DE BEERS PENSION FUND

RULES

(Including Rule Amendment Numbers 1 to 8)

Effective Date: 1 March 2019

(Registration number 12/8/559)

CONSOLIDATED RULES

These Rules have been consolidated to include Rule amendment numbers 1 to 8 and have not been registered as such by the Authority. They have been prepared for ease of reference only. Should any difference exist between these consolidated Rules and the signed approved Rules and registered Rule amendments, the latter shall prevail.

AMENDMENTS INCORPORATED

Amendment Number	Rules amended	Effective date	FSCA approval date
1	Replacement of definitions of DB Deferred Pensioner, DC Deferred Pensioner and Employer. Replacement of Rule A.8.7. Addition of Rules B.1.6.4(m), B.5.2.5 and C.5.3.4.	1 Apr 2019	2 Dec 2020
2	Addition of Rules B.1.7 and C.1.6.	1 May 2020	4 Aug 2020
3	Addition of definition of Pension Preservation Fund Replacement of Rules B.1.6.1, B.3.4.1, B.3.4.2., B.3.5.2 and the first para of B.3.5.1 Replacement of Rules C.1.5.1, C.3.9.1, C.3.10.2 (b) and the first para of C.3.10.1. Replacement of Rule A.9.7.2 (l), insertion of new Rule A.9.7.2 (m) and renumbering of existing Rule A.9.7.2 (m) as RuleA.9.7.2 (n) Replacement of Rule A.9.11.2 (c), insertion of new Rule A.9.11.2 (d) and renumbering of existing Rule A.9.11.2 (d) as Rule A.9.11.2 (e) Replacement of Rules B.1.5, C.1.4.2, B.1.6.2 (f) and B.1.6.4 (l)	1 Oct 2020	17 Dec 2020
4	Replacement of part (c) in definition of DC Deferred Pensioner	1 Apr 2019	11 Aug 2021
	Addition of definitions of Pension Fund, Provident Fund, Provident Preservation Fund and Vested Amount Replacement of Rules B.1.6.1, B.3.4.1, B.3.4.2, B.3.5.2 and the first para of Rule B.3.5.1. Replacement of Rules C.1.5.1, C.3.9.1, C.3.9.2, C.3.10.2 (b) and the first para of Rule C.3.10.1.	1 Mar 2021	

Amendment Number	Rules amended	Effective date	FSCA approval date
4 (contd.)	Addition of Rules A.2.1.8, A.4.3.4, B.1.5.3 and C.1.4.4 Replacement of Rule B.3.3 Replacement of Rules C.3.8.1 and C.3.8.2 Addition of Rule A.4.18, B.3.2.6 and B.5.1.5	1 Mar 2021	11 Aug 2021
5	Replacement of definitions of Category B Employer and Employer	2 Nov 2021	28 Apr 2022
	Replacement of Rules B.1.6.1, B.1.6.2(e), B.1.6.4(b), B.1.6.4(i), B.1.6.4(j), B.1.6.4(l) and the first para of Rules B.1.6.2, B.1.6.3 and B.1.6.4 Replacement of Rules C.1.5.1 and C.1.5.2(e) and the first para of Rule C.1.5.2 Replacement of Rules B.4.3.7, B.4.3.8 (a) and B.4.3.8 (b)	1 Apr 2022	
6	Replacement of Rules A.5.13.1 and A.5.13.2 Replacement of Rules A.9.3.2(b), A.9.7.2(d), B.1.2.2, B.2.2.1 and B.2.2.2 Addition of Rule B.2.2.6 Replacement of Rule C.2.3.1 Addition of Rule C.2.3.3 Replacement of Rules B.1.2.1 and B.3.2.5 Addition of Rule B.1.2.6	1 Oct 2023	16 Nov 2023
7	Updating the index for new rules, where relevant Replacement of definitions of Accumulated Member's Contributions, Fund Credit, Investment Return, Member's Individual Account, Pensionable Service and Vested Amount Addition of definitions of Components, Divorce Order, Pension Interest on Divorce, Retirement Component, Savings Component, Savings Component Seeding Amount, Vested Annuity Component and Vested Lump Sum Component Deletion of Rule A.2.1.6 and the renumbering of Rules A.2.1.7 and A.2.1.8 to A.2.1.6 and A.2.1.7 respectively Replacement of Rules A.2.1.4, A.4.3.4, A.4.9.1, A.4.9.3, A.4.9.5, A.4.13.2, the first para. of A.5.16.10, A.7.1.3(b), A.8.1.1, A.8.1.3, A.8.1.4, A.8.1.5, the first para. of A.8.6.1, A.9.2.3(c), A.9.3.2(d), A.9.3.3(e), A.9.6.3(h), A.9.7.1, A.9.8.3(a), A.9.8.3(c), the first para. of A.9.11.1, A.9.11.2(b), A.9.14.3(d), A.9.15.3(c), A.9.15.3(d), A.10.2.2, A.10.4.1, the second para. of A.10.4.3, A.10.5.1 and A.10.5.2	1 Sep 2024	22 Aug 2024

Amendment Number	Rules amended	Effective date	FSCA approval date
	Addition of Rules A.4.3.5, A.4.3.6, A.4.3.7, A.9.5.4 and A.9.12.4 Addition of Rules A.11, A.12, and A.13 Replacement of Rules B.1.1.3, B.1.5.1, B.1.5.2, B.1.5.3, B.2.1.1(c), B.2.1.2, B.3.3.1, B.3.3.2, B.3.5.1(j), B.5.1.3(b), B.5.1.3(c), B.5.2.1(i), B.5.2.2(b) and B.5.2.2(c) Addition of Rules B.1.4.6, B.1.4.7, B.2.2.7, B.3.3.3 B.4.2.4(d) and B.5.2.2(e) Addition of Rule B.6 Replacement of Rules C.1.1.3, C.1.4.1, C.1.4.2, C.1.4.4, C.2.2.1(b), C.2.2.2, C.2.2.3, C.2.2.4, C.3.8, C.3.10.1(g), C.5.1.2(b), C.5.1.2(c), C.5.2.2(b), C.5.2.2(c), C.5.3.1(f), C.5.3.2(b), C.5.3.2(c), C.5.4.2(b), C.6.1.1(h), C.6.1.2(c), C.6.1.2(d), C.6.2.1(d), C.6.2.2(b) and C.6.2.2(c) Addition of Rules C.2.2.1(c), C.2.4.1, RULE C.3.10.2(a)(iv), C.5.3.2(e), C.6.1.2(f) and C.6.2.2(e) Addition to wording after part (c) of Rules C.5.1.1 and C.5.2.1 Addition of Rule B.7		
8	Replacement of Rules A.4.9.2 and A.5.22	1 Jan 2021	16 Sep 2026
	Replacement of the definition of Pension Interest on Divorce Addition of Rules B.1.8, B.1.9 and C.1.7 Addition of a definition of Namibian Service Addition of Rule A.4.19	1 Sep 2024	
	Replacement of Rules A.9.4.1(c) and A.9.4.3(c) Deletion of the definition of Legal Liability Contingency Reserve Account, Rule A.9.8 and all references to the abovementioned account in the Rules Renumbering of Rule A.9.9 to Rule A.9.8, Rule A.9.10 to Rule A.9.9, Rule A.9.11 to Rule A.9.10, Rule A.9.12 to Rule A.9.11, Rule A.9.13 to Rule A.9.12, Rule A.9.14 to Rule A.9.13, Rule A.9.15 to Rule A.9.14 and Rule A.9.16 to Rule A.9.15 and appropriate changes to the index, paragraph numbering and all cross-references to these Rules Renaming of the Data Error Contingency Reserve Account to the Data Error and Legal Liability Contingency Reserve Account and by the replacement of all references in the Rules to the former with references to the latter Replacement of Rules A.4.7.5, A.9.1.1 and A.9.2.1	1 Mar 2025	

Amendment Number	Rules amended	Effective date	FSCA approval date
	Insertion of Rule A.9.2.3(b) and renumbering of Rule A.9.2.3(b) to Rule A.9.2.3(c), Rule A.9.2.3(c) to Rule A.9.2.3(d) and Rule A.9.2.3(d) to Rule A.9.2.3(e)		
8 (contd.)	Renaming of De Beers Marine Proprietary Limited to Upstream Technology South Africa Proprietary Limited and by renumbering the Employers to reflect their revised alphabetical order	12 Feb 2026	16 Sep 2026
	Replacement of the Rules B.3.3.2, B.6.1.1(b), C.3.8.2 and C.7.1.1(c)	1 Mar 2026	
	Replacement of the definition of Revenue Authorities Replacement of Rules A.4.6.1, B.1.6.4(i), B.1.6.4(j), B.5.2.3, B.5.4.3(c), C.2.2.4 and C.4.3.4	1 Aug 2026	

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PART A: GENERAL RULES

A.1 DEFINITIONS

In these RULES, unless the context indicates otherwise,

- unless a word is expressly defined, that word, if defined in the ACT, has the meaning assigned to it in the ACT;
- the headings of the RULES are for ease of reference and shall not be taken into account in the interpretation of the RULES;
- words importing the masculine gender include the feminine gender and vice versa and the singular includes the plural and vice versa;
- any references to a statutory provision include any subordinate legislation made from time to time under that provision and include that provision as modified or re-enacted from time to time;
- any definition, wherever it appears in the RULES, shall bear the same meaning and apply throughout the RULES unless otherwise stated or inconsistent with the context in which it appears;
- whenever the word "including" is used followed by specific examples, such examples shall not be interpreted so as to limit the meaning of any word or term to the examples given; and
- the expressions below have the meanings indicated next to them.

ACCUMULATED MEMBER'S CONTRIBUTIONS: For a DB MEMBER, the sum of:

(a) CONTRIBUTIONS made to the FUND in terms of RULE C.2.1; and

(b) Such portion of the DB MEMBER'S transfer contributions plus interest in terms of RULE C.2.2.3 which are his own contributions to a PENSION or PROVIDENT FUND from which he was transferred.

Such ACCUMULATED MEMBER'S CONTRIBUTIONS shall be allocated to the various COMPONENTS on the basis set out in these RULES, provided that the value may be adjusted, as determined by the ACTUARY, to take account of:

(i) the impact of payments in terms of section 37D of the ACT;

(ii) the impact of any amount taken as a SAVINGS COMPONENT withdrawal from the MEMBER'S SAVINGS COMPONENT in terms of RULE C.7; and

(iii) any other adjustment as required in terms of these RULES.

ACT: The Pension Funds Act, 1956, as amended and the regulations framed thereunder.

ACTUARY: The valuator of the FUND, appointed by the BOARD in terms of RULE A.5.19.1.

ADJUDICATOR: Adjudicator, as defined in the ACT.

ANNUALISED PENSIONABLE SALARY: The annual equivalent of the MEMBER'S monthly PENSIONABLE SALARY and shall include the HOLIDAY LEAVE ALLOWANCE accrued for the year during which the PENSIONABLE SALARY was paid.

ANNUITY STRATEGY: Annuity Strategy, as defined in the regulations framed under the ACT.

APPROVED FUND: A fund approved as a PENSION, PENSION PRESERVATION, PROVIDENT, PROVIDENT PRESERVATION or a RETIREMENT ANNUITY FUND by the REVENUE AUTHORITIES.

ASSOCIATED COMPANY: Anglo American PLC including its subsidiaries and affiliates.

AUDITOR: The auditor to the FUND, appointed by the BOARD in terms of RULE A.5.18.1.

AUTHORITY: The Financial Sector Conduct Authority established in terms of the Financial Sector Regulation Act, 2017.

BENEFICIARY: Any person who is entitled to benefits in terms of these RULES.

BOARD: The FUND'S Board, as defined in the ACT.

BOARD MEMBER: A member of the BOARD appointed or elected in terms of these RULES and shall include an alternate member if applicable.

CALCULATION DATE: The date determined by the BOARD in terms of RULE A.10.2.2.

CATEGORY A EMPLOYER: One of the following companies:

(a) De Beers Consolidated Mines Proprietary Limited

(b) De Beers Group Services Proprietary Limited.

CATEGORY B EMPLOYER: The following company:

(a) DTC Valuations Namibia Proprietary Limited.

CATEGORY C EMPLOYER: An EMPLOYER other than a CATEGORY A or CATEGORY B EMPLOYER.

CHILD:

(a) The child of a MEMBER, who may be:

(i) a child born to the MEMBER;

(ii) a posthumous child; or

(iii) an adopted child on proof of adoption to the satisfaction of the BOARD.

(b) The child of a PENSIONER, who may be:

(i) a child born to the PENSIONER prior to the date of the PENSIONER'S retirement;

(ii) a posthumous child conceived but unborn at the date of the PENSIONER'S retirement; or

(iii) an adopted child, adopted prior to the date of the PENSIONER'S retirement, on proof of adoption to the satisfaction of the BOARD.

COMPONENTS: The RETIREMENT COMPONENT, SAVINGS COMPONENT, VESTED ANNUITY COMPONENT and the VESTED LUMP SUM COMPONENT held by the FUND on behalf of each MEMBER.

CONTRIBUTIONS: The amounts which must be paid to the FUND by MEMBERS and EMPLOYERS in terms of the RULES.

CONVERSION CREDIT: In relation to a MEMBER, a PAID-UP PENSIONER or a DB DEFERRED PENSIONER who irrevocably elected to become a DC MEMBER (other than a DEFERRED MEMBER) or a DC DEFERRED PENSIONER at the CONVERSION DATE, the amount credited to his FUND CREDIT at that date.

CONVERSION DATE: In relation to a MEMBER, a PAID-UP PENSIONER or a DB DEFERRED PENSIONER, 1 August 2006, being the date on which he was granted an irrevocable option to become a DC MEMBER (other than a DEFERRED MEMBER) or a DC DEFERRED PENSIONER.

DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT: The account referred to in RULE A.9.2.

DB DEFERRED PENSIONER: Is

(a) A DB MEMBER who left SERVICE by dismissal, resignation or retrenchment and who retains a benefit in the FUND in terms of RULE C.5.1.2 or RULE C.5.2.2; or

(b) A DB MEMBER who retired from SERVICE and has deferred his retirement from the FUND in terms of RULE C.3.10.1; or

(c) A DB MEMBER who is affected by a transfer in terms of Section 197 of the Labour Relations Act, 1995, and who retains a benefit in the FUND in terms of RULE A.8.7.1 or RULE A.8.7.2; or

(d) A DB DEFERRED PENSIONER who, on the CONVERSION DATE, did not irrevocably elect to become a DC DEFERRED PENSIONER at that date; and

who has not ceased to be a MEMBER of the FUND in terms of RULE C.1.1.5.

DB MEMBER: A contributing MEMBER of the FUND, other than a DC MEMBER, who has not ceased to be a MEMBER of the FUND in terms of RULE C.1.1.5.

DC DEFERRED PENSIONER: Is

(a) A DC MEMBER who left SERVICE by dismissal, resignation or retrenchment and who retains a benefit in the FUND in terms of RULE B.5.1.3; or

(b) A DC MEMBER who retired from SERVICE and has deferred his retirement from the FUND in terms of RULE B.3.5.1; or

(c) A DC MEMBER who is affected by a transfer in terms of Section 197 of the Labour Relations Act, 1995, and who retains a benefit in the FUND in terms of RULE A.8.7.1 or RULE A.8.7.2; or

(d) A DB DEFERRED PENSIONER or PAID-UP PENSIONER who, on the CONVERSION DATE, irrevocably elected to become a DC DEFERRED PENSIONER at that date; and

who has not ceased to be a MEMBER of the FUND in terms of RULE B.1.1.5.

DC EXPENSE RESERVE ACCOUNT: The account referred to in RULE A.9.3.

DC MEMBER: Is:

(a) An ELIGIBLE EMPLOYEE who becomes a MEMBER of the FUND on or after the CONVERSION DATE; or

(b) A MEMBER, who, on the CONVERSION DATE, irrevocably elected to become a DC MEMBER at that date and elected that the provisions of Part B of these RULES shall apply to the determination of his benefits after that date; and

who has not ceased to be a MEMBER of the FUND in terms of RULE B.1.1.5.

DEFERRED MEMBER: A MEMBER who, on the CONVERSION DATE, elected to become a DC MEMBER, and who further elected that his benefit in respect of his SERVICE until the CONVERSION DATE shall be calculated in

accordance with defined benefit principles in terms of Part C of these RULES, and that his benefit in respect of SERVICE after the CONVERSION DATE shall be calculated in accordance with defined contribution principles in terms of Part B of these RULES and who has not ceased to be a MEMBER of the FUND in terms of RULE B.1.1.5.

DEPENDANT: In relation to a MEMBER means:

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

(b) A person in respect of whom the MEMBER is not legally liable for maintenance, if such person:

(i) was, 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; or

(iii) is a child of the MEMBER, including a posthumous child, an adopted child and a child born out of wedlock.

(c) A person in respect of whom the MEMBER would have become legally liable for maintenance had the MEMBER not died.

DISABILITY INCOME BENEFIT: In relation to a DC MEMBER, means the benefit payable in terms of a separate policy of insurance to which the EMPLOYER contributes in order to provide income benefits for employees who are DC MEMBERS, in the event of their DISABLEMENT.

DISABLED: In relation to a DC MEMBER, means that condition defined in terms of and subject to the provisions of the separate policy of insurance to which the EMPLOYER contributes providing the DISABILITY INCOME BENEFIT for DC MEMBERS.

DISABLEMENT or DISABILITY: The condition of a MEMBER which renders him DISABLED.

DISTRIBUTION RESERVE ACCOUNT: The account referred to in RULE A.9.4.

DIVORCE ORDER: A court order granted in terms of section 7(8)(a) of the Divorce Act, 1979 or a court order granted in respect to the division of assets of a marriage according to the tenets of a religion.

ELECTED BOARD MEMBER: A BOARD MEMBER elected by MEMBERS and PENSIONERS in terms of RULE A.5.3.1.

ELIGIBLE EMPLOYEE: Means

(a) All permanent employees of an EMPLOYER under PENSION AGE; or

(b) Any person on the Board of Directors of an EMPLOYER, holding a fulltime salaried position with such EMPLOYER and under PENSION AGE.

The decision of the PRINCIPAL EMPLOYER shall be final as to whether an employee qualifies or continues to qualify for membership.

EMPLOYER: One of the following companies or organisations:

(a) (i) De Beers Benefit Society

(ii) De Beers Consolidated Mines Proprietary Limited

(iii) De Beers Group Services Proprietary Limited

(iv) De Beers Marine Namibia Proprietary Limited

(v) De Beers Pension Fund

(vi) DTC Valuations Namibia Proprietary Limited

(vii) Namdeb Diamond Corporation Proprietary Limited

(viii) Upstream Technology South Africa Proprietary Limited

(b) Any other company, organisation or affiliate that has a specific association or relationship with the PRINCIPAL EMPLOYER, approved as such by the PRINCIPAL EMPLOYER, with any restrictions which the PRINCIPAL EMPLOYER may impose.

(c) Any other company regarded as an EMPLOYER in terms of RULE A.8.7.

