIES will not be settled until the claims of ordinary creditors have been settled.

14.10 INSPECTION OF DOCUMENTS OF THE FUND

A MEMBER has the right to inspect the FUND'S financial statements and the RULES at any reasonable time. Upon payment of a fee as determined by the TRUSTEES from time to time, a MEMBER may obtain a physical copy of the FUND'S financial statements, the RULES and the FUND'S latest valuation report prepared by the ACTUARY.

Electronic copies will be made available free of charge. In compliance with the provisions of the Promotion of Access to Information Act, 2000, (Act No. 2 of 20) a MEMBER may also obtain certain FUND documents as set out in the

FUND's Manual filed with the Information Regulator in terms of section 51 of the latter Act.

14.11 CONDITIONS OF SERVICE NOT OTHERWISE AFFECTED

Nothing contained in the RULES will limit the right of the EMPLOYER to dismiss any EMPLOYEE from service, or the right of an EMPLOYEE to terminate the EMPLOYEE'S service with the EMPLOYER, subject to the EMPLOYEE'S conditions of service.

14.12 MONIES DUE TO THE EMPLOYER, THE FUND, A BENEFICIARY OR ANY OTHER PERSON

14.12.1 Subject to the provisions of the ACT, the ADMINISTRATOR will, at the request of the EMPLOYER, the FUND, the MEMBER, the BENEFICIARY or any other person, as the case may be, recover the following amounts from BENEFITS payable in terms of the RULES and where necessary, pay the amounts to the person or body to whom the amounts are due:

- (a) debts owing to the FUND or the EMPLOYER as a result of:
 - (i) a loan granted to the MEMBER by the FUND or the EMPLOYER to enable the MEMBER to:
 - i. redeem a loan which was granted to the MEMBER by a person other than the FUND or the EMPLOYER as security over immovable property that belongs to the MEMBER or the MEMBER'S SPOUSE upon which a dwelling has been erected or is to be erected and is occupied or is to be occupied, as the case may be, by the MEMBER or a DEPENDANT(S) of the MEMBER; or

- ii purchase a dwelling, or to purchase land and erect a dwelling on it, for occupation by the MEMBER or a DEPENDANT(S) of the MEMBER; or
 - iii make additions or alterations to or maintain or repair a dwelling which belongs to the MEMBER or to the MEMBER'S SPOUSE and that is occupied or will be occupied by the MEMBER or a DEPENDANT(S) of the MEMBER;
- (ii) an amount for which the FUND or the EMPLOYER is liable under a guarantee furnished in respect of a loan granted by some other person to a MEMBER for a purpose as intended in RULE 14.12.1.(a)(i);
- (b) compensation for any loss suffered by the EMPLOYER as a result of theft, misconduct, fraud or dishonesty by the MEMBER and in respect of which the MEMBER has admitted liability in writing or in respect of which a civil or criminal court judgment has been obtained against the MEMBER;
- (c) any amount that the FUND, by arrangement with and on behalf of a MEMBER or BENEFICIARY, has paid or will pay from time to time in respect of:
 - (i) the MEMBER'S or BENEFICIARY'S CONTRIBUTIONS to a medical scheme, registered otherwise than provisionally in terms of the Medical Schemes Act, 1998 (Act No. 131 of 1998)
 - (ii) an insurance premium payable by a MEMBER or BENEFICIARY to an INSURER; or