In relation to:

(i) A particular ELIGIBLE EMPLOYEE, MEMBER, former MEMBER or PENSIONER, the term "EMPLOYER" means the EMPLOYER in whose SERVICE that ELIGIBLE EMPLOYEE, MEMBER, former MEMBER or PENSIONER is or was last employed; and

(ii) A PENSION RECIPIENT, not referred to in (i) but in receipt of a PENSION from the FUND as a result of the death of a former MEMBER or PENSIONER, the term "EMPLOYER" means the EMPLOYER in whose SERVICE that former MEMBER or PENSIONER was last employed.

EMPLOYER-APPOINTED BOARD MEMBER: A BOARD MEMBER appointed by the PRINCIPAL EMPLOYER in terms of RULE A.5.2.1.

EMPLOYER SURPLUS ACCOUNT: The account referred to in RULE A.9.5.

EXPENSE CONTINGENCY RESERVE ACCOUNT: The account referred to in RULE A.9.6.

FINAL PENSIONABLE SALARY: For a DB MEMBER:

(a) The highest PENSIONABLE SALARY earned by that DB MEMBER over any 12 month period in the 10 years preceding retirement or the effective date of the calculation of the MINIMUM INDIVIDUAL RESERVE; or

(b) In the case of a DB MEMBER who dies in service or retires due to ill health in terms of RULE C.3.4.2 and is not within one year of his PENSION AGE, the greater of his FINAL PENSIONABLE SALARY as set out in (a) above and his ANNUALISED PENSIONABLE SALARY at the date of death or retirement.

FINANCIAL YEAR: The period of 12 (twelve) months leading to and including the FINANCIAL YEAR END.

FINANCIAL YEAR END: 28 February 1954 and the last day of February of each subsequent year.

FUND: De Beers Pension Fund.

FUND CREDIT: Each DC MEMBER'S and DC DEFERRED PENSIONER'S share of the FUND CREDIT ACCOUNT referred to in RULE A.9.7, comprising, where applicable, the various COMPONENTS referred to in RULE A.11.1, RULE A.11.2, RULE A.11.3 and RULE A.11.4.

FUND CREDIT ACCOUNT: The account referred to in RULE A.9.7.

FUND PENSION: In relation to a PENSION RECIPIENT who elects the option in terms of RULE B.1.6.4 the sum of the LIFE ANNUITY COMPONENT and the LIVING ANNUITY COMPONENT.

FUNERAL BENEFIT: The benefit payable in terms of a separate policy of insurance to which the EMPLOYER contributes in order to provide funeral benefits for employees who are MEMBERS, in the event of their or their family members' deaths.

HOLIDAY LEAVE ALLOWANCE: Where applicable, the annual allowance payable in terms of the EMPLOYERS' leave conditions. In determining PENSIONABLE SALARY for benefit calculation purposes the following shall apply:

(a) Only HOLIDAY LEAVE ALLOWANCES on which CONTRIBUTIONS were paid shall qualify for inclusion;

(b) Only one HOLIDAY LEAVE ALLOWANCE shall be taken into account. Should more than one HOLIDAY LEAVE ALLOWANCE have been paid during the twelve month period used for calculating FINAL PENSIONABLE SALARY then the highest HOLIDAY LEAVE ALLOWANCE so paid shall be included;

(c) Where a MEMBER on retirement or death receives less than one HOLIDAY LEAVE ALLOWANCE then a pro-rated portion of the immediately preceding HOLIDAY LEAVE ALLOWANCE paid shall be included; and

(d) Where the MEMBER'S death benefit is not based on his PENSIONABLE SALARY at the date of death, the HOLIDAY LEAVE ALLOWANCE to be included in the calculation of annual salary is that

which was paid immediately prior to the date on which the PENSIONABLE SALARY used in the calculation was received.

INSURED BENEFIT: That part of the death benefit calculation in RULE B.4.2.2 which is reinsured by the FUND with a REGISTERED INSURER in terms of a policy of insurance. This specifically excludes the DISABILITY INCOME BENEFIT and the FUNERAL BENEFIT.

INVESTMENT POLICY STATEMENT: The document agreed by the BOARD from time to time on the advice of expert investment advisors and which contains the investment principles applicable to the assets of the FUND.

INVESTMENT RETURN: The net investment return credited or debited to the accounts set out in RULE A.9.1 and the COMPONENTS set out in RULE A.11 in terms of the provisions of RULE A.10.4.

LIFE ANNUITY CAPITAL ACCOUNT: The account referred to in RULE A.9.8.

LIFE ANNUITY COMPONENT: The PENSION elected by a DC MEMBER on his retirement or by a BENEFICIARY following the death of a DC MEMBER to be in the form of an annuity payable by the FUND from the LIFE ANNUITY CAPITAL ACCOUNT; provided that if such person also elects a LIVING ANNUITY COMPONENT, the LIFE ANNUITY COMPONENT shall be sufficient to provide a minimum monthly pension as may be determined by the BOARD in consultation with the ACTUARY.

LIVING ANNUITANT: A PENSION RECIPIENT who is in receipt of a LIVING ANNUITY COMPONENT.

LIVING ANNUITY CAPITAL ACCOUNT: The account referred to in RULE A.9.9.

LIVING ANNUITY COMPONENT: The PENSION provided from the LIVING ANNUITY CAPITAL ACCOUNT; provided that the annual or monthly amount of such PENSION shall be subject to the approval of the BOARD in consultation with the ACTUARY, and subject to the restrictions of the REVENUE AUTHORITIES as specified from time to time.

MEMBER: A DB MEMBER, a DC DEFERRED PENSIONER, a DC MEMBER, a DEFERRED MEMBER, a DB DEFERRED PENSIONER or a PAID-UP PENSIONER.

MEMBER'S INDIVIDUAL ACCOUNT: means the account established for a DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER in terms of RULE A.9.10 and administered on a consistent basis with his applicable COMPONENTS in terms of these RULES.

MEMBER SURPLUS ACCOUNT: The account referred to in RULE A.9.11.

MINIMUM INDIVIDUAL RESERVE: In relation to a MEMBER, the minimum individual reserve as defined in the ACT.

NAMIBIAN EMPLOYER: One of the following Companies:

(a) De Beers Group Services Proprietary Limited

(b) De Beers Marine Namibia Proprietary Limited

(c) DTC Valuations Namibia Proprietary Limited

(d) Namdeb Diamond Corporation Proprietary Limited

NAMIBIAN SERVICE: That part of a MEMBER'S PENSIONABLE SERVICE, if any, accrued whilst a MEMBER is, or was, in the employ of a NAMIBIAN EMPLOYER.

NOMINEE: A person other than a DEPENDANT of a MEMBER nominated in writing (in a format determined by the BOARD) by the MEMBER to receive benefits on his death.

NON-MEMBER SPOUSE: For the purposes of RULE B.1.5 and RULE C.1.4, Non-Member Spouse, as defined in the ACT.

NOTIONAL SHARE: In relation to the EMPLOYER SURPLUS ACCOUNT and in respect of each EMPLOYER, that portion of the EMPLOYER SURPLUS ACCOUNT maintained for the benefit of such EMPLOYER in line with the principles agreed in writing between the FUND and the CATEGORY A EMPLOYERS.

PAID-UP PENSIONER: At the discretion of the BOARD, a DB MEMBER:

(a) Who is transferred or seconded to the office of an EMPLOYER where that office is situated in a country outside the Rand monetary area and who is permitted to retain a benefit in the FUND; and

(i) does not continue to contribute to the FUND; and

(ii) has not returned to SERVICE inside the Rand monetary area; or

(b) Who is transferred to the service of a non-participant ASSOCIATED COMPANY and who is permitted to retain a benefit in the FUND;

but excluding a PAID-UP PENSIONER who, on the CONVERSION DATE, irrevocably elected to become a DC DEFERRED PENSIONER at that date.

PENSION: Either:

(a) The pension being paid from the FUND in accordance with the provisions of RULE B.1.6.4 or RULE C.1.5.1(b); and / or

(b) The pension purchased from a REGISTERED INSURER in terms of RULE B.1.6.2 or RULE C.1.5.2;

as applicable in terms of the RULES.

PENSIONER: A former MEMBER in receipt of a PENSION from the FUND.

PENSION AGE: The age of 60 years, except in the case of underground workers who are DB MEMBERS whose PENSION AGE may, on their request, be reduced from the age of 60 by one month for every 16 months of PENSIONABLE SERVICE worked underground.

PENSION FUND: A Pension Fund, as defined in the Income Tax Act, 1962.

PENSION INCREASE UNDERPIN RESERVE ACCOUNT: The account referred to in RULE A.9.12.

PENSION INTEREST ON DIVORCE: The following benefit, determined by the ACTUARY on the date of a DIVORCE ORDER contemplated in RULE B.1.5 or RULE C.1.4, as applicable:

(a) In respect of a DB MEMBER or a DB DEFERRED PENSIONER, the benefit determined in accordance with RULE C.5.1.1;

(b) In respect of a DC MEMBER or a DC DEFERRED PENSIONER, the MEMBER'S FUND CREDIT;

(c) In respect of a DEFERRED MEMBER, the benefit determined in accordance with RULE C.6.2.1;

(d) In respect of a LIVING ANNUITANT, the LIVING ANNUITANT'S LIVING ANNUITY CAPITAL ACCOUNT;

(e) In respect of a PAID-UP PENSIONER, the benefit determined in accordance with RULE C.6.1.1; and

(f) In respect of a PENSIONER, the capital value of the PENSIONER'S PENSION.

PENSION RECIPIENT: A person in receipt of a PENSION from the FUND.

PENSION PRESERVATION FUND: A Pension Preservation Fund, as defined in the Income Tax Act, 1962.

PENSIONABLE SALARY: Such sum as represents:

(a) The basic pensionable salary or wage of a MEMBER as determined by the EMPLOYER and approved by the PRINCIPAL EMPLOYER, including in respect of such MEMBERS as specified by the EMPLOYER, the annual pensionable HOLIDAY LEAVE ALLOWANCE or guaranteed annual or monthly bonus taken in lieu of the HOLIDAY LEAVE ALLOWANCE, plus:

(i) the pensionable portion of the basic car allowance as determined by the EMPLOYER and approved by the PRINCIPAL EMPLOYER to which a MEMBER may be entitled; or

(ii) if the MEMBER participates in a company car scheme in terms whereof a motor vehicle is given to the MEMBER, the taxable value of the company car benefit, which taxable value shall be deemed to be equal to the pensionable portion of the basic car allowance (as contemplated in (a) (i)) to which the MEMBER would have been entitled had the MEMBER not participated in the company car scheme; or

(iii) if the MEMBER participates in a company car scheme in terms whereof a motor vehicle and additional salary are given to the MEMBER, the taxable value of the company car benefit plus the additional salary, which taxable value plus additional salary

shall be deemed to be equal to the pensionable portion of the basic car allowance (as contemplated in (a) (i)) to which the MEMBER would have been entitled had the MEMBER not participated in the company car scheme; or

(b) The pensionable portion of the MEMBER'S remuneration package as determined by that MEMBER'S EMPLOYER and approved by the PRINCIPAL EMPLOYER and incorporated into such MEMBER'S conditions of employment, but specifically excluding:

(i) pay for overtime work;

(ii) fees, honoraria or bonuses of any kind other than those referred to in (a) above; and

(iii) any other allowance of any nature whatsoever except those specifically determined by the PRINCIPAL EMPLOYER as being pensionable

Provided that:

1. In respect of any STRIKE PERIOD, a MEMBER'S PENSIONABLE SALARY will be the actual pensionable earnings earned by him based on shifts / days, if any, in respect of that STRIKE PERIOD, provided that the MEMBER'S PENSIONABLE SALARY for the purposes of determining the amount required to meet the ongoing expenses of the FUND, the DISABILITY INCOME BENEFIT, FUNERAL BENEFIT and INSURED BENEFIT premiums will be the MEMBER'S full PENSIONABLE SALARY immediately prior to the commencement of the STRIKE ACTION.

2. The PENSIONABLE SALARY of a DC MEMBER in receipt of the DISABILITY INCOME BENEFIT shall be the same as the PENSIONABLE SALARY of such DC MEMBER immediately prior to the event giving rise to his claim for the DISABILITY INCOME BENEFIT with the same proportionate increase, if any, that has been made to the DISABILITY INCOME BENEFIT since first received by that DC MEMBER.

3. Changes in a MEMBER'S PENSIONABLE SALARY and the corresponding changes in contributions and benefits will become effective from the actual date of change in PENSIONABLE SALARY.

PENSIONABLE SERVICE: For a DB MEMBER, calculated in years and decimals of a year, the period of continuous SERVICE after admission to membership during which CONTRIBUTIONS have been paid, and adjusted, as determined by the ACTUARY, to take account of:

(a) any period of additional pensionable service credited to a MEMBER in respect of any transfer values or additional voluntary contributions received by the FUND on behalf of the MEMBER;

(b) the impact of payments in terms of section 37D of the ACT;

(c) the impact of any amounts taken as SAVINGS COMPONENT withdrawals from the MEMBER'S SAVINGS COMPONENT in terms of RULE C.7; and

(d) any other adjustment as required in terms of these RULES.

POTENTIAL PENSIONABLE SERVICE: The total of a DB MEMBER'S PENSIONABLE SERVICE and PROJECTED SERVICE.

PRINCIPAL EMPLOYER: De Beers Group Services Proprietary Limited.

PRINCIPAL OFFICER: The officer of the FUND appointed by the BOARD in terms of RULE A.5.17.

PROCESSING ERROR RESERVE ACCOUNT: The account referred to in RULE A.9.13.

PROJECTED SERVICE: The period from the date of a DB MEMBER'S retirement or death, as applicable, to PENSION AGE.

PROVIDENT FUND: A Provident Fund, as defined in the Income Tax Act, 1962.

PROVIDENT PRESERVATION FUND: A Provident Preservation Fund, as defined in the Income Tax Act, 1962.

REGISTERED INSURER: An insurer or insurers registered in terms of the Long-Term Insurance Act, 1998, as amended.

RETIREMENT ANNUITY FUND: A Retirement Annuity Fund, as defined in the Income Tax Act, 1962.

RETIREMENT BENEFITS COUNSELLING: Retirement Benefits Counselling, as defined in the regulations framed under the ACT.

RETIREMENT COMPONENT: The portion of:

(i) Each DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT administered by the FUND as a RETIREMENT COMPONENT as set out in RULE A.11.1; or

(ii) The value of each DB MEMBER'S, DEFERRED MEMBER'S, DB DEFERRED PENSIONER'S or PAID-UP PENSIONER'S benefit administered by the FUND as a RETIREMENT COMPONENT as set out in RULE A.12.1.

REVENUE AUTHORITIES: The Commissioner for the South Africa Revenue Service and the Commissioner for the Namibia Revenue Agency.

RULE: A rule of the FUND, as amended from time to time.

SAVINGS COMPONENT: The portion of:

(i) Each DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT administered by the FUND as a SAVINGS COMPONENT as set out in RULE A.11.2; or

(ii) The value of each DB MEMBER'S, DEFERRED MEMBER'S, DB DEFERRED PENSIONER'S or PAID-UP PENSIONER'S benefit administered by the FUND as a SAVINGS COMPONENT as set out in RULE A.12.2.

SAVINGS COMPONENT SEEDING AMOUNT: The amount determined in terms of RULE A.13.1 or RULE A.13.2.

SERVICE: Permanent employment with one or more of the EMPLOYERS or in respect of which additional contributions have been made to the FUND in terms of RULE B.2.1.1(b) or RULE C.2.2.

SOLVENCY RESERVE ACCOUNT: The account referred to in RULE A.9.14.

SPOUSE: Spouse, as defined in the ACT.

STRIKE ACTION: In relation to a MEMBER, the participation in a strike.

STRIKE PERIOD: In relation to a MEMBER, the period or periods during which he participates in a strike.

SUPPLEMENTARY PENSION: Where applicable, a pension of one twelfth of 15 per cent of a DB MEMBER'S ANNUALISED PENSIONABLE SALARY at date of retirement shall be payable monthly in arrears to either the WIDOW / WIDOWER or the CHILDREN of a deceased PENSIONER. The pension shall be effective from the first day of the month following the date of death and shall continue for so long as a pension is payable in terms of RULE C.4.3 or RULE C.4.5 or until the deceased PENSIONER would have attained his PENSION AGE.

UNCLAIMED BENEFIT: Unclaimed Benefit, as defined in the ACT.

UNCLAIMED BENEFITS RESERVE ACCOUNT: The account referred to in RULE A.9.15.

VESTED AMOUNT: In respect of any period of membership of the FUND up to and including 31 August 2024, for the purposes of determining the maximum amount that may be commuted for a lump sum on retirement and for the transfers to the MEMBER'S SAVINGS COMPONENT and the MEMBER'S VESTED LUMP SUM COMPONENT on or after 1 September 2024 and reflected as such by the transferor fund, transferred into the FUND on behalf of a MEMBER on or after 1 March 2021, where such amount is:

(a) in respect of a MEMBER who was 55 years or older on 1 March 2021 and who was a member of a PROVIDENT FUND or a PROVIDENT PRESERVATION FUND on that date, the whole or that part, as applicable, of the MEMBER'S benefit in that fund when the MEMBER first left that fund on or after 1 March 2021, plus investment return allocated thereto in any subsequent fund that is transferred to the FUND, or

(b) in respect of a MEMBER who was younger than 55 years on 1 March 2021 and who was a member of a PROVIDENT FUND or PROVIDENT PRESERVATION FUND on that date, the whole or that part, as applicable, of the MEMBER'S benefit in that fund as at 1 March 2021, plus investment return allocated thereto in that fund and in any subsequent fund that is transferred to the FUND,

plus INVESTMENT RETURN allocated thereto in the FUND and adjusted, as applicable in terms of RULE A.4.3.4, RULE B.1.5.3 and RULE C.1.4.4.

VESTED ANNUITY COMPONENT: The portion of:

(i) Each DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT administered by the FUND as a VESTED ANNUITY COMPONENT as set out in RULE A.11.3; or

(ii) The value of each DB MEMBER'S, DEFERRED MEMBER'S, DB DEFERRED PENSIONER'S or PAID-UP PENSIONER'S benefit administered by the FUND as a VESTED ANNUITY COMPONENT as set out in RULE A.12.3.

VESTED LUMP SUM COMPONENT: The portion of:

(i) Each DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT administered by the FUND as a VESTED LUMP SUM COMPONENT as set out in RULE A.11.4; or

(ii) The value of each DB MEMBER'S, DEFERRED MEMBER'S, DB DEFERRED PENSIONER'S or PAID-UP PENSIONER'S benefit administered by the FUND as a VESTED LUMP SUM COMPONENT as set out in RULE A.12.4.

WIDOW / WIDOWER: A person:

(a) Married or deemed by the BOARD to have been married to the MEMBER for a year or more at the date of his death, provided that the BOARD may at their discretion recognise as a WIDOW / WIDOWER a person married or deemed to have been married to the MEMBER for less than one year, or

(b) Married or deemed by the BOARD to have been married to a PENSIONER at the date of his death and who was married or deemed by the BOARD to have been married to the PENSIONER for a year or more prior to his retirement

Provided that the BOARD may direct that more than one person may be regarded as a WIDOW / WIDOWER. In such case, the total benefits payable to such persons shall be equal to the benefit which would have been payable to one WIDOW / WIDOWER.

A.2 ESTABLISHMENT OF THE DE BEERS PENSION FUND

A.2.1 ESTABLISHMENT AND OBJECT

A.2.1.1 The FUND was established and came into operation on 1 January 1952.

A.2.1.2 The FUND shall have legal personality and as such have perpetual succession and be capable of:-

(a) Acquiring assets, liabilities, rights and obligations;

(b) Suing or being sued in its own name; and

(c) Doing all such things as may be necessary for, or incidental to, the exercise of its powers or the performance of its functions in terms of these RULES.

A.2.1.3 The FUND is a ‘Type B’ umbrella retirement fund arrangement for employees, former employees and retired employees of certain companies within or associated with the De Beers Group of Companies.

A.2.1.4 The object of the FUND is to provide benefits in terms of these RULES for MEMBERS upon their retirement on account of age or ill-health, or for BENEFICIARIES of MEMBERS and PENSIONERS (where applicable) upon the death of such MEMBERS and PENSIONERS (where applicable). Benefits shall also be paid to MEMBERS should they leave the SERVICE of an EMPLOYER for reasons of resignation,

retrenchment or dismissal or should the FUND or the EMPLOYER be wound up. SAVINGS COMPONENT withdrawals may be elected by MEMBERS in terms of RULE B.6 or RULE C.7 without the need to terminate SERVICE or leave the FUND.

A.2.1.5 The FUND'S registered office is 84 Du Toitspan Road, Kimberley, Northern Cape.

A.2.1.6 If an amendment to the RULES of the FUND is registered after the effective date of the amendment, such amendment shall take effect on the effective date of the amendment as determined by the BOARD.

A.2.1.7 The FUND is registered as a PENSION FUND.

A.3 MEMBERSHIP

A.3.1 MEMBERSHIP OF THE FUND

A.3.1.1 A MEMBER who participated in the FUND immediately prior to 1 March 2019 shall continue to participate in the FUND on 1 March 2019.

A.3.1.2 A PENSION RECIPIENT who participated in the FUND immediately prior to 1 March 2019 shall continue to participate in the FUND on 1 March 2019.

A.3.1.3 A person who becomes an ELIGIBLE EMPLOYEE on or after 1 March 2019 shall become a DC MEMBER of the FUND with effect from the date on which he becomes an ELIGIBLE EMPLOYEE.

A.3.1.4 The decision of the PRINCIPAL EMPLOYER shall be final as to whether an employee qualifies or continues to qualify as an ELIGIBLE EMPLOYEE.

A.4 GENERAL PROVISIONS

A.4.1 PROOF OF AGE AND OTHER PARTICULARS

A.4.1.1 Unless the BOARD decides otherwise, no benefit shall be payable to a MEMBER or BENEFICIARY unless he has supplied the FUND with evidence of his age and, subject to the provisions of Section 37A(4) of the ACT, his banking details, to the satisfaction of the FUND.

A.4.1.2 The EMPLOYER must, in the manner and within the time determined by the FUND, furnish to the FUND the particulars of DB MEMBERS and DC MEMBERS that the FUND decides are necessary to determine their benefits from the FUND or their entitlement to benefits under the RULES.

A.4.1.3 A DB DEFERRED PENSIONER, PAID-UP PENSIONER, DEFERRED MEMBER, DC DEFERRED PENSIONER or other BENEFICIARY must, in the manner and within the time determined by the FUND, furnish to the FUND with such particulars as the FUND decides are necessary to determine their benefits from the FUND or their entitlement to benefits under these RULES.

A.4.1.4 The BOARD may rely upon the particulars referred to in RULE A.4.1.1, RULE A.4.1.2 and RULE A.4.1.3 without further enquiry and neither the FUND nor the BOARD is responsible to anybody for any misstatements, errors or omissions (inadvertently or otherwise) that may be contained in those particulars.

A.4.2 PENSION RECIPIENTS REQUIRED TO PROVIDE INFORMATION

A.4.2.1 A PENSION RECIPIENT is required to provide the BOARD with any certified documents confirming information it may reasonably require from time to time to pay a PENSION in terms of the RULES.

A.4.2.2 Each PENSION RECIPIENT must give timeous notice in writing, (including electronic communication), to the FUND of the address of his place of residence and any change in that address and/or any change in his banking details.

A.4.2.3 If a PENSION RECIPIENT does not comply with this RULE, the BOARD may withhold payment of benefits to him or his BENEFICIARIES until the information requested, is provided.

A.4.2.4 If the information provided is false or incorrect, the FUND will not be liable for any loss suffered by a PENSION RECIPIENT or BENEFICIARY as a result.

A.4.2.5 Payments of PENSIONS shall be made upon such evidence of the PENSION RECIPIENT'S survival and continued eligibility as the BOARD requires. If such evidence is not produced, the BOARD, in its absolute discretion, may defer payment of the PENSION until the evidence is produced.

A.4.3 PRIOR RIGHT TO BENEFITS

A.4.3.1 The BOARD shall have the right to make such deductions as permitted in terms of Section 37D of the ACT from the benefit to which a MEMBER or BENEFICIARY is entitled in terms of the RULES or which is to be transferred to an APPROVED FUND for his benefit and, where a PENSION is payable, the BOARD shall have power to commute the PENSION for a lump sum in terms of RULE B.3.3 or RULE C.3.8, as appropriate, and to make the deduction from the lump sum.

A.4.3.2 Such deductions may include compensation (including legal costs recoverable from the MEMBER) in respect of any loss suffered by the EMPLOYER as a result of any theft, misconduct, fraud or dishonesty on the MEMBER'S part for which the MEMBER has admitted liability in writing or in respect

of which judgment has been obtained against the MEMBER in court as contemplated in Section 37D of the ACT.

A.4.3.3 The BOARD may, where an EMPLOYER has instituted legal proceedings in a court of law and/or laid a criminal charge against the MEMBER concerned for compensation in respect of damage caused to the EMPLOYER as contemplated in Section 37D of the ACT, withhold the full or part payment of any benefit until such time as the matter has been finally determined by a competent court of law or has been settled or formally withdrawn, provided that:

(a) the BOARD is 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 success in the proceedings that have been instituted; and

(b) the BOARD is satisfied that the EMPLOYER is not at any stage of the proceedings responsible for any undue delay in the prosecution of the proceedings; and

(c) once the proceedings have been determined, settled or withdrawn, any benefit to which the MEMBER is entitled, is paid forthwith, or, if any amount is lawfully deducted from the benefit in terms of Section 37D, the balance thereof is paid forthwith.

A.4.3.4 Any amount deducted, including any tax thereon, from a MEMBER'S benefit in terms of RULE A.4.3 shall, where applicable, be deducted pro rata from the MEMBER'S RETIREMENT COMPONENT, SAVINGS COMPONENT, VESTED ANNUITY COMPONENT and VESTED LUMP SUM COMPONENT.

A.4.3.5 The BOARD may suspend access by the MEMBER to any portion of his SAVINGS COMPONENT in circumstances where the EMPLOYER has not obtained a judgment contemplated in

RULE A.4.3.2 and the withdrawal from the SAVINGS COMPONENT will result in there being insufficient remaining funds to comply with the pending order, if granted, for a period of 12 (twelve) months pending the judgment by a court or such other period as prescribed by the ACT.

A.4.3.6 In respect of maintenance claims referred to in Section 37D of the ACT, the BOARD may, subject to formal written notice from the maintenance investigating officer authorising the suspension of the payment of any portion of a MEMBER'S SAVINGS COMPONENT, suspend such payment where the FUND is aware that proceedings relating to a maintenance order against the FUND are pending, and the withdrawal will result in there being insufficient remaining value to comply with the pending order, if granted.

A.4.3.7 Where the FUND is aware of any divorce proceeding or other proceedings regarding the dissolution of a marriage, maintenance proceedings or EMPLOYER claims in terms of Section 37D of the ACT against the MEMBER'S benefit, payment shall be subject to such conditions as are determined by the BOARD from time to time.

A.4.4 MONIES NOT TO REVERT TO EMPLOYER

Except as otherwise provided in RULE A.4.3, RULE A.7 or RULE A.9.5, or as otherwise allowed by the ACT, no monies of the FUND shall revert to or become the property of the EMPLOYER.

A.4.5 CURRENCY

CONTRIBUTIONS and benefits are payable in the currency of the Republic of South Africa.

A.4.6 ALIENATION OF BENEFITS

A.4.6.1 All benefits and rights to benefits in terms of these RULES will be protected by and subject to the provisions of Sections 37A, 37B and 37D of the ACT.

A.4.6.2 Accordingly no benefit or right thereto is capable of being reduced, transferred or otherwise ceded, or of being pledged or hypothecated or liable to be attached or subjected to any form of execution under a judgment or order of court of law save as specifically provided in the ACT.

A.4.7 UNCLAIMED BENEFITS

A.4.7.1 Unpaid benefits, being benefits that are legally due and payable, will be treated as a current liability in the books of the FUND for a period of twenty-four months from the date they were due, after which they will be classified as UNCLAIMED BENEFITS in terms of the ACT and may, at the discretion of the BOARD, be retained within the FUND in the UNCLAIMED BENEFITS RESERVE ACCOUNT.

A.4.7.2 The BOARD shall allocate INVESTMENT RETURN to the UNCLAIMED BENEFIT and shall have the right to deduct any costs incurred by the FUND in relation to the UNCLAIMED BENEFIT, including any costs incurred in trying to trace the former MEMBER or BENEFICIARY, from the value of the UNCLAIMED BENEFIT for that MEMBER.

A.4.7.3 An UNCLAIMED BENEFIT may, at the discretion of the BOARD be paid to any fund approved by the AUTHORITY to receive UNCLAIMED BENEFITS. If the benefits are paid to another fund, the former MEMBER and his BENEFICIARIES shall have no claim against the FUND in respect of that amount.

A.4.7.4 The BOARD shall, on receipt of a legitimate claim after the twenty-four month period has lapsed, and providing the benefit has not been paid to another fund in terms of RULE A.4.7.3,

pay an amount equal to the amount of the benefit to the former MEMBER, or if he has died, in accordance with the provisions of Section 37C of the ACT.

A.4.7.5 If, as a result of an old rule, an UNCLAIMED BENEFIT reverted to the FUND prior to 31 December 2008, and a former MEMBER or his BENEFICIARIES makes a legitimate claim for such benefit, the BOARD shall pay an amount equal to the amount of the benefit, including INVESTMENT RETURN and less any reasonable expenses, both determined at the discretion of the BOARD and acting on the advice of the ACTUARY, to the former MEMBER, or if he has died, in accordance with the provisions of Section 37C of the ACT. Such benefit will be funded from the DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT in terms of RULE A.9.2.

A.4.8 PAYMENT OF CONTRIBUTIONS

A.4.8.1 CONTRIBUTIONS in terms of RULE B.2.1.1, RULE B.2.2.1, RULE C.2.1 and RULE C.2.3.1 are payable to the FUND monthly, in arrears.

A.4.8.2 The MEMBERS' contributions in terms of RULE B.2.1.1 and RULE C.2.1 and any EMPLOYER contributions in terms of RULE B.2.2.1 and RULE C.2.3.1 shall be paid by the EMPLOYER to the FUND within a period of seven calendar days from the last working day of the month to which such contributions relate.

A.4.8.3 The PRINCIPAL OFFICER shall notify the AUTHORITY should payment not be made within a period, as may be prescribed by the AUTHORITY, following the expiry of the seven calendar day period.

A.4.8.4 CONTRIBUTIONS in respect of a MEMBER shall cease on the date of the MEMBER'S retirement, death or withdrawal in terms

of these RULES, or on the date on which he otherwise ceases to be an ELIGIBLE EMPLOYEE.

A.4.8.5 If CONTRIBUTIONS are not paid timeously in terms of the requirements of the ACT, interest will be payable by the EMPLOYER to the FUND at the rate prescribed for application to late payments of contributions in terms of the ACT.

A.4.8.6 Where not indicated above, all contributions paid by MEMBERS and EMPLOYERS shall be paid to the FUND in terms of Section 13A of the ACT.

A.4.9 PAYMENT OF BENEFITS

A.4.9.1 Whenever a benefit, including a SAVINGS COMPONENT withdrawal, becomes payable to any BENEFICIARY, the benefit will be paid by means of an electronic fund transfer to the BENEFICIARY'S account in a deposit taking institution, the details of which have been furnished by the EMPLOYER or the BENEFICIARY, as applicable, to the FUND.

A.4.9.2 Payment other than by means of electronic fund transfer may at the absolute discretion of the FUND be made at the request of the BENEFICIARY in a manner agreed upon by the BENEFICIARY and the FUND.

A.4.9.3 If, in the opinion of the BOARD, any person entitled to benefits under these RULES:

(a) Is, owing to disease, mental disorder or defect, not responsible for his actions or is incapable of managing his affairs;

(b) Is a minor;

(c) Is addicted to excessive use of any drug or of intoxicating liquors; or

(d) Has failed on account of imprisonment, desertion, divorce or any other cause to support persons dependent upon him for maintenance;

the BOARD may in its discretion pay the benefit, other than a SAVINGS COMPONENT withdrawal in terms of RULE B.6 or C.7:

(i) to the person in instalments, and/or

(ii) wholly or partly to his DEPENDANTS, and/or

(iii) to a legal guardian or curator either for the benefit of the MEMBER or BENEFICIARY or of his DEPENDANTS or of both; and/or

(iv) to a 'beneficiary fund' as defined in the ACT or to a trust, or to the guardian, principal care-giver or other responsible person for the benefit of the person to whom it was allocated.

A.4.9.4 Should the FUND become liable at any time to account to the REVENUE AUTHORITIES for any tax on any payment to a MEMBER or BENEFICIARY, a sum equivalent to the amount for which the FUND may be so liable may be deducted by the FUND from the payment.

A.4.9.5 Notwithstanding any other provisions of these RULES, it is specifically provided that the benefit paid to or in respect of a MEMBER of the FUND, other than a SAVINGS COMPONENT withdrawal in terms of RULE B.6 or C.7, prior to retirement shall, subject to the provisions of Section 14A (1) (b) of the ACT, not be less than his MINIMUM INDIVIDUAL RESERVE.

A.4.10 CLAIMS AGAINST THE FUND

A.4.10.1 No person has any claim against the FUND or the BOARD other than a claim that the RULES have not been complied with.

A.4.10.2 No person has a claim against the FUND in respect of any investments made by it in good faith.

A.4.11 CONFIDENTIALITY OF INFORMATION

The BOARD and the PRINCIPAL OFFICER shall be entitled to only such information from a MEMBER, PENSION RECIPIENT, other BENEFICIARY or an EMPLOYER as they may reasonably require for the exercise of their duties in terms of the RULES. Such information shall be used only for the purpose of performing their 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 and such service providers appointed in terms of these RULES whose province it is to have such information.

A.4.12 EFFECT ON TERMS OF EMPLOYMENT

A.4.12.1 These RULES are not conditions of service for MEMBERS. They do not affect the right of an EMPLOYER to terminate the employment of a MEMBER or the right of a MEMBER to leave the employment of that EMPLOYER.

A.4.12.2 No person shall have any claim concerning the FUND either upon the FUND or against the BOARD or the EMPLOYERS, except in accordance with these RULES.

A.4.12.3 No benefit, right or interest to which a MEMBER may claim to be entitled in terms of these RULES shall be used as a ground for damages in any action brought by such MEMBER against his EMPLOYER.

A.4.13 BENEFIT AUGMENTATION

A.4.13.1 The BOARD may from time to time, subject to the consent of the PRINCIPAL EMPLOYER, unless specified otherwise in terms of these RULES, augment benefits being paid in terms of these RULES and the EMPLOYER shall make such lump sum contributions to the FUND as may be certified by the

ACTUARY as being necessary to fund such increases in benefits.

A.4.13.2 Augmentation of benefits as envisaged above is subject, where required, to approval by the REVENUE AUTHORITIES being obtained by the EMPLOYER provided that any amount so allocated to a MEMBER'S benefit shall be allocated one-third to the MEMBER'S SAVINGS COMPONENT and two-thirds to the MEMBER'S RETIREMENT COMPONENT in the FUND.

A.4.14 PENSION INCREASES, ANNUAL BONUS (DB PENSIONERS) AND ONCE OFF CASH PAYMENTS

Subject to the provisions of the ACT:

A.4.14.1 At the discretion of the BOARD, by agreement with the PRINCIPAL EMPLOYER and acting on the advice of the ACTUARY, PENSIONS in payment (including LIFE ANNUITY COMPONENTS but excluding LIVING ANNUITY COMPONENTS), DEFERRED MEMBERS' PENSIONS, DB DEFERRED PENSIONERS' PENSIONS and PAID-UP PENSIONS may be increased from time to time in accordance with the pension increase policy adopted by the BOARD in accordance with the ACT.

A.4.14.2 Different rates of increase may be applied to different categories of PENSIONS as determined by the BOARD from time to time, subject to there being reasonable justification for applying such different rates of increase.

A.4.14.3 At the discretion of the BOARD, by agreement with the PRINCIPAL EMPLOYER, and provided that the ACTUARY has determined that it is affordable, the FUND may grant either a recurring annual or a once-off cash payment in addition to or in lieu of a pension increase. If a once off cash payment is granted in one year, this will not mean that the PENSION RECIPIENT will be entitled to receive a cash payment in any subsequent year.

A.4.14.4 It is recorded that an annual bonus equivalent to 60% of the monthly PENSION in payment by the FUND is payable to MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS and PAID-UP PENSIONERS who retired from the Defined Benefit section of the FUND and to the BENEFICIARIES of such MEMBERS who are in receipt of a pension from the FUND as a result of the death of such MEMBERS, either while in SERVICE or after retirement.

A.4.15 RE-ENTRY INTO SERVICE AFTER RETIREMENT

A.4.15.1 If a PENSIONER who has retired from SERVICE in terms of RULE B.3 or RULE C.3, re-enters SERVICE, then at the sole discretion of the BOARD he shall either:

(a) be permitted to re-join the FUND as a new DC MEMBER, provided that he qualifies as an ELIGIBLE EMPLOYEE in terms of these RULES; or

(b) not be permitted to re-join the FUND.

A.4.15.2 In the event of the above, any PENSION being received from the FUND from a LIFE ANNUITY COMPONENT and/or LIVING ANNUITY COMPONENT shall continue to be paid.

A.4.16 ANNUITY STRATEGY

A.4.16.1 The BOARD shall establish an ANNUITY STRATEGY and shall review the strategy at least annually.

A.4.16.2 The BOARD may at any time revise the ANNUITY STRATEGY and must do so if it does not comply with the regulations framed under the ACT.