- (iii) any purpose approved by the AUTHORITY on terms and conditions determined by the AUTHORITY, upon written request from the FUND
 - (d) any part of the MEMBER'S pension interest in the FUND as defined in Section 7(8) of the Divorce Act, 1979 (Act No. 70 of 1979) allocated to a NON-MEMBER SPOUSE in terms of a valid court order issued by a competent court; provided that the MEMBER'S EQUITABLE SHARE will be reduced by the allocated portion and paid to the NON-MEMBER SPOUSE or transferred to another APPROVED FUND on behalf of the NON-MEMBER SPOUSE, as elected by the NON-MEMBER SPOUSE; and
 - (e) any amount of the MEMBER'S EQUITABLE SHARE, other than an amount in terms of RULE 14.12.1.(d), allocated to a person in terms of Section 37D(1)(d) of the ACT; provided that the allocated amount will be deemed to have accrued to the MEMBER and the MEMBER'S EQUITABLE SHARE will be reduced by the allocated amount and paid to the person.
- 14.12.2 It is a proviso that the amounts in terms of RULE 14.12.1.(a) will be limited to a sum not exceeding the maximum which may be taken by a MEMBER or BENEFICIARY as a lump sum BENEFIT in terms of the INCOME TAX ACT.
- 14.12.3 The TRUSTEES will have the right to withhold payment of BENEFITS to which a MEMBER or BENEFICIARY is entitled in terms of the RULES pending the determination or acknowledgement of liability in terms of RULE 14.12.1.(b); subject to the withholding period being reasonable taking into account the relevant circumstances and subject to the following provisions; provided that INVESTMENT RETURN will be added to the BENEFIT during the withholding period, provided that:

- (a) the TRUSTEES, at the written request of a MEMBER whose BENEFIT is withheld, may permit the value of the MEMBER'S BENEFIT at the time of the request, to be invested in another investment vehicle available from the range of investment vehicles available to MEMBERS, subject to the conditions applicable to the investment vehicle;
- (b) the amount being withheld will not exceed the amount that may be deducted in terms of Section 37D(1)(b)(ii) of the ACT;
- (c) the TRUSTEES in their reasonable discretion are satisfied that the EMPLOYER has made out a *prima facie* case against the MEMBER concerned and there is reason to believe that the EMPLOYER has a reasonable chance of succeeding in the proceedings that have been instituted;
- (d) the TRUSTEES are satisfied that at any stage of the proceedings, the EMPLOYER is not responsible for any undue delay in the prosecution of the proceedings; and
- (e) once the civil or criminal court proceedings have been determined, settled or withdrawn, any BENEFIT to which the MEMBER is entitled will forthwith be paid.

14.13 UNFORESEEN CIRCUMSTANCES

On the occurrence of an event that has not been provided for in the RULES, the decision of the TRUSTEES, if not inconsistent with the provisions of the ACT, will be final and conclusive.

14.14 CONFIDENTIALITY OF INFORMATION

The BOARD and all TRUSTEES shall be entitled to only such information from an EMPLOYER as the BOARD MEMBERS may reasonably require for the

exercise of their duties in terms of these RULES. Such information shall be used only for the purpose of the BOARD OF TRUSTEES performing the duties in terms of the RULES and shall not be disclosed to any person or body other than such office-bearer or EMPLOYEE of the FUND, or the ADMINISTRATOR or a service provider to the FUND whose province it is to have such information.

14.15 LIMITATION OF A BOARD MEMBER'S LIABILITY

Notwithstanding anything to the contrary in these RULES, a BOARD MEMBER may, in any proceedings against him/her be relieved by a court from any liability either in whole or in part and on terms that such court may consider just, if it appears to the court that the BOARD MEMBER has acted independently, honestly and reasonably and that in the circumstances of the case, having regard to the appointment of the BOARD MEMBER, it would be fair to excuse such a BOARD MEMBER.

14.16 CHANGE IN LEGISLATION

If any legislation referred to in the RULES is amended or substituted then such amended or substituted legislation shall apply where applicable in these RULES from the effective date of such amendment or substitution.

14.17 EXPIRY OF COUNCIL'S AGREEMENTS

If the PENSION FUND AGREEMENT and MAIN COLLECTIVE AGREEMENT expires and is not renewed by COUNCIL within 180 (one hundred and eighty) days or becomes inoperative in respect of any EMPLOYER and /or any MEMBER in its employ, all the provisions of the PENSION FUND AGREEMENT for active participation in the FUND will continue to apply in terms of the RULES and the applicable laws as if agreed between such EMPLOYER and each of its EMPLOYEES individually until varied or terminated by express agreement between them and subject to any subsequent collective agreement between the parties to COUNCIL.