A.4.17 RETIREMENT BENEFITS COUNSELLING

A.4.17.1 DB MEMBERS or DC MEMBERS who leave the SERVICE of the EMPLOYER as a result of resignation, retrenchment or dismissal, shall be given access to RETIREMENT BENEFITS COUNSELLING before any benefit is paid to them or

transferred on their behalf to another APPROVED FUND or to a REGISTERED INSURER.

A.4.17.2 DB MEMBERS, DC MEMBERS, DC DEFERRED PENSIONERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS or PAID-UP PENSIONERS who are entitled to receive a retirement benefit from the FUND in terms of the RULES shall be given access to RETIREMENT BENEFITS COUNSELLING not less than three months before attaining the PENSION AGE.

A.4.18 ELECTIONS BY MEMBERS AND BENEFICIARIES

Any election made by a MEMBER or BENEFICIARY relating to such MEMBER or BENEFICIARY'S FUND benefit or any options in terms of these RULES shall be considered valid and enforceable only once the FUND has received all requisite and properly completed documentation, as prescribed by the FUND from time to time, and the FUND has confirmed that the election complies with the RULES and relevant terms and conditions relating to such election. Should the FUND receive an election from a MEMBER or BENEFICIARY which is not valid and enforceable, it shall be deemed that no election has been made.

A.4.19 BENEFITS PAYABLE IN RESPECT OF NAMIBIAN SERVICE

A.4.19.1 Notwithstanding any other provisions of these RULES, if all or part of a MEMBER'S PENSIONABLE SERVICE is NAMIBIAN SERVICE, the benefits payable for any reason in respect of such NAMIBIAN SERVICE shall be dealt with in accordance with applicable Namibian legislation, specifically:

(a) the options available to the MEMBER, a NON-MEMBER SPOUSE or a BENEFICIARY in relation to benefits accruing from a MEMBER'S NAMIBIAN SERVICE shall be the options that would otherwise have been available to the MEMBER, NON-MEMBER SPOUSE or BENEFICIARY, as applicable, in terms of applicable Namibian legislation;

(b) the tax payable, if any, in relation to the benefits accruing from NAMIBIAN SERVICE, shall be calculated in accordance with applicable Namibian legislation.

A4.19.2 The balance of the benefit, if any, in respect of the MEMBER, NON-MEMBER SPOUSE or BENEFICIARY, as applicable, shall be dealt with in terms of these RULES, the ACT and the Income Tax Act, 1962.

A.5 MANAGEMENT OF THE FUND

A.5.1 GENERAL

A.5.1.1 The management of the FUND shall vest in a BOARD consisting of fourteen BOARD MEMBERS, seven of whom will be appointed in terms of RULE A.5.2 and seven of whom will be elected in terms of RULE A.5.3.

A.5.1.2 Subject to these RULES, the BOARD shall have exclusive administration and control of the FUND and of the income arising there from and shall have the power to delegate the exercise of any of their powers and the performance of any of their functions to a BOARD committee, committees or any other persons, subject to any conditions they may determine.

A.5.2 EMPLOYER-APPOINTED BOARD MEMBERS

A.5.2.1 The PRINCIPAL EMPLOYER shall appoint seven BOARD MEMBERS. An EMPLOYER-APPOINTED BOARD MEMBER will hold office for a period of five years. An EMPLOYER-APPOINTED BOARD MEMBER may be reappointed at the end of the five year period.

A.5.2.2 The PRINCIPAL EMPLOYER may revoke the appointment of any EMPLOYER-APPOINTED BOARD MEMBER and upon such revocation or upon the death or resignation of any EMPLOYER-APPOINTED BOARD MEMBER, may appoint another EMPLOYER-APPOINTED BOARD MEMBER in his place.

A.5.3 ELECTED BOARD MEMBERS

A.5.3.1 The MEMBERS and PENSIONERS shall have the right to elect seven BOARD MEMBERS in accordance with RULE A.5.5. An ELECTED BOARD MEMBER will hold office for a period of five years from the date of their election to office unless the BOARD agrees that an earlier election be held. An ELECTED BOARD MEMBER may be re-elected at the end of his term of office.

A.5.4 ALTERNATE BOARD MEMBERS

A.5.4.1 Alternate BOARD MEMBERS may be appointed or elected to act during the absence of any BOARD MEMBER or to replace a BOARD MEMBER who ceases to hold office. The BOARD must determine if it is necessary to appoint alternates, and if so, how many alternates are to be appointed or elected and the manner in which they will be appointed or elected. The provisions of the RULES pertaining to BOARD MEMBERS shall apply mutatis mutandis in respect of such alternates.

A.5.4.2 Any vacancy arising within the number of ELECTED BOARD MEMBERS shall automatically be filled by the appropriate alternate ELECTED BOARD MEMBER from the same constituency, if one has been elected in terms of RULE A.5.5.1(b), failing which the candidate that received the next highest number of votes in that constituency in the previous election in which a BOARD MEMBER from that constituency was elected, and who is still available and not disqualified from serving as an ELECTED BOARD MEMBER will fill the vacancy. If there is no such person available a special election shall be called by the BOARD such that the vacancy is filled within 90 (ninety) days from the date that the vacancy arose, or within such other period as specified by the AUTHORITY in terms of Section 7A(1A) of the ACT, provided that, if the vacancy is not filled within such period, the BOARD shall approach the AUTHORITY to appoint a BOARD

MEMBER in terms of Section 26(2) of the ACT until such time as an election has been held.

A.5.4.3 A vacancy on the BOARD when a decision is taken by it will not render that decision invalid provided that there is a quorum as referred to in RULE A.5.11.2, and further provided that the requirements of the ACT in this regard are complied with.

A.5.5 BOARD MEMBER ELECTIONS

A.5.5.1 After taking into account factors such as the ratio of PENSIONERS, DC DEFERRED PENSIONERS, DB DEFERRED PENSIONERS and PAID-UP PENSIONERS to DB MEMBERS and DC MEMBERS of the FUND, and/or such other factors and considerations as the BOARD may deem relevant, the BOARD will from time to time determine:

(a) The number of ELECTED BOARD MEMBERS to be elected by PENSIONERS, DC DEFERRED PENSIONERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS and PAID-UP PENSIONERS, on the one hand, and those to be elected by DB MEMBERS and DC MEMBERS, on the other; and

(b) Whether the ELECTED BOARD MEMBERS will be elected by specific constituencies to which the DB MEMBERS, DC MEMBERS, PENSIONERS, DC DEFERRED MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS and PAID-UP PENSIONERS belong.

A.5.5.2 Either before the expiry of the term of office of the ELECTED BOARD MEMBERS or as a result of the application of RULE A.5.4.2., the BOARD shall invite the MEMBERS to nominate MEMBERS for election, provided that:

(a) the BOARD may specify that, if applicable, MEMBERS from a specific constituency may only nominate and vote for MEMBERS from that specific constituency; and

(b) only MEMBERS who are not disqualified from being ELECTED BOARD MEMBERS may be nominated.

A.5.5.3 If, as a result of the nomination process set out in RULE A.5.5.2, for each constituency:

a) fewer than the required number of MEMBERS per constituency, if applicable, are nominated, and accept such nomination in writing, the BOARD shall call for further nominations within the affected constituency or constituencies, provided that, following this call for further nominations:

(i) if sufficient nominations are received, the provisions of RULE A.5.5.3 (b) or RULE A.5.5.3 (c), as applicable, shall apply; or

(ii) if insufficient nominations are received, the BOARD shall apply to the AUTHORITY to intervene in terms of Section 26(2) of the ACT; or

b) exactly the required number of nominations are received, and the nominated MEMBERS accept such nomination in writing, they will be regarded as having been elected unopposed; or

c) more than the required number of nominations are received, and the nominated MEMBERS accept such nomination in writing, the BOARD must conduct the election according to procedures set by the BOARD, subject to the following:

(i) The BOARD shall appoint an electoral official to oversee the election process;

(ii) The administration of the election process, or part of the election process relating to a specific

constituency, may be delegated by the BOARD to another person or body, at the discretion of the BOARD;

(iii) Each MEMBER shall be entitled to vote for a maximum number of vacancies within their specific constituency;

(iv) Candidates receiving the highest number of votes in each constituency shall be elected to fill the ELECTED BOARD MEMBER vacancies within their constituency, provided that in the event of a tie in the final number of votes cast, lots shall be drawn by the PRINCIPAL OFFICER in the presence of the electoral official to determine the successful candidates;

(v) The nominees who have not been appointed to the BOARD shall be ranked from highest to lowest in accordance with the number of votes received and shall fill any vacancies from that constituency, that may arise on the BOARD in accordance with their ranking as provided for in RULE A.5.4.2;

(vi) Following the completion of the election process, the electoral official shall issue a certificate to the BOARD stating that an election has been duly held and shall list the names of the MEMBERS elected as ELECTED BOARD MEMBERS, alternate BOARD MEMBERS, if applicable, and ranked nominees in accordance with RULE A.5.5.3 (c) (v); and

(vii) The electoral official shall retain a full record of the nominated candidates and the number of votes cast in each constituency for a period of 5 (five) years.

A.5.6 ABILITY TO ACT AS A BOARD MEMBER

A.5.6.1 No person in any of the categories listed below may act as a BOARD MEMBER or an alternate. If a BOARD MEMBER or an alternate at any time falls in any such category, he shall immediately cease to be a BOARD MEMBER or an alternate. This shall apply if:

(a) He was previously a BOARD MEMBER and was found by the BOARD MEMBERS to have been in breach of the FUND'S Code of Conduct, unless the BOARD MEMBERS agree to the contrary; or

(b) He is a minor or any other person without full legal capacity; or

(c) He is, in the opinion of the majority of the BOARD MEMBERS, acting on such medical assessment, if any, as they may determine, mentally or physically incapable of discharging his duties in terms of these RULES and/or the ACT; or

(d) His estate is sequestrated or surrendered or assigned in favour of his creditors and he has not been rehabilitated; or

(e) He has been convicted by a competent court of theft, fraud, forgery or any offence involving dishonesty; or

(f) He is discharged by a competent court from any office of trust on account of misconduct; or

(g) He is convicted by a competent court on any charge and sentenced to a prison term without the option of a fine; or

(h) If any of the provisions of A.5.7 apply.

A.5.7 VACATION OF OFFICE

A.5.7.1 A BOARD MEMBER vacates office:

(a) When his term of office has expired; or

(b) On resignation in writing as a BOARD MEMBER; or

(c) If a majority of BOARD MEMBERS in office decide to remove a BOARD MEMBER from office for a breach of the FUND'S Code of Conduct established in terms of RULE A.5.9 or on the grounds that he is not a fit and proper person to occupy the position of BOARD MEMBER after hearing representations in the matter by the BOARD MEMBER or his representative; or

(d) If after appointing an impartial and independent third party to investigate and make a finding on whether there has been a breach of the FUND'S Code of Conduct and after considering such finding that there has been such breach, a majority of the BOARD MEMBERS in office decide to remove a BOARD MEMBER for breach of the FUND'S Code of Conduct; or

(e) If a BOARD MEMBER fails to sign the acceptance of trust form together with any annexure thereto (the contents of which acceptance of trust form and any such annexure must have been agreed by the BOARD MEMBERS) within 30 calendar days of appointment or election as BOARD MEMBER; or

(f) If a BOARD MEMBER fails to comply with the minimum attendance requirements as may be set out in the FUND'S Code of Conduct or otherwise notified to BOARD MEMBERS; or

(g) If the PRINCIPAL EMPLOYER has revoked the appointment of any EMPLOYER-APPOINTED BOARD MEMBER; or

(h) If he is disqualified from remaining a BOARD MEMBER whenever any of the grounds listed in RULE A.5.6.1 becomes of application to him.

A.5.8 REMUNERATION OF BOARD MEMBERS

A.5.8.1 Each BOARD MEMBER, each member of a committee of the BOARD who is not a BOARD MEMBER and every other person to whom the BOARD has delegated any of its powers and/or functions in terms of RULE A.5.16.8 may receive from the FUND:

(a) A refund of all expenses reasonably incurred by him on behalf of the FUND in the fulfilment of his duties in relation to the FUND in accordance with such policies and limitations as are set by the BOARD from time to time; and

(b) Such remuneration, if any, –

(i) that the BOARD has specifically determined will be paid to him; or

(ii) that is payable to him in accordance with such policies as the BOARD may determine from time to time.

A.5.8.2 Payments made in terms of this RULE will be dealt with as payments of FUND expenses.

A.5.9 CODE OF ETHICS / CONDUCT

The BOARD must from time to time determine one or more code of ethics and/or conduct which will then be binding on each BOARD MEMBER and the PRINCIPAL OFFICER.

A.5.10 CHAIRPERSON

A.5.10.1 The BOARD shall elect one of their number to act as the chairperson at all meetings of the BOARD. The chairperson will hold that office until the earliest of:

(a) The next or scheduled ELECTED BOARD MEMBER election is held. Provided that the chairperson's term of office will not terminate upon the holding of an

ELECTED BOARD MEMBER election if the sole purpose of that election is to fill a vacancy on the BOARD that arises sooner than the scheduled ELECTED BOARD MEMBER election; or

(b) He resigns from the office of chairperson on one month's written notice to the other BOARD MEMBERS unless a shorter period is agreed to by the BOARD or the requirement of notice is waived entirely by the BOARD; or

(c) He ceases to be a BOARD MEMBER for any reason set out in these RULES; or

(d) He is by resolution of a two thirds majority of BOARD MEMBERS removed as chairperson in circumstances where he is not otherwise disqualified from holding office as a BOARD MEMBER, or has not vacated office as a BOARD MEMBER in terms of these RULES.

A.5.10.2 The chairperson will preside at full meetings of the BOARD. He shall ensure that meetings are conducted in a proper manner and may exclude from the meeting any BOARD MEMBER or other person who deliberately ignores instructions from the chairperson regarding the way that the meeting is to proceed or who, in the opinion of the chairperson, makes it difficult for the meeting to continue in an orderly fashion.

A.5.10.3 The chairperson must also perform any other tasks outside of BOARD meetings that he is mandated to perform by the BOARD or which he is required to perform in terms of the ACT.

A.5.10.4 Should the position of chairperson become vacant before the expiry of his term of office, the BOARD will elect another chairperson for the unexpired portion of the term of office. If the chairperson is unavailable or unable to act as such on a temporary basis the BOARD will elect an acting chairperson for the period of the chairperson's absence.

A.5.10.5 The chairperson on the expiry of his term may make himself available for re-election.

A.5.11 MEETINGS OF THE BOARD

A.5.11.1 The BOARD shall meet at such time or times as shall be necessary or convenient for the purpose of conducting the business of the FUND. It must meet at least four times per FINANCIAL YEAR. Either the EMPLOYER-APPOINTED BOARD MEMBER / ELECTED BOARD MEMBER or their alternate, if there is one, shall attend the meetings. The chairperson or the PRINCIPAL OFFICER of the FUND shall give 15 (fifteen) day's prior written notice of BOARD meetings to BOARD MEMBERS unless the BOARD agrees to reduce or waive such notice period.

A.5.11.2 8 (Eight) BOARD MEMBERS shall form a quorum, provided that 4 (four) must be EMPLOYER-APPOINTED BOARD MEMBERS and 4 (four) must be ELECTED BOARD MEMBERS, or their alternates (if applicable). At all meetings of the BOARD the decision of the majority shall prevail. The BOARD shall ensure that minutes are kept of their meetings. The approved minutes will be maintained in a minute book. If there is no quorum as indicated in this RULE A.5.11.2 present at the meeting, the meeting may be rescheduled for a date at least 7 (seven) calendar days later. At that meeting, a minimum of 4 (four) BOARD MEMBERS shall form a quorum provided that 2 (two) must be EMPLOYER-APPOINTED BOARD MEMBERS and 2 (two) must be ELECTED BOARD MEMBERS, or their alternates (if applicable).

A.5.11.3 A BOARD MEMBER may participate in a meeting of the BOARD by telephone or other communications equipment provided all BOARD MEMBERS participating in the meeting are able to hear each other, and such participation shall

constitute presence in person (for quorum and decision purposes) at such meeting.

A.5.11.4 A decision of the BOARD may also be taken by resolution in writing. Any such resolution in writing must be agreed to by so many BOARD MEMBERS as constitute a quorum for a meeting of the BOARD, and the agreement of any BOARD MEMBER to such a resolution may be indicated by the signature of that BOARD MEMBER on the resolution (which for this purpose includes any signature sent by tele-facsimile), or by way of electronic communication (email). Each resolution in writing must be noted at the next meeting of the BOARD.

A.5.11.5 Every resolution of the BOARD certified by the chairperson shall be accepted as sufficient proof of the resolution having been duly passed by the BOARD and every certificate signed by the chairperson shall be accepted as sufficient evidence of the facts stated therein.

A.5.12 DISPUTES

A.5.12.1 Any question or complaint which may arise with regard to a claim by a MEMBER or PENSION RECIPIENT or BENEFICIARY or the legal representatives of his estate shall, to the extent that this cannot be resolved satisfactorily by the PRINCIPAL OFFICER, be referred to the BOARD whose decision, if not contrary to these RULES or the ACT, shall be final and conclusive. In deciding any question of fact the BOARD may, save as is otherwise provided in these RULES, act upon such evidence as they deem adequate.

A.5.12.2 Notwithstanding RULE A.5.12.1, a complainant, as defined in the ACT, shall have the right to lodge a written complaint with the PRINCIPAL OFFICER relating to the administration of the FUND, the investment of its funds or the interpretation and application of the RULES of the FUND, 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 the FUND or person, or an improper exercise of its powers; or

(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; or

(c) That a dispute of fact or law has arisen in relation to the FUND between the FUND or any person and the complainant; or

(d) That an EMPLOYER who participates in the FUND has not fulfilled its duties in terms of the RULES of the FUND.

A complaint so lodged shall be properly considered and replied to in writing by the PRINCIPAL OFFICER within 30 calendar days after receipt thereof. If the complainant is not satisfied with the reply or if the FUND fails to reply within 30 calendar days after the receipt of the complaint, the complainant may lodge the complaint with the ADJUDICATOR. The complaint must be received by the ADJUDICATOR within three years of the occurrence of the act or omission to which the complaint relates, or if the complainant was originally unaware of the occurrence of such act or omission, then within three years of the date upon which the complainant became aware of such act or omission, subject to the provisions of the Prescription Act, 1969.

A.5.12.3 If any dispute arises between the EMPLOYERS concerning the FUND, such dispute shall be determined by the majority of the votes of the EMPLOYERS, each EMPLOYER having one vote for each MEMBER employed by it at the time of the vote.

A.5.12.4 The PRINCIPAL OFFICER shall by seven calendar days' notice to each EMPLOYER at the request of any EMPLOYER convene a meeting of the authorised representatives of the

respective EMPLOYERS to carry out the purposes of this RULE.

A.5.13 DISPUTE RESOLUTION PROCEDURE AND DEADLOCK BREAKING MECHANISM

A.5.13.1 Where the BOARD is unable to reach a majority decision on a particular issue, such issue shall, at the discretion of the BOARD, be:

(a) Referred to the next meeting of the BOARD for a decision; or, if a majority decision in this regard cannot be reached,

(b) Referred to one of the following persons, who shall act as an expert and not as an arbitrator, and whose decision shall be final and binding upon the BOARD, provided that such decision is not inconsistent with the RULES of the FUND:

(i) the AUDITOR of the FUND; or

(ii) an actuary who is a member of the Actuarial Society of South Africa and approved by the AUTHORITY as a valuator, provided that the actuary is not associated with an organisation which provides any services to the FUND; or

(iii) a member of the Pension Lawyers Association of South Africa, provided that such person is not associated with an organisation which provides any services to the FUND.

The persons described in clauses (i) to (iii) above may call upon the assistance of such other persons whose advice or opinion they believe is necessary to facilitate resolution of the dispute.

A.5.13.2 Where the BOARD is unable to reach a majority decision on which of the persons described in clauses (i) to (iii) of RULE

A.5.13.1 (b) shall be appointed, the relevant individual shall be nominated by the ACTUARY, after which the FUND shall, without delay and at the FUND'S expense, appoint such person to make the decision in question.

A.5.14 DECISION OF THE BOARD

In the event of any matter arising not covered by these RULES, the decision of the BOARD shall be final and binding on all MEMBERS, PENSION RECIPIENTS and BENEFICIARIES.

A.5.15 DISCRETION OF THE BOARD

The BOARD shall have an absolute discretion in the exercise of the authority vested in them by these RULES.

A.5.16 POWERS OF THE BOARD

Subject to the provisions of the ACT, the BOARD shall be empowered to carry out the objects and purposes of the FUND in accordance with the RULES and, without prejudice to the general purport of this provision, shall have the following powers:

A.5.16.1 To receive, administer and apply the monies of the FUND.

A.5.16.2 In accordance with RULE A.5.24, to contract on behalf of the FUND and to sign such contract or other document on behalf of the FUND; to institute, conduct, settle or abandon any legal action for the FUND; to conduct, defend, settle or abandon any such action against the FUND.

A.5.16.3 To effect policies of insurance with one or more REGISTERED INSURERS for the purpose of investing the FUND’S money in order to meet the cost of providing benefits in terms of these RULES and/or to insure, in whole or in part, death benefits in terms of these RULES.

A.5.16.4 To raise, borrow or lend monies, at interest or otherwise, with or without security from such persons for the purposes of the FUND; provided that borrowing shall be limited to temporary

loans for bridging unforeseen cash shortages or for taking advantage of attractive investment opportunities.

A.5.16.5 To acquire, hold, alienate or otherwise deal with any movable or immovable property of the FUND subject to the provisions of Section 19 of the ACT as amended; provided that any immovable property acquired in excess of the FUND'S own requirements at any stage may be let.

A.5.16.6 To invest, lend, put out at interest, place on deposit, make advances of, or otherwise deal with all monies of the FUND upon such securities and in such manner as they may determine from time to time within the restrictions of the ACT; and, in particular, the BOARD may invest the whole or part of the monies of the FUND, for such period and on such terms as they may determine, in an investment policy issued by a REGISTERED INSURER. The BOARD may delegate their powers to make investments of any nature in accordance with applicable law, and the BOARD may defray any and all expenses incurred as a result of such delegation out of the assets of the FUND.

A.5.16.7 Subject to the provisions of Section 19 of the ACT, a loan may be made to an EMPLOYER or a subsidiary of an EMPLOYER and shares in the capital of an EMPLOYER or a subsidiary of an EMPLOYER may be purchased.

A.5.16.8 In accordance with the provisions of the ACT, the BOARD may in writing, subject to the provisions of (a) to (e) below, delegate any function to a person or to a group of persons or a sub-committee of the BOARD nominated by them. In such case, the following shall apply:

(a) any terms and conditions applicable to the performance of the function that has been delegated shall be specified in writing by the BOARD;

(b) acting in terms of their instruction from the BOARD, the person or group of persons or sub-committee to whom such function has been delegated must perform such function in accordance with the provisions of the RULES, the ACT and other applicable legislation;

(c) the person or group of persons or sub-committee to whom such function has been delegated shall have the power to take decisions in connection with the performance of such function and in such case, any such decision shall be regarded as a decision of the FUND, unless the BOARD stipulates that it must be referred to them for ratification;

(d) the BOARD shall retain full responsibility for the delegation of any function performed by any person, group of persons or sub-committee;

(e) the BOARD may revoke the delegation at any time.

A.5.16.9 To make, amend and rescind practice notes and regulations in respect of any matter concerning the FUND, provided that such practice notes and regulations do not conflict with the RULES or the ACT.

A.5.16.10 Subject to the provisions of the ACT, to transfer the assets and liabilities of the FUND or part thereof to another APPROVED FUND or to take transfer of the assets and liabilities or part thereof of another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in accordance with relevant legislation.

Any assets transferred to the FUND not governed elsewhere under these RULES shall be dealt with on a basis determined by the BOARD in consultation with the ACTUARY.

A.5.16.11 To receive and approve actuarial valuation reports and any recommendations arising from these.

A.5.16.12 To consider and approve the FINANCIAL YEAR END accounts and annual statutory returns.

A.5.16.13 To consider, and in their sole and absolute discretion, approve recommendations for: RULE amendments; benefit changes; ill-health retirements; manner of distribution of death benefits; restricted benefits arising from qualified medical reports of MEMBERS; management, investment and administration fees; general matters affecting the management, administration and running of the FUND. Any such amendments will be subject to the approval of the PRINCIPAL EMPLOYER where such approval is required in terms of RULE A.6.1.1.

A.5.16.14 At its sole discretion to make arrangements for the administration of the FUND as long as they are not inconsistent with the ACT and the RULES and provided that such arrangements may, subject to agreement between the FUND and EMPLOYER(S), be utilised to assist the EMPLOYER(S) in the administration of separate EMPLOYER obligations in respect of employees and beneficiaries who were historically ineligible to join the FUND.

A.5.16.15 To ensure that the day to day routine operations and functioning of the FUND are being competently and efficiently handled by the internal management of the FUND.

A.5.16.16 Generally, to take such steps as are, in their sole discretion, conducive to the attainment of the objects of the FUND.

A.5.16.17 In pursuance of the powers in RULE A.5.16.5, the BOARD may

(a) sell, convey, transfer and deliver possession of any immovable property and other assets held by them on behalf of the FUND;

(b) cancel or cede any mortgage or other bonds and release any property from the operation of any bond;

(c) do everything necessary to carry out or effect the purposes of the RULE.

A.5.16.18 The BOARD shall, by resolution and subject to the provisions of the ACT, determine how contracts and other documents relating to the FUND are to be signed and regulations for the custody of any title deeds belonging to or held by the FUND.

A.5.16.19 The BOARD may in its discretion do all things not inconsistent with the RULES that it deems necessary for the benefit and protection of persons in receipt of PENSIONS from the FUND.

A.5.16.20 The BOARD may use a nominee company approved by the AUTHORITY for the purpose of holding the FUND'S assets in trust on the FUND'S behalf and otherwise dealing with such assets as instructed by the FUND.

A.5.17 APPOINTMENT OF PRINCIPAL OFFICER

A.5.17.1 The BOARD shall appoint a PRINCIPAL OFFICER who is ordinarily resident in the Republic of South Africa and, if deemed necessary, any other staff subject to such terms and conditions as they may determine. Any such appointment may be changed by the BOARD subject to relevant labour law. The BOARD shall inform the AUTHORITY of the name of the PRINCIPAL OFFICER.

A.5.17.2 If the PRINCIPAL OFFICER is absent from the Republic of South Africa for a period exceeding the period which may be prescribed by the AUTHORITY from time to time, or is otherwise unable to perform his duties, the BOARD shall appoint another person to be the FUND'S PRINCIPAL OFFICER and shall advise the AUTHORITY accordingly.

A.5.17.3 The PRINCIPAL OFFICER shall undertake such duties as are required under these RULES, by the ACT and the directions of the BOARD.

A.5.17.4 In particular, the PRINCIPAL OFFICER must -

(a) Sign all amendments to the RULES and submit them to the AUTHORITY for approval and registration;

(b) Within six months after each FINANCIAL YEAR END, send to all MEMBERS a written summary of all amendments made to the RULES which were registered within that FINANCIAL YEAR;

(c) Submit the FUND'S annual financial statements and other documents referred to in the ACT to the AUTHORITY as required by the ACT;

(d) Sign all FUND documentation that must be submitted to the AUTHORITY; and

(e) Perform all other functions which statutes require him to perform.

A.5.18 AUDITOR AND BOOKS OF ACCOUNT

A.5.18.1 The BOARD shall appoint and remunerate an AUDITOR who:

(a) Is registered as an auditor in terms of the Auditing Profession Act, 2005;

(b) Is engaged in public practice; and

(c) Is approved in terms of the ACT.

A.5.18.2 The appointment shall remain in force until withdrawn by the BOARD or AUDITOR (in accordance with the contractual terms as agreed between the FUND and the AUDITOR).

A.5.18.3 The BOARD shall ensure that such accounts, entries, registers and records as are necessary for the proper management of the FUND are kept. The books of account must be closed off as at each FINANCIAL YEAR END, audited by the AUDITOR of the FUND, and submitted to the AUTHORITY in accordance with the requirements of the ACT.

A.5.19 ACTUARY

A.5.19.1 The BOARD shall appoint an ACTUARY, as defined in the ACT, who shall be the valuator of the FUND in terms of the ACT.

A.5.19.2 The financial condition of the FUND shall be investigated by the ACTUARY at intervals not exceeding three years for the purpose of determining whether or not it can continue to provide the benefits laid down in these RULES. The BOARD, on the advice of the ACTUARY, shall establish and review from time to time, at their discretion, such contingency reserve accounts as the BOARD deems prudent to provide for explicit contingencies.

A.5.19.3 The ACTUARY shall embody the results of his valuation in a written report which shall be submitted to the BOARD and through the BOARD to the AUTHORITY and EMPLOYERS and, on application, to the MEMBERS.

A.5.19.4 Any actuarial surplus, as defined in the ACT, revealed by an actuarial valuation and certified by the ACTUARY may be applied:

(a) To the credit of the EMPLOYER SURPLUS ACCOUNT and / or the MEMBER SURPLUS ACCOUNT; or

(b) To enhance the benefits of MEMBERS and / or PENSION RECIPIENTS; the amount and basis of determination of such enhancements being in the sole discretion of the BOARD, in consultation with the PRINCIPAL EMPLOYER, acting on the advice of the ACTUARY; or

(c) For any purpose not inconsistent with the ACT agreed upon by the BOARD, in consultation with the PRINCIPAL EMPLOYER, acting on the advice of the ACTUARY.

Provided that:

(i) If at any time a statutory actuarial valuation reveals a nil surplus, MEMBERS that left the FUND for whatever reason on or prior to the effective date of that statutory actuarial valuation shall have no right to share in any future allocation of surplus as envisaged in clauses (a) to (c) above.

(ii) If any former MEMBER is regarded as a stakeholder in a surplus apportionment as envisaged in clauses (a) to (c) above, his interests shall be dealt with at that specific surplus apportionment and thereafter such former MEMBER shall not be regarded as a stakeholder in any later surplus apportionments even if such former MEMBER does not benefit from that specific apportionment.

A.5.19.5 If, as a result of a statutory actuarial valuation made by the ACTUARY, the FUND is found not to be in a sound financial condition before the utilisation of any credit balance in the EMPLOYER SURPLUS ACCOUNT and / or the MEMBER SURPLUS ACCOUNT, any credit balance in the EMPLOYER SURPLUS ACCOUNT and / or the MEMBER SURPLUS ACCOUNT shall be utilised to restore the FUND to a financially sound position:

(i) in terms of Section 15H of the ACT; and

(ii) in accordance with the principles agreed in writing between the FUND and the CATEGORY A EMPLOYERS,

provided that any such utilisation from the EMPLOYER SURPLUS ACCOUNT shall be notified to the CATEGORY A EMPLOYERS in writing prior to such utilisation. If the FUND remains in a financially unsound position after the utilisation of any credit balance in the EMPLOYER SURPLUS ACCOUNT

and the MEMBER SURPLUS ACCOUNT, the BOARD may, with the consent of the PRINCIPAL EMPLOYER and subject to the provisions of Section 18 of the ACT:

(a) Amend the RULES as they deem necessary, or

(b) Increase the contributions of the DB MEMBERS up to an amount not exceeding 10 per cent of PENSIONABLE SALARY, in which event the contributions of each CATEGORY A EMPLOYER would be similarly increased in terms of RULE C.2.3.

A.5.19.6 If after the application or otherwise of RULE A.5.19.5 (a) and / or (b) the FUND will still not be in a sound financial condition within the maximum period permitted by the ACT, then the CATEGORY A EMPLOYERS shall make such additional contribution or contributions as may be certified by the ACTUARY as being necessary to attain a sound financial position, provided that the additional contribution or contributions payable by each CATEGORY A EMPLOYER shall be determined according to the principles agreed in writing between the FUND and the CATEGORY A EMPLOYERS.

A.5.20 INDEMNIFICATION

A.5.20.1 The BOARD and officers of the FUND (excluding external service providers) shall be indemnified by the FUND against all actions, costs, charges, losses, damages and expenses arising from any claim in connection with the FUND, not caused by their gross negligence, dishonesty or fraud.

A.5.20.2 The BOARD shall:

(a) Ensure that the FUND is sufficiently protected against losses owing to the gross negligence, dishonesty, errors or fraud of any of its officials either by means of a policy

of insurance or such other indemnification as the AUTHORITY may allow; or

(b) Require and receive such security as it may deem sufficient from such officers for the rendering of a just and true account of all moneys received and paid by them on account of the FUND.

A.5.21 APPOINTMENT OF OTHER SERVICE PROVIDERS

The BOARD may appoint such other service providers as they deem necessary, subject to such terms and conditions as they may determine.

A.5.22 BANK ACCOUNT

The BOARD shall open and maintain bank accounts in the name of the FUND or in the name of a nominee company approved by the AUTHORITY with banks registered in terms of the Banks Act, 1990. All monies received by or on behalf of the FUND shall be paid into the FUND'S bank accounts. The BOARD may by resolution from time to time authorise documents appertaining to the accounts to be signed, endorsed or authorised by such person or persons as they deem appropriate.

A.5.23 RECORDS AND SAFE CUSTODY OF SECURITIES

A.5.23.1 The BOARD shall ensure that complete records of all the necessary particulars of the MEMBERS and PENSION RECIPIENTS and, where possible, practical and necessary, the BENEFICIARIES and of all other matters essential to the efficient administration of the FUND are kept.

A.5.23.2 All assets of the FUND shall:

(a) Be held in a policy or kept in the name of the FUND; or

(b) Be kept in the name of a nominee company approved by the AUTHORITY; or

(c) In the case of immovable property acquired by a nominee company pursuant to an agreement entered into by the FUND with certain other pension funds for the

purpose of joint investment in property, be kept in the name of such nominee company.

A.5.23.3 All mortgage bonds, title deeds and other securities belonging to or held by the FUND shall, unless temporarily held in custody by others for the purposes of the FUND, be stored in safe custody in the safe or strongroom at the registered office of the FUND or by the nominee company or with any registered financial institution approved by the AUTHORITY.

A.5.24 SIGNING OF DOCUMENTS

The BOARD shall authorise the chairperson of the BOARD, the PRINCIPAL OFFICER, one or more other BOARD MEMBERS or one or more BOARD committee members, to jointly, or in counterpart, sign any agreement which is binding on the FUND, or which authorises action on behalf of the FUND; provided that any documents to be deposited with the AUTHORITY shall be signed as prescribed in the ACT.

A.5.25 COPIES OF DOCUMENTS

A.5.25.1 Every EMPLOYER, MEMBER or PENSION RECIPIENT is entitled to see and, and at his own expenses, make copies of:

(a) The RULES;

(b) The latest FINANCIAL YEAR END accounts prepared in terms of the ACT;

(c) The report by the ACTUARY on the latest statutory valuation of the FUND; and

(d) Any scheme which is conducted by the FUND in terms of Section 18 of the ACT,

provided the FUND shall, on demand by an EMPLOYER, MEMBER or PENSION RECIPIENT, deliver any of the abovementioned documents to such EMPLOYER, MEMBER or PENSION RECIPIENT, subject to the payment of such amount as may be determined by the FUND from time to time.

A.5.25.2 A copy of these RULES, and all subsequent amendments to these RULES, shall be delivered to each EMPLOYER, who shall acknowledge in writing that:

(a) It has received a copy of the RULES or amendments; and

(b) It shall be bound by the RULES, including any amendments that may be adopted in accordance with the RULES, in as far as this is applicable.

A.5.26 EXPENSES

A.5.26.1 Unless specifically provided elsewhere in the RULES, all expenses in connection with or incidental to the management or administration of the FUND and the investment of its assets, including, but not limited to, the cost of MEMBER communication, audits, actuarial investigations, investment expenses, indemnity and fidelity insurance and the cost of consultancy services to the FUND, shall be borne by the FUND.

A.5.26.2 The payment of any expenses by the FUND in terms of RULE A.5.26.1 shall be subject to such authorisation as the BOARD may determine from time to time.

A.6 AMENDMENT OF THE RULES

A.6.1 AMENDMENT OF THE RULES

A.6.1.1 The BOARD may at any time amend the RULES by a decision of at least four EMPLOYER-APPOINTED BOARD MEMBERS and at least four ELECTED BOARD MEMBERS; provided that:

(a) The amendment is not inconsistent with the provisions of the ACT, the Income Tax Act, 1962, or any other applicable legislation;

(b) The amendment shall not:

(i) alter the main purpose of the FUND;

(ii) result in the payment or transfer of any part of the FUND to an EMPLOYER other than is permitted in terms of the ACT;

(c) The amendment must be approved by the PRINCIPAL EMPLOYER if it results in an increase in the contribution rate payable by an EMPLOYER or in any other obligation or financial risk being imposed on an EMPLOYER;

(d) Any amendment to the RULES affecting the financial soundness of the FUND shall be certified by the ACTUARY before being adopted;

(e) Within sixty calendar days of the date of the resolution amending the RULES, the PRINCIPAL OFFICER shall submit the amendment to the RULES to the AUTHORITY and, if applicable, to the REVENUE AUTHORITIES, in writing, for registration of the amendment;

(f) Where the amendment to the RULES affects the rights or benefits of MEMBERS or PENSION RECIPIENTS, the BOARD shall give the MEMBERS or PENSION RECIPIENTS, as appropriate, prior written notice of the amendment and of the potential consequences of the amendment; and

(g) Once any amendment to the RULES has been registered by the AUTHORITY, or at least once every year and within six months after the FUND'S FINANCIAL YEAR END, the PRINCIPAL OFFICER shall notify the MEMBERS and PENSION RECIPIENTS of all amendments to the RULES.

A.6.1.2 If:

(a) The REVENUE AUTHORITIES refuse to approve the FUND or any part thereof for the purpose of enabling the

EMPLOYER or the MEMBERS to obtain any benefit of exemption or allowance in respect of income or other tax; or

(b) The PRINCIPAL EMPLOYER considers it expedient having regard to any ruling of the REVENUE AUTHORITIES with regard to income or other tax,

the BOARD, may approve such alterations to the RULES as it deems necessary to give effect to the requirements of the REVENUE AUTHORITIES or to obtain the necessary approval.

A.6.1.3 No amendment to the RULES will be allowed that has the effect of reducing any DB MEMBER'S benefit entitlement in respect of PENSIONABLE SERVICE up to that date.

A.6.1.4 No amendment to the RULES will be allowed that has the effect of reducing the amount standing to the credit of a DC MEMBER'S share of the FUND CREDIT ACCOUNT. It is, however, specifically recorded that:

(a) The determination of a negative INVESTMENT RETURN for any period does not represent a reduction in FUND CREDITS, and is not covered by this RULE A.6.1.4; and

(b) A reduction in the Rand amount of, or the multiples of, the INSURED BENEFITS in respect of DC MEMBERS that can be purchased with the contributions available or a change in the exclusions, limitations and maximum benefits imposed by the REGISTERED INSURER in respect of the INSURED BENEFITS do not represent a reduction in DC MEMBERS benefits and is not covered by this RULE A.6.1.4.

A.6.1.5 No amendment to the RULES will be allowed that has the effect of reducing the PENSION of any PENSION RECIPIENT, it is, however, specifically recorded that:

(a) The determination of a negative INVESTMENT RETURN for any period does not represent a reduction in LIVING ANNUITY CAPITAL ACCOUNTS, and is not covered by this RULE A.6.1.5; and

(b) A reduction in the Rand amount of any LIVING ANNUITY COMPONENT shall not represent a reduction in a PENSION RECIPIENT'S PENSION and is not covered by this RULE A.6.1.5.

A.6.1.6 The BOARD may, however, decrease or remove any other non-vested benefits in respect of MEMBERS payable under the FUND, subject to the provisions of this RULE, and after taking the advice of the ACTUARY.

A.6.1.7 If at any future time legislation is passed whereby the EMPLOYERS becomes liable to contribute to a state pension or social insurance fund or any fund of like nature in respect of any class of MEMBER entitled to benefits in terms of these RULES, the RULES may be amended by the BOARD so as to allow the EMPLOYERS to discontinue contributions partially or wholly in respect of such class of MEMBER with a corresponding cancellation, or reduction of benefits accruing thereafter.

A.7 DISCONTINUANCE

A.7.1 DISCONTINUANCE

A.7.1.1 If all the EMPLOYERS are wound up, whether voluntarily or not, or cease to carry on business in circumstances other than those referred to in RULE A.7.2.1 the FUND will be discontinued.

A.7.1.2 If the FUND is to be discontinued in terms of RULE A.7.1.1, then the BOARD shall appoint a liquidator subject to the approval of the AUTHORITY. The appointed liquidator will

discontinue the FUND in the manner prescribed in RULE A.7.1.3.

A.7.1.3 If the FUND is to be discontinued in terms of RULE A.7.1.1, the total monies available under the FUND after payment of all expenses incurred in the discontinuance thereof, will be divided amongst the MEMBERS and PENSION RECIPIENTS on an equitable basis recommended by the ACTUARY and approved by the liquidator to provide the benefits accrued in terms of these RULES, and subject to any minimum benefits required in terms of the ACT, up to the date of liquidation for all persons on the date of discontinuance, provided that:

(a) The amount available for a PENSION RECIPIENT shall be used to purchase an annuity for him from a REGISTERED INSURER;

(b) The amount available for a person prospectively entitled to a PENSION shall be:

(i) transferred to another APPROVED FUND for his benefit; or

(ii) used to purchase a deferred annuity for him from a REGISTERED INSURER; or

(iii) paid to him as a lump sum, provided that any amount in his RETIREMENT COMPONENT may not be paid as a lump sum and must be transferred to an APPROVED FUND on his behalf;

(c) If a person to whom an amount is payable cannot be traced, such amount will be paid to a FUND approved by the AUTHORITY to receive UNCLAIMED BENEFITS, unless the ACT requires otherwise;

(d) Every MEMBER who left the service of the EMPLOYERS during the twelve month period

immediately before the date of termination, shall for the purpose of this RULE be regarded as being a MEMBER on the date of termination of the FUND, but the benefit already paid to him shall be taken into consideration in determining the amount payable to him;

(e) Should the FUND not be in a sound financial condition on the date of the liquidation and before the utilisation of any credit balance in the EMPLOYER SURPLUS ACCOUNT and / or the MEMBER SURPLUS ACCOUNT, any credit balance in the EMPLOYER SURPLUS ACCOUNT and / or the MEMBER SURPLUS ACCOUNT shall be utilised to restore the FUND to a financially sound position:

(i) in terms of Section 15H of the ACT; and

(ii) in accordance with the principles agreed in writing between the FUND and the CATEGORY A EMPLOYERS ,

provided that any such utilisation from the EMPLOYER SURPLUS ACCOUNT shall be notified to the CATEGORY A EMPLOYERS in writing prior to such utilisation. If this does not restore the FUND to a sound financial condition at the liquidation date, then the CATEGORY A EMPLOYERS shall make such additional contribution or contributions as may be certified by the ACTUARY as being necessary to attain a sound financial position, provided that in determining the additional contribution or contributions required from each CATEGORY A EMPLOYER the liquidator will seek to reach agreement with the CATEGORY A EMPLOYERS on the principles that will be applicable and will have regard to any agreement reached between

the FUND and the CATEGORY A EMPLOYERS prior to his appointment; and

(f) the liquidator shall dispose of the NOTIONAL SHARE of any remaining balance in the EMPLOYER SURPLUS ACCOUNT attributable to each of the CATEGORY A and CATEGORY B EMPLOYERS in terms of Section 15I of the ACT and in doing so will have regard to any agreement reached between the CATEGORY A EMPLOYERS and the FUND as to the allocation of the EMPLOYER SURPLUS ACCOUNT.

A.7.2 RECONSTRUCTION OF THE PRINCIPAL EMPLOYER OR AN EMPLOYER

A.7.2.1 If the business of the PRINCIPAL EMPLOYER or an EMPLOYER is wound up for the purposes of amalgamation or reconstruction in a similar or amended form, the amalgamated or reconstructed business, subject to the consent of the BOARD, will have the right, but not the obligation, to assume all the rights of the PRINCIPAL EMPLOYER or the EMPLOYER, as applicable, in terms of these RULES, and if it exercises such right, the FUND will not be affected except for any change in the name of the PRINCIPAL EMPLOYER or EMPLOYER which may result from such reconstruction.

A.7.2.2 If the business of the PRINCIPAL EMPLOYER or an EMPLOYER is wound up for the purposes of amalgamation or reconstruction in a similar or amended form, and the BOARD does not provide consent in terms of RULE A.7.2.1 or the right of the PRINCIPAL EMPLOYER or EMPLOYER in terms of RULE A.7.2.1 is not exercised, the provisions of RULE A.7.3 shall apply mutatis mutandis in respect of the MEMBERS employed by such EMPLOYER(S).

A.7.3 PARTIAL TERMINATION

A.7.3.1 In the event of the winding-up, whether voluntary or otherwise, of one or more of the EMPLOYERS, or if one or more of the EMPLOYERS ceases to carry on business, the BOARD shall cause an actuarial valuation to be made for the purpose of determining the interest in the FUND of the MEMBERS employed by such EMPLOYER(S), provided that:

(a) the provisions of RULE A.7.1 shall apply mutatis mutandis to the interest of the MEMBERS of such EMPLOYERS; and

(b) their participation in the FUND shall cease.

A.7.3.2 If the undertaking of an EMPLOYER, whether it is wound up or not, is taken over or acquired by another company the provisions of RULE A.7.3.1 shall not apply if the company taking over the EMPLOYER agrees to take the place of the EMPLOYER in the FUND and signifies its consent by the execution of such documents as the BOARD may require.

A.7.4 UNCLAIMED MONEYS

A.7.4.1 If the FUND is terminated or dissolved under Section 28 of the ACT, all unclaimed moneys shall be paid to a fund approved by the AUTHORITY to receive UNCLAIMED BENEFITS, unless the ACT requires otherwise, and there shall thereafter be no further claims against the FUND or the EMPLOYER.

A.7.4.2 The liquidator shall indicate in the final liquidation account amounts so paid to a fund approved by the AUTHORITY to receive UNCLAIMED BENEFITS and shall also furnish to the AUTHORITY a certificate to the effect that all reasonable steps had been taken to trace the persons concerned. The AUDITOR of the FUND shall certify the correctness of the account.

A.7.4.3 If the FUND is wound up under Section 29 of the ACT, the provisions of Rules A.7.4.1 and A.7.4.2 shall apply, unless the

ACT, or an order of the court issued in terms of the ACT, requires otherwise.

A.7.5 NOTICE BY EMPLOYERS OF TERMINATION

A.7.5.1 Any EMPLOYER, on giving 6 (six) months' notice to the BOARD, shall have the right to discontinue admission to membership of all its employees thereafter qualifying for membership or to discontinue taking into account for the purpose of the FUND any increases in salary of existing MEMBERS in its employ.

A.7.5.2 Any EMPLOYER, on giving 6 (six) months' notice to the BOARD, shall have the right to discontinue entirely their CONTRIBUTIONS to the FUND in terms of these RULES. Upon the date of the expiration of such notice all the obligations in terms of these RULES placed on such EMPLOYER and the MEMBERS employed by such EMPLOYER shall cease. The BOARD may, in consultation with such EMPLOYER and subject to the consent of the PRINCIPAL EMPLOYER, elect to:

(a) Allow MEMBERS employed by such EMPLOYER to become DB DEFERRED PENSIONERS in the FUND; or

(b) Require that the benefits of MEMBERS employed by such EMPLOYER be transferred to another APPROVED FUND, in line with the provisions of RULE A.8.4.

A.8 TRANSFERS

A.8.1 TRANSFERS INTO THE FUND

A.8.1.1 The FUND may accept the transfer into it of persons who were members of any APPROVED FUND, other than a RETIREMENT ANNUITY FUND, to which the PRINCIPAL EMPLOYER or any other EMPLOYER or anybody which was

one of its legal predecessors or anybody which has become wholly or partly owned by the PRINCIPAL EMPLOYER or any other EMPLOYER contributed on behalf of such persons. In such case, the FUND shall simultaneously accept the transfer into it of assets for the benefit of such persons, in which event in the case of DC MEMBERS, the amount transferred in respect of such DC MEMBER shall be credited to matching COMPONENTS in his FUND CREDIT.

A.8.1.2 The FUND may accept the transfer into it of assets for the benefit of persons who were former members of a fund to which the PRINCIPAL EMPLOYER or any other EMPLOYER had contributed and where UNCLAIMED BENEFITS exist in respect of such former members who had been identified, but who could not be traced and/or who had not substantiated eligibility to such benefits at the date of such transfer. The assets as aforesaid shall be held in the UNCLAIMED BENEFITS RESERVE ACCOUNT for the benefit of the affected MEMBERS pending submission of proof of entitlement.

A.8.1.3 After consultation with the ACTUARY, the FUND may admit to membership persons who were members of an APPROVED FUND, other than a RETIREMENT ANNUITY FUND, and former employees of an ASSOCIATED COMPANY. In such case, the FUND shall accept the transfer into it from such APPROVED FUND, assets for the benefit of such persons, in which event the amount transferred in respect of such DC MEMBER shall be credited to matching COMPONENTS in his FUND CREDIT.

A.8.1.4 A DB MEMBER or DC MEMBER may, subject to the provisions of the ACT, elect to transfer into the FUND a lump sum amount from another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, which will be credited to matching COMPONENTS in his MEMBER'S INDIVIDUAL ACCOUNT or

FUND CREDIT, as applicable. The terms and conditions relating to the transfers will be determined by the BOARD from time to time and communicated to the MEMBERS.

A.8.1.5 The FUND may, subject to the provisions of the ACT, accept transfer from an APPROVED FUND, other than a RETIREMENT ANNUITY FUND, of an amount in respect of a DB MEMBER or DC MEMBER who has elected to transfer to the FUND an amount awarded to such person in terms of a DIVORCE ORDER, which amount will be credited to matching COMPONENTS in his MEMBER'S INDIVIDUAL ACCOUNT or FUND CREDIT, as applicable. The terms and conditions relating to the transfers will be determined by the BOARD from time to time and communicated to the MEMBERS.

A.8.2 TRANSFERS FROM ASSOCIATED COMPANIES AND NAMIBIAN EMPLOYERS

If any person became a DB MEMBER as a result of a transfer to the SERVICE of an EMPLOYER from an ASSOCIATED COMPANY or NAMIBIAN EMPLOYER prior to the CONVERSION DATE, the BOARD after consulting the ACTUARY may have, on such terms as they determined at the time, granted additional benefits in respect of service approved as PENSIONABLE SERVICE by the PRINCIPAL EMPLOYER.

A.8.3 NEW EMPLOYERS

A.8.3.1 The PRINCIPAL EMPLOYER and the BOARD may agree to permit any other employer to participate in the FUND subject to any restrictions which the PRINCIPAL EMPLOYER in its discretion may impose. The BOARD may call for an actuarial valuation to determine the liability incurred by the FUND due to the participation of such employer who shall pay any additional contributions or amount as required by the BOARD acting on the advice of the ACTUARY.

A.8.3.2 Each new employer shall bear an equitable proportion of the liabilities incurred by the FUND in admitting the employees of each employer to membership of the FUND and no existing EMPLOYER shall subsidise the admission of employees of any other employer.

A.8.4 TRANSFER OF MEMBERS OUT OF THE FUND

A.8.4.1 Notwithstanding any other provisions of these RULES, if

(a) An EMPLOYER establishes its own APPROVED FUND or elects to participate in an existing APPROVED FUND other than a PENSION PRESERVATION FUND or PROVIDENT PRESERVATION FUND as defined in the Income Tax Act, 1962, and the MEMBERS of that EMPLOYER are transferred, voluntarily or compulsorily, to that APPROVED FUND as a result of such EMPLOYER:

(i) transferring its operations to a new organisation which is not an EMPLOYER as defined in these RULES; or

(ii) amalgamating with another organisation which is not an EMPLOYER as defined in these RULES; or

(iii) ceasing to pay CONTRIBUTIONS to the FUND after giving the FUND at least 6 (six) months' written notice of its intention to stop paying CONTRIBUTIONS; or

(iv) having been directed by the PRINCIPAL EMPLOYER to withdraw its participation from the FUND, which the PRINCIPAL EMPLOYER may do by giving at least 6 (six) months' written notice to that EMPLOYER and the BOARD;

or

(b) If the employment of a MEMBER is assigned to a new employer in terms of Section 197 of the Labour Relations Act, 1995 and the MEMBER is transferred, voluntarily or compulsorily, to the APPROVED FUND of such employer;

then the BOARD may at their discretion transfer to that APPROVED FUND:

(i) The DC MEMBERS' FUND CREDITS, together with so much of any credit as the BOARD consider appropriate in the DC EXPENSE RESERVE ACCOUNT and / or the PROCESSING ERROR RESERVE ACCOUNT, to be credited for the MEMBER'S benefit in that APPROVED FUND. The calculation of the MINIMUM INDIVIDUAL RESERVE of any MEMBER who transfers to that APPROVED FUND shall take into account the transfer of any such credit in the DC EXPENSE RESERVE ACCOUNT and / or the PROCESSING ERROR RESERVE ACCOUNT.

(ii) The DB MEMBERS' interest in the FUND, as decided by the BOARD on the advice of the ACTUARY, together with so much of any credit as the BOARD consider appropriate in the SOLVENCY RESERVE ACCOUNT, to be credited for the MEMBER'S benefit or to a similar account in that APPROVED FUND. The calculation of the MINIMUM INDIVIDUAL RESERVE of any MEMBER who transfers to that APPROVED FUND shall take into account the transfer of any such credit in the SOLVENCY RESERVE ACCOUNT.

A.8.5 CONTINUED MEMBERSHIP ON TRANSFER OF A MEMBER TO AN ASSOCIATED COMPANY OUTSIDE THE RAND MONETARY AREA

A.8.5.1 A MEMBER who is transferred or seconded to the office of an EMPLOYER or company approved by the BOARD where that

office is situated in a country outside the Rand monetary area, may elect to continue full membership of the FUND.

A.8.5.2 Such a MEMBER'S CONTRIBUTIONS and benefits will be based on a notional PENSIONABLE SALARY established by the EMPLOYER as the PENSIONABLE SALARY.

A.8.6 CONTINUED MEMBERSHIP ON TRANSFER OF A MEMBER TO A NON-PARTICIPANT ASSOCIATED COMPANY

A.8.6.1 If, before reaching PENSION AGE, a DB MEMBER is transferred to the service of a company associated with the PRINCIPAL EMPLOYER, but not participating in the FUND, the MEMBER shall not be permitted to withdraw any moneys from the FUND, other than SAVINGS COMPONENT withdrawals in terms of RULE C.7. If such MEMBER is not permitted to become a PAID-UP PENSIONER, the BOARD in their discretion shall either:

(a) Transfer to the ASSOCIATED COMPANY'S PENSION FUND the value of the MEMBER'S benefit as determined by the ACTUARY after consultation with the BOARD. Such a MEMBER shall be treated as having withdrawn from SERVICE;

(b) Permit him to remain a DB MEMBER of the FUND with the ASSOCIATED COMPANY taking the place of an EMPLOYER in respect of him. If he becomes a member of a PENSION FUND established for the benefit of the employees of the ASSOCIATED COMPANY or of a state pension or social insurance fund or any fund of like nature, the conditions of his continued membership of the FUND shall be determined by the BOARD, on the request of the ASSOCIATED COMPANY and after consulting the ACTUARY, provided that he shall not receive less than he would have done had he been granted a PAID-UP PENSION at the time of his transfer.

A.8.6.2 If, before reaching PENSION AGE, a DC MEMBER is transferred to the service of a company associated with the PRINCIPAL EMPLOYER, but not participating in the FUND, an amount determined by the BOARD on the advice of the ACTUARY, which amount includes such amount (if any) as decided by the BOARD in terms of RULE A.9.11, shall be transferred to the APPROVED FUND in which the ASSOCIATED COMPANY participates. Such a MEMBER shall be treated as having withdrawn from SERVICE.

A.8.7 MEMBERS AFFECTED BY A TRANSFER IN TERMS OF SECTION 197 OF THE LABOUR RELATIONS ACT, 1995

A.8.7.1 If a MEMBER is affected by a transfer of business in terms of Section 197 of the Labour Relations Act, 1995, and if the new employer does not participate in another APPROVED FUND, and if so permitted in the agreement for the transfer of the relevant business, and if the BOARD grants its consent in this regard, then:

(a) such MEMBER shall remain a DB MEMBER or DC MEMBER of the FUND, as applicable, subject to such conditions as the BOARD may impose and CONTRIBUTIONS will continue to be payable by the MEMBER and his new employer for a period specified by the BOARD, which period shall not exceed 12 months after the effective date of the transaction giving rise to the Section 197 transfer, provided that the provisions of RULE B.5.1 or RULE C.5.1, as applicable, shall apply mutatis mutandis at the end of such period; or

(b) if such MEMBER gives written notice of such election to the FUND within the period specified by the BOARD, he may instead elect to retain his benefit in the FUND and, if he is a DC MEMBER, become a DC DEFERRED PENSIONER subject to the provisions of RULE B.5.2.5,

or if he is a DB MEMBER, become a DB DEFERRED PENSIONER, subject to the provisions of RULE C.5.3.4.

A.8.7.2 If a MEMBER is affected by a transfer of business in terms of Section 197 of the Labour Relations Act, 1995, and if the new employer does participate in another APPROVED FUND, and if so permitted in the agreement for the transfer of the relevant business, and if the BOARD grants its consent in this regard, then:

(a) if such MEMBER fails within the period specified by the BOARD to give to the FUND the written notice contemplated in Rule A.8.7.2(b), he shall transfer his FUND benefit to that APPROVED FUND in terms of RULE A.8.4.1(b); or

(b) if such MEMBER duly gives written notice of such election to the FUND within the period specified by the BOARD, he may elect to retain his benefit in the FUND and, if he is a DC MEMBER, become a DC DEFERRED PENSIONER subject to the provisions of RULE B.5.2.5, or if he is a DB MEMBER, become a DB DEFERRED PENSIONER, subject to the provisions of RULE C.5.3.4.

A.8.7.3 If the provisions of RULE A.8.7.1(a) apply, the BOARD shall admit such organisation as an EMPLOYER for the specified period and, during this period, that organisation shall contribute in terms of RULES B.2.2 and/or C.2.3.

A.9 ACCOUNTING STRUCTURE

A.9.1 ACCOUNTS

A.9.1.1 The following accounts will be maintained at FUND level:

(a) DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT;

(b) DISTRIBUTION RESERVE ACCOUNT;

(c) EMPLOYER SURPLUS ACCOUNT;

(d) EXPENSE CONTINGENCY RESERVE ACCOUNT;

(e) MEMBER SURPLUS ACCOUNT;

(f) UNCLAIMED BENEFITS RESERVE ACCOUNT.

A.9.1.2 The following accounts will be maintained in the Defined Contribution section of the FUND.

(a) DC EXPENSE RESERVE ACCOUNT;

(b) FUND CREDIT ACCOUNT;

(c) LIVING ANNUITY CAPITAL ACCOUNT;

(e) PROCESSING ERROR RESERVE ACCOUNT.

A.9.1.3 The following accounts will be maintained in the Defined Benefit section of the FUND:

(a) LIFE ANNUITY CAPITAL ACCOUNT

(b) MEMBER'S INDIVIDUAL ACCOUNT;

(c) PENSION INCREASE UNDERPIN ACCOUNT;

(d) SOLVENCY RESERVE ACCOUNT.

A.9.1.4 Each account will be maintained separately from the others and credits and debits to the accounts will take place only as specified in this RULE.

A.9.2 DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT

A.9.2.1 The DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT is established to minimise the impact on the FUND of decisions or actions taken on the basis of incorrect information and to provide for the specific legal contingencies, liabilities and costs.

A.9.2.2 The following amounts shall be credited to the DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT:

(a) An opening balance determined by the BOARD on the advice of the ACTUARY;

(b) Amounts re-allocated to this account when the FUND is found not to be liable for benefits or other amounts for which provision has been made, based on errors in the data or other information on which the FUND has relied;

(c) Amounts re-allocated from other contingency reserve accounts, that the BOARD on the advice of the ACTUARY determines are not needed for purposes of such other accounts and where the BOARD on the advice of the ACTUARY determines that they are needed to make proper provision for the FUND'S contingent liabilities for which this account was established; and

(d) Positive INVESTMENT RETURN applicable to this account.

A.9.2.3 The following amounts shall be debited to the DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT:

(a) Amounts re-allocated from this account when the FUND is liable for benefits or other amounts for which provision would have been made in the ordinary course had there not been errors in the data or other information on which the FUND has relied, but for which provision was not made;

(b) Amounts paid by the FUND to a MEMBER, a former MEMBER, a PENSION RECIPIENT or other person

entitled to a benefit or any other amount payable by the FUND, in the following circumstances:

(i) amounts payable in terms of RULE A.4.7.5;

(ii) amounts for which the BOARD, acting on expert advice, decide that the FUND is liable;

(iii) amounts for which a court or the ADJUDICATOR or other body exercising a judicial function has found the FUND to be liable;

(iv) amounts for which the FUND is liable in terms of agreements by which legal disputes to which the FUND is a party are settled;

(v) legal and related costs incurred by the FUND in relation to litigation in which it has been involved and which it is unable to recover from another party to the litigation; and

(vi) such other legal and related costs as determined by the BOARD,

and for which no provision is made elsewhere in the accounts of the FUND, provided that such amounts shall be allocated to the appropriate COMPONENT, where applicable.

(c) Amounts re-allocated to other contingency reserve accounts, when the BOARD on the advice of the ACTUARY determines that such amounts are needed to provide for the contingencies for which those accounts were established and where the BOARD on the advice of the ACTUARY determines they are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established;

(d) Amounts released from this account to be apportioned under Section 15C of the ACT, when the BOARD on the

advice of the ACTUARY determines that such amounts are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established, provided that any amounts allocated for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT; and

(e) Negative INVESTMENT RETURN applicable to this account.

A.9.3 DC EXPENSE RESERVE ACCOUNT

A.9.3.1 The purpose of the DC EXPENSE RESERVE ACCOUNT is for the management of the expenses in respect of the Defined Contribution section of the FUND.

A.9.3.2 The following amounts shall be credited to the DC EXPENSE RESERVE ACCOUNT:

(a) Any amount received from any source and not required in terms of these RULES or any terms imposed by that source to be allocated to any other account;

(b) That portion of the CONTRIBUTIONS by an EMPLOYER to be applied to the expenses of the FUND in terms of RULE B.2.2.2 (c);

(c) Any other amount set aside by the BOARD as a provision for the expenses, costs or tax payable by the FUND, which shall be such amount as the BOARD decides to be applicable to the Defined Contribution section of the FUND;

(d) Any amount transferred from the MEMBER'S RETIREMENT COMPONENT, SAVINGS COMPONENT, VESTED ANNUITY COMPONENT or

VESTED LUMP SUM COMPONENT in terms of these RULES;

(e) Any amount transferred from the LIVING ANNUITY CAPITAL ACCOUNT in terms of RULE A.9.9.3 (b) or RULE A.9.9.3 (c); and

(f) Amounts re-allocated from other contingency reserve accounts, that the BOARD on the advice of the ACTUARY determines are not needed for purposes of such other accounts and where the BOARD on the advice of the ACTUARY determines they are needed to make proper provision for the FUND'S contingent liabilities for which this account was established; and

(g) Positive INVESTMENT RETURN applicable to this account.

A.9.3.3 The following amounts shall be debited to the DC EXPENSE RESERVE ACCOUNT:

(a) The expenses and costs of the FUND, which shall be such costs as the BOARD decides to be applicable to the Defined Contribution section of the FUND;

(b) Any tax payable by the FUND; which shall be such tax as the BOARD determines to be applicable to the Defined Contribution section of the FUND;

(c) Amounts transferred, if any, as determined at the discretion of the BOARD on the advice of the ACTUARY, in terms of RULE A.8.4.1;

(d) Amounts re-allocated to other contingency reserve accounts, when the BOARD on the advice of the ACTUARY determines such amounts are needed to provide for the contingencies for which those accounts were established and where the BOARD on the advice of the ACTUARY determines they are not needed to

make proper provision for the FUND'S contingent liabilities for which this account was established;

(e) Amounts released from this account to be apportioned under Section 15C of the ACT, when the BOARD on the advice of the ACTUARY determines that such amounts are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established, provided that any amounts allocated for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT; and

(f) Negative INVESTMENT RETURN applicable to this account.

A.9.4 DISTRIBUTION RESERVE ACCOUNT

A.9.4.1 The purpose of the DISTRIBUTION RESERVE ACCOUNT is to provide for payments to eligible former MEMBERS of the FUND of a share of any apportionment of surplus under Section 15C of the ACT, where such eligible former MEMBERS meet the following criteria:

(a) The former MEMBER is apportioned a positive allocation of surplus as at the apportionment date, as determined by the BOARD;

(b) The former MEMBER was alive on the apportionment date; and

(c) The former MEMBER has been identified and traced by the FUND, or has himself made contact with the FUND, and has made a valid election in accordance with the provisions of rule A.4.18 within a period of three years from the apportionment date.

A.9.4.2 The following amounts shall be credited to the DISTRIBUTION RESERVE ACCOUNT:

(a) Any allocation as at the apportionment date, determined by the BOARD following the apportionment of surplus disclosed in a statutory actuarial valuation of the FUND made prior to the apportionment date, which allocation shall be split notionally between eligible former MEMBERS on a basis determined by the BOARD; and

(b) Positive INVESTMENT RETURN applicable to this account.

A.9.4.3 The following amounts shall be debited to the DISTRIBUTION RESERVE ACCOUNT:

(a) Payments to eligible former MEMBERS who meet the criteria set out in this RULE A.9.4.1, of the notional amount allocated for their benefit together with INVESTMENT RETURN for the period from the apportionment date to the date of payment;

(b) Negative INVESTMENT RETURN applicable to this account; and

(c) Any balance in the DISTRIBUTION RESERVE ACCOUNT on the day following the end of the three year period from the apportionment date, which is not being held in respect of a former MEMBER who has been identified and traced by the FUND, or has himself made contact with the FUND, and in all instances has made a valid election in accordance with the provisions of rule A.4.18 prior to end of the three year period, which balance may, at the discretion of the BOARD on the advice of the ACTUARY, be apportioned under Section 15C of the ACT or transferred to one of the FUND'S other contingency reserve accounts.

A.9.5 EMPLOYER SURPLUS ACCOUNT

A.9.5.1 An EMPLOYER SURPLUS ACCOUNT, as defined in the ACT, shall be established in the FUND.

A.9.5.2 The following amounts shall be credited to the EMPLOYER SURPLUS ACCOUNT:

(a) Any allocation of surplus in the FUND by the BOARD for the benefit of the EMPLOYERS in terms of Sections 15B, 15C and 15F of the ACT;

(b) Such contributions as are specified in these RULES to be credited to this account; and

(c) Positive INVESTMENT RETURN applicable to this account.

A.9.5.3 The following amounts shall be debited to the EMPLOYER SURPLUS ACCOUNT:

(a) Any surplus utilised at the request of a CATEGORY A or CATEGORY B EMPLOYER to the BOARD in terms of section 15E and 15J of the ACT, which utilisation shall be limited to each EMPLOYER'S NOTIONAL SHARE of the EMPLOYER SURPLUS ACCOUNT;

(b) Amounts required to meet a deficit as provided for in Section 15H of the ACT and subject to the provisions of RULE A.5.19.5;

(c) Amounts applied on the liquidation of the FUND as provided for in Section 15I of the ACT;

(d) Any surplus transferred to any other account of the FUND at the request of a CATEGORY A or CATEGORY B EMPLOYER to the BOARD, which transfer shall be limited to each EMPLOYER'S NOTIONAL SHARE of the EMPLOYER SURPLUS ACCOUNT; and

(e) Negative INVESTMENT RETURN applicable to this account.

A.9.5.4 Any amounts allocated from the EMPLOYER SURPLUS ACCOUNT in terms of RULE A.9.5 for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT.

A.9.6 EXPENSE CONTINGENCY RESERVE ACCOUNT

A.9.6.1 The EXPENSE CONTINGENCY RESERVE ACCOUNT is established to provide for the expenses that the FUND will or may incur as reflected in RULE A.9.6.3 (a) to (f).

A.9.6.2 The following amounts shall be credited to the EXPENSE CONTINGENCY RESERVE ACCOUNT:

(a) An opening balance determined by the BOARD on the advice of the ACTUARY;

(b) The proceeds of the sale of immovable property in terms of RULE A.5.16.5, where such immovable property was purchased by the FUND for use as the premises from which the FUND is administered;

(c) Recoveries received from EMPLOYER(S) in lieu of FUND administration arrangements being utilised to assist the EMPLOYER(S) in the administration of separate EMPLOYER obligations in terms of RULE A.5.16.14;

(d) Amounts re-allocated from other contingency reserve accounts, that the BOARD on the advice of the ACTUARY determines are not needed for purposes of such other accounts and where the BOARD on the advice of the ACTUARY determines they are needed to make proper provision for the FUND'S contingent liabilities for which this account was established; and

(e) Positive INVESTMENT RETURN applicable to this account.

A.9.6.3 The following amounts shall be debited to the EXPENSE CONTINGENCY RESERVE ACCOUNT:

(a) Expenses incurred by the FUND, other than in the course of the normal operation of the FUND;

(b) Unbudgeted and extraordinary expenses incurred by the FUND in the normal operation of the FUND;

(c) Capital expenditure approved by the BOARD;

(d) Amounts re-allocated from this account when the FUND is liable for benefits or other costs which are not covered by the policy of insurance described in RULE A.5.20.2;

(e) FUND closure costs; and

(f) Such other administrative and operational expenses as determined by the BOARD,

and for which no adequate provision is made elsewhere in the accounts of the FUND;

(g) amounts re-allocated to other contingency reserve accounts, when the BOARD on the advice of the ACTUARY determines such amounts are needed to provide for the contingencies for which those accounts were established and where the BOARD on the advice of the ACTUARY determines they are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established;

(h) Amounts released from this account to be apportioned under Section 15C of the ACT, when the BOARD on the advice of the ACTUARY determines that such amounts are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established, provided that any amounts allocated for the

benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT; and

(i) Negative INVESTMENT RETURN applicable to this account.

A.9.7 FUND CREDIT ACCOUNT

A.9.7.1 The FUND CREDIT ACCOUNT will comprise the aggregate of the DC MEMBERS' and DC DEFERRED PENSIONERS' FUND CREDITS, which will be, where applicable, the aggregate of the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.11.1, the MEMBER'S SAVINGS COMPONENT in terms of RULE A.11.2, the MEMBER'S VESTED ANNUITY COMPONENT in terms of RULE A.11.3 and the MEMBER'S VESTED LUMP SUM COMPONENT in terms of RULE A.11.4.

A.9.8 LIFE ANNUITY CAPITAL ACCOUNT

A.9.8.1 The LIFE ANNUITY CAPITAL ACCOUNT is established to manage the assets of the FUND held in respect of all PENSIONS being paid from the FUND other than LIVING ANNUITY COMPONENTS.

A.9.8.2 The following amounts shall be credited to the LIFE ANNUITY CAPITAL ACCOUNT:

(a) An opening balance determined by the BOARD on the advice of the ACTUARY;

(b) The amount applied to secure a LIFE ANNUITY COMPONENT at retirement or following the death of a DC MEMBER subject to the provisions of RULE B.1.6.4;

(c) The amount required to secure the PENSION or residual PENSION (if applicable) payable at retirement or following the death of a DB MEMBER;

(d) The amount used to convert a LIVING ANNUITY COMPONENT (or a part thereof) into a LIFE ANNUITY COMPONENT in accordance with the provisions of RULES B.1.6.4 (k); and

(e) Positive INVESTMENT RETURN applicable to this account.

A.9.8.3 The following amounts shall be debited to the LIFE ANNUITY CAPITAL ACCOUNT:

(a) Payments of the PENSIONS or residual PENSIONS payable in terms of Part C of these RULES and LIFE ANNUITY COMPONENTS to the PENSION RECIPIENTS;

(b) Any expenses of any nature including but not limited to the cost of administration, the insurance premiums, taxes or other charges determined by the BOARD and charged by the FUND in respect of the PENSIONS or residual PENSIONS payable in terms of Part C of these RULES and LIFE ANNUITY COMPONENTS; and

(c) Negative INVESTMENT RETURN applicable to the account.

A.9.8.4 Should the assets of the LIFE ANNUITY CAPITAL ACCOUNT be assessed by the ACTUARY to be insufficient to fund the FUND'S liability in respect of PENSIONS being paid from the FUND, other than LIVING ANNUITY COMPONENTS, the following provisions shall apply:

(a) If the shortfall in the LIFE ANNUITY CAPITAL ACCOUNT can be partly or fully funded from the

SOLVENCY RESERVE ACCOUNT, it shall be funded to the extent affordable from that account;

(b) If, following the implementation of RULE A.9.8.4(a), there remains a shortfall in the LIFE ANNUITY CAPITAL ACCOUNT, the BOARD shall, on the advice of the ACTUARY, take such action as is required to eliminate or reduce such shortfall to the extent possible, which action may include amending the FUND'S pension increase policy and/or transferring such amounts as are required to the LIFE ANNUITY CAPITAL ACCOUNT from the other contingency reserve accounts to the extent that such transfers are affordable;

(c) If, following the implementation of RULE A.9.8.4 (b), there remains a shortfall in the LIFE ANNUITY CAPITAL ACCOUNT, the provisions of RULE A.5.19.5 and RULE A.5.19.6 shall apply.

A.9.9 LIVING ANNUITY CAPITAL ACCOUNT

A.9.9.1 The LIVING ANNUITY CAPITAL ACCOUNT will comprise the aggregate of the LIVING ANNUITY CAPITAL ACCOUNTS in respect of all LIVING ANNUITANTS.

It is specifically provided that the FUND'S liability in respect of the LIVING ANNUITY COMPONENT for any PENSION RECIPIENT is limited at any time to the balance in the LIVING ANNUITY CAPITAL ACCOUNT in respect of that PENSION RECIPIENT.

A.9.9.2 The following amounts shall be credited to the LIVING ANNUITY CAPITAL ACCOUNT in respect of each LIVING ANNUITANT:

(a) The amount the PENSION RECIPIENT elects to invest in the LIVING ANNUITY CAPITAL ACCOUNT at

retirement or following the death of a DC MEMBER subject to the provisions of RULE B.1.6.4;

(b) Any amount allocated to the LIVING ANNUITY CAPITAL ACCOUNT as a result of a distribution of surplus in terms of Section 15C of the ACT; and

(c) Positive INVESTMENT RETURN applicable to the account in respect of each LIVING ANNUITANT taking into account the portfolio or portfolios in which the balance in the account is invested.

A.9.9.3 The following amounts shall be debited to the LIVING ANNUITY CAPITAL ACCOUNT in respect of each LIVING ANNUITANT:

(a) Payments of the LIVING ANNUITY COMPONENT to the PENSION RECIPIENT;

(b) Reasonable expenses, that are specific to the LIVING ANNUITY COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(c) Reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the LIVING ANNUITY COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(d) The amount required to purchase a pension from a REGISTERED INSURER in the name of the PENSION RECIPIENT, in accordance with the provisions of RULES B.1.6.3 (b);

(e) The amount used to convert a LIVING ANNUITY COMPONENT (or a part thereof) into a LIFE ANNUITY COMPONENT in accordance with the provisions of RULES B.1.6.4 (k);

(f) The amount used to replace a LIVING ANNUITY COMPONENT with a pension in the form of an annuity purchased from a REGISTERED INSURER in the name of the PENSION RECIPIENT, in accordance with the provisions of RULES B.1.6.4 (l); and

(g) Negative INVESTMENT RETURN applicable to the account in respect of each LIVING ANNUITANT taking into account the portfolio or portfolios in which the balance in the account is invested.

A.9.10 MEMBER'S INDIVIDUAL ACCOUNT

A.9.10.1 The MEMBER'S INDIVIDUAL ACCOUNT will comprise the aggregate of DB MEMBERS', DEFERRED MEMBERS', DB DEFERRED PENSIONERS' and PAID-UP PENSIONERS' MEMBER'S INDIVIDUAL ACCOUNTS, where applicable, and will be subject to the provisions of RULE A.12.1, RULE A.12.2, RULE A.12.3 and RULE A.12.4, where applicable.

The MEMBER'S INDIVIDUAL ACCOUNT is established to house the additional voluntary and transfer contributions applicable to DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS and PAID-UP PENSIONERS and amounts allocated for their benefit from the MEMBER SURPLUS ACCOUNT, EMPLOYER SURPLUS ACCOUNT or otherwise in terms of Section 15C of the ACT.

A.9.10.2 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be credited to the MEMBER'S INDIVIDUAL ACCOUNT:

(a) Contributions paid by the DB MEMBER and transfers into the FUND on behalf of the DB MEMBER in terms of RULES C.2.2.1 and / or C.2.2.2;

(b) Any amount transferred from an APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in terms of A.8.1.4 or A.8.1.5, if applicable;

(c) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the MEMBER in terms of Section 15C of the ACT;

(d) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2, if applicable; and

(e) Positive INVESTMENT RETURN applicable to the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the balance of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.9.10.3 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be debited to the MEMBER'S INDIVIDUAL ACCOUNT:

(a) Benefit payments and amounts transferred to other APPROVED FUNDS in terms of these RULES to a maximum of the balance standing to the credit of the MEMBER'S INDIVIDUAL ACCOUNT at the CALCULATION DATE;

(b) Any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE C.1.4;

(c) Reasonable expenses, that are specific to the MEMBER'S INDIVIDUAL ACCOUNT, as determined by the BOARD;

(d) Reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the MEMBER'S

INDIVIDUAL ACCOUNT, as determined by the BOARD; and

(e) Negative INVESTMENT RETURN applicable to the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the balance of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.9.11 MEMBER SURPLUS ACCOUNT

A.9.11.1 A MEMBER SURPLUS ACCOUNT, as defined in the ACT, shall be established in the FUND.

A.9.11.2 The following amounts shall be credited to the MEMBER SURPLUS ACCOUNT:

(a) Amounts allocated by the BOARD in terms of Sections 15B and 15C of the ACT to be used for the benefit of MEMBERS, PENSION RECIPIENTS or former MEMBERS; and

(b) Positive INVESTMENT RETURN applicable to this account.

A.9.11.3 The following amounts shall be debited to the MEMBER SURPLUS ACCOUNT:

(a) Any amounts utilised for the benefit of MEMBERS, former MEMBERS or PENSION RECIPIENTS in terms of Section 15D of the ACT as determined by the ELECTED BOARD MEMBERS;

(b) Any expenses which would otherwise reduce benefits payable to MEMBERS or PENSION RECIPIENTS as determined by the ELECTED BOARD MEMBERS;

(c) Amounts required to meet a deficit as provided for in Section 15H of the ACT;

(d) Amounts allocated to MEMBERS who cease to be MEMBERS of the FUND in terms of Section 15G of the ACT;

(e) Amounts applied on the liquidation of the FUND as provided for in Section 15I of the ACT; and

(f) Negative INVESTMENT RETURN applicable to this account,

A.9.11.4 Any amounts allocated from MEMBER SURPLUS ACCOUNT in terms of these RULES for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT.

A.9.12 PENSION INCREASE UNDERPIN RESERVE ACCOUNT

A.9.12.1 The FUND shall maintain a PENSION INCREASE UNDERPIN RESERVE ACCOUNT (as part of the LIFE ANNUITY CAPITAL ACCOUNT) equal to the amount, if any, by which the amount calculated in accordance with Section 14B(4)(b)(i) of the ACT exceeds the liabilities and that portion of the SOLVENCY RESERVE ACCOUNT in respect of the PENSIONS being paid from the FUND other than LIVING ANNUITY COMPONENTS, as determined by the ACTUARY and agreed to by the BOARD following a valuation of the FUND.

A.9.12.2 The following amounts shall be credited to the PENSION INCREASE UNDERPIN RESERVE ACCOUNT:

(a) Amounts allocated to this account initially and from time to time by the BOARD following a valuation of the FUND by the ACTUARY;

(b) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the

PENSION RECIPIENTS in terms of Section 15C of the ACT; and

(c) Positive INVESTMENT RETURN applicable to this account;

A.9.12.3 The following amounts shall be debited to the PENSION INCREASE UNDERPIN RESERVE ACCOUNT:

(a) Amounts required to provide pension increases to PENSIONS paid from the LIFE ANNUITY CAPITAL ACCOUNT in accordance with the minimum pension increase requirements of the ACT;

(b) Amounts used to stabilise increases to PENSIONS paid from the LIFE ANNUITY CAPITAL ACCOUNT in terms of the pension increase policy adopted by the BOARD in consultation with the ACTUARY from time to time; and

(c) Negative INVESTMENT RETURN applicable to this account.

A.9.13 PROCESSING ERROR RESERVE ACCOUNT

A.9.13.1 The purpose of the PROCESSING ERROR RESERVE ACCOUNT is to minimise the impact of any mismatching of:

(a) Investments and disinvestments;

(b) Asset management fees payable and deducted;

(c) Non-interest bearing debtors and creditors; and

(d) Miscellaneous mismatches

which may arise in the day to day administration of the Defined Contribution section of the FUND.

A.9.13.2 The following amounts shall be credited to the PROCESSING ERROR RESERVE ACCOUNT:

(a) The opening balance determined by the BOARD on the advice of the ACTUARY;

(b) Profits experienced in the Defined Contribution section of the FUND as a result of any mismatching as described in RULE A.9.13.1;

(c) Amounts re-allocated from other contingency reserve accounts, that the BOARD on the advice of the ACTUARY determines are not needed for purposes of such other accounts and where the BOARD on the advice of the ACTUARY determines they are needed to make proper provision for the FUND'S contingent liabilities for which this account was established; and

(d) Positive INVESTMENT RETURN applicable to this account.

A.9.13.3 The following amounts shall be debited to the PROCESSING ERROR RESERVE ACCOUNT:

(a) Losses experienced by the Defined Contribution section of the FUND as a result of any mismatching as described in RULE A.9.13.1, which the FUND is unable to recover from another party;

(b) Amounts transferred, if any, as determined at the discretion of the BOARD on the advice of the ACTUARY, in terms of RULE A.8.4.1;

(c) Amounts re-allocated to other contingency reserve accounts, when the BOARD on the advice of the ACTUARY determines such amounts are needed to provide for the contingencies for which those accounts were established and where the BOARD on the advice of the ACTUARY determines they are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established;

(d) Amounts released from this account to be apportioned under Section 15C of the ACT, when the BOARD on the advice of the ACTUARY determines that such amounts

are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established, provided that any amounts allocated for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT; and

(e) Negative INVESTMENT RETURN applicable to this account.

A.9.14 SOLVENCY RESERVE ACCOUNT

A.9.14.1 The FUND shall maintain a SOLVENCY RESERVE ACCOUNT which shall be equal to the amount required on the advice of the ACTUARY to stabilise the funding level of the Defined Benefit section to a level considered prudent by the ACTUARY, having regard to the FUND'S liability to provide the benefits in respect of DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS, PAID-UP PENSIONERS and PENSION RECIPIENTS other than LIVING ANNUITY COMPONENTS.

The balance maintained in the SOLVENCY RESERVE ACCOUNT shall be limited to what is affordable, having regard to the financial position of the FUND.

A.9.14.2 The following amounts shall be credited to the SOLVENCY RESERVE ACCOUNT:

(a) Amounts allocated to this account initially and from time to time by the BOARD following a valuation of the FUND by the ACTUARY;

(b) Amounts re-allocated from other contingency reserve accounts, that the BOARD on the advice of the ACTUARY determines are not needed for purposes of such other accounts and where the BOARD on the

advice of the ACTUARY determines they are needed to make proper provision for the FUND'S contingent liabilities for which this account was established;

(c) Positive INVESTMENT RETURN applicable to this account.

A.9.14.3 The following amounts shall be debited to the SOLVENCY RESERVE ACCOUNT:

(a) Amounts debited to this account from time to time by the BOARD following a valuation of the FUND by the ACTUARY;

(b) Amounts re-allocated to other contingency reserve accounts, when the BOARD on the advice of the ACTUARY determines such amounts are needed to provide for the contingencies for which those accounts were established and where the BOARD on the advice of the ACTUARY determines they are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established;

(c) Amounts, if any, as determined by the BOARD used from the SOLVENCY RESERVE ACCOUNT to increase benefits payable to or in respect of DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS, PAID-UP PENSIONERS and PENSION RECIPIENTS other than LIVING ANNUITY COMPONENTS in respect of those individuals who cease to be MEMBERS, DEFERRED MEMBERS or PENSION RECIPIENTS in any of the circumstances provided for in the RULES, provided that the value of the PENSIONABLE SERVICE purchased with any such amount allocated to a MEMBER shall be allocated one-third to the MEMBER'S SAVINGS COMPONENT and

two-thirds to the MEMBER'S RETIREMENT COMPONENT in the FUND;

(d) Amounts released from this account to be apportioned under Section 15C of the ACT, when the BOARD on the advice of the ACTUARY determines that such amounts are not needed to make proper provision for the FUND'S contingent liabilities for which this account was established, provided that any amounts allocated for the benefit of MEMBERS shall be allocated one-third to each MEMBER'S SAVINGS COMPONENT and two-thirds to each MEMBER'S RETIREMENT COMPONENT; and

(e) Negative INVESTMENT RETURN applicable to this account.

A.9.15 UNCLAIMED BENEFITS RESERVE ACCOUNT

A.9.15.1 The purpose of the UNCLAIMED BENEFITS RESERVE ACCOUNT is to house UNCLAIMED BENEFITS.

A.9.15.2 The following amounts shall be credited to the UNCLAIMED BENEFITS RESERVE ACCOUNT:

(a) Any amount received for the benefit of persons as envisaged by RULE A.8.1.2;

(b) all monies retained in the UNCLAIMED BENEFITS RESERVE ACCOUNT in terms of RULE A.4.7.1; and

(c) Positive INVESTMENT RETURN applicable to this account.

A.9.15.3 The following amounts shall be debited to the UNCLAIMED BENEFITS RESERVE ACCOUNT:

(a) Reasonable expenses, that are specific to the UNCLAIMED BENEFITS, as determined by the BOARD in terms of RULE A.4.7.2;

(b) Reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the UNCLAIMED BENEFITS RESERVE ACCOUNT, as determined by the BOARD;

(c) Payment of UNCLAIMED BENEFITS to the exited MEMBER, PENSION RECIPIENT or other BENEFICIARIES; and

(d) Negative INVESTMENT RETURN applicable to this account.

A.9.15.4 An UNCLAIMED BENEFIT does not include the benefit of a DEFERRED MEMBER, DB DEFERRED PENSIONER, a DC DEFERRED PENSIONER or a PAID-UP PENSIONER that has not become legally due and payable.

A.10 INVESTMENTS

A.10.1 INVESTMENT POLICY STATEMENT

A.10.1.1 The INVESTMENT POLICY STATEMENT must:

(a) be devised on the basis of expert advice;

(b) be reviewed by the BOARD at least annually;

(c) set out the range of investment portfolios, which will form part of the FUND'S portfolio of investments available for the purposes of RULE A.10.3.1, including the default investment portfolios referred to in RULE A.10.3.1;

(d) set out which investment portfolios are applicable in respect of each account referred to in RULE A.10.4.3;

(e) be communicated to MEMBERS on inception of MEMBERSHIP and thereafter as may be prescribed by the ACT; and

(f) if changed in any way as to directly affect a MEMBER or PENSION RECIPIENT, such change be communicated

as and when it occurs to such MEMBER or PENSION RECIPIENT.

A.10.2 INVESTMENT RULES

A.10.2.1 The investment in and disinvestment from an investment portfolio shall be subject to such conditions relating to, inter alia, frequency, dates, times, constraints and costs as shall be determined the BOARD.

A.10.2.2 In particular, without derogating from the generality of the powers of the BOARD set out in RULE A.10.2.1, the BOARD shall determine the procedure for establishing the CALCULATION DATE, being the date on which a DC MEMBER'S or DC DEFERRED PENSIONER'S COMPONENTS are calculated on his retirement, death or leaving SERVICE in terms of or in order to transfer the DC MEMBER'S or DC DEFERRED PENSIONER'S COMPONENTS, including a SAVINGS COMPONENT withdrawal, from the FUND or to establish a LIFE ANNUITY COMPONENT or LIVING ANNUITY COMPONENT within the FUND, in any of the circumstances contemplated in these RULES.

A.10.3 INVESTMENT OPTIONS

A.10.3.1 Notwithstanding the provisions of RULE A.5.16, the investment powers of the BOARD may be delegated by the BOARD to each DC MEMBER, DC DEFERRED PENSIONER and LIVING ANNUITANT on such terms and conditions and in accordance with such procedures as the BOARD may prescribe from time to time, provided that such terms, conditions and procedures shall comply with the requirements of the ACT and the regulations framed thereunder. These terms, conditions and procedures shall be communicated to MEMBERS on inception of MEMBERSHIP and thereafter as may be required by the ACT and include but are not limited to:

(a) The right of the BOARD to determine, and change from time to time, the number, range and composition of any investment portfolios from which a DC MEMBER or DC DEFERRED PENSIONER may elect to invest all or part of his FUND CREDIT and/or retirement funding contributions paid by and in respect of him;

(b) The right of the BOARD to determine, and change from time to time, the number, range and composition of any investment portfolios from which a LIVING ANNUITANT may elect to invest all or part of his LIVING ANNUITY CAPITAL ACCOUNT;

(c) The right of the BOARD, in their sole discretion, to take into account any charges incurred or penalties imposed in connection with any investment choice made by a DC MEMBER, DC DEFERRED PENSIONER or LIVING ANNUITANT when determining the INVESTMENT RETURN in respect of that DC MEMBER, DC DEFERRED PENSIONER or PENSION RECIPIENT;

(d) The right of the BOARD to determine, and change from time to time, conditions related to the ability of the DC MEMBER, DC DEFERRED PENSIONER and LIVING ANNUITANT to switch between investment portfolios;

(e) In the case of a DC MEMBER or DC DEFERRED PENSIONER who does not elect within such timeframe specified by the BOARD, an investment portfolio in respect of his FUND CREDIT and/or retirement funding contributions paid by and in respect of him, the right of the BOARD to select and change the investment portfolio to a default investment portfolio in respect of such a DC MEMBER or DC DEFERRED PENSIONER taking into account such factors as deemed appropriate by the BOARD.

A.10.3.2 The BOARD shall take reasonable steps to ensure that DC MEMBERS, DC DEFERRED PENSIONERS and LIVING ANNUITANTS are adequately informed of the investment choices available to them and the possible consequences of their decisions. The BOARD shall in no way advise, influence or assist DC MEMBERS, DC DEFERRED PENSIONERS and PENSION RECIPIENTS in making their choices, it being a requisite that such advice be obtained by DC MEMBERS, DC DEFERRED PENSIONERS and PENSION RECIPIENTS from advisers of their choosing.

A.10.3.3 Whilst the BOARD shall take reasonable steps to ensure that the interests of all MEMBERS and LIVING ANNUITANTS are protected, the BOARD and the FUND shall not be liable for any loss, damage or prejudice suffered, or alleged to be suffered, by any MEMBER, LIVING ANNUITANT or other person claiming to be entitled to a benefit or any other amount under the FUND, as a result of or in connection with any investment choice made by a MEMBER or LIVING ANNUITANT.

A.10.4 INVESTMENT RETURN

A.10.4.1 The INVESTMENT RETURN credited or debited to the COMPONENTS within a DC MEMBER'S or DC DEFERRED PENSIONER'S share of the FUND CREDIT ACCOUNT shall be equal to the return, whether positive or negative, net of investment manager fees, investment related expenses and investment charges and taxes on investment earnings, on the FUND'S investments of the assets attributed to that share of that account or COMPONENT, having regard to the investment portfolio or portfolios in which such assets are invested. It is specifically provided that if, in terms of the investment strategy adopted by the FUND, the assets of a DC MEMBER or DC DEFERRED PENSIONER or the assets of different DC MEMBERS or DC DEFERRED PENSIONERS or the assets of different COMPONENTS attributable to DC MEMBERS or DC

DEFERRED PENSIONERS are invested in different portfolios, each such investment shall receive the net return attributable to that portfolio.

A.10.4.2 The INVESTMENT RETURN credited or debited a LIVING ANNUITANT'S balance in the LIVING ANNUITY CAPITAL ACCOUNT shall be the return, whether positive or negative, net of investment manager fees, investment related expenses and investment charges and taxes on investment earnings, on the FUND'S investments of the assets attributed to that account, having regard to the investment portfolio or portfolios in which such assets are invested. It is specifically provided that if, in terms of the investment strategy adopted by the FUND, the assets of a LIVING ANNUITANT or the assets of different LIVING ANNUITANTS are invested in different portfolios, each such investment shall receive the net return attributable to that portfolio.

A.10.4.3 The INVESTMENT RETURN credited or debited to the

(i) DATA ERROR AND LEGAL LIABILITY CONTINGENCY RESERVE ACCOUNT;

(ii) DC EXPENSE RESERVE ACCOUNT;

(iii) DISTRIBUTION RESERVE ACCOUNT;

(iv) EMPLOYER SURPLUS ACCOUNT;

(v) EXPENSE CONTINGENCY RESERVE ACCOUNT;

(vi) LIFE ANNUITY CAPITAL ACCOUNT

(viii) MEMBER SURPLUS ACCOUNT;

(ix) MEMBER'S INDIVIDUAL ACCOUNT;

(x) PENSION INCREASE UNDERPIN ACCOUNT;

(xi) PROCESSING ERROR RESERVE ACCOUNT;

(xii) SOLVENCY RESERVE; and

(xiii) UNCLAIMED BENEFITS RESERVE ACCOUNT

shall be equal to the return, whether positive or negative, net of investment manager fees, investment related expenses and investment charges and taxes on investment earnings, on the FUND'S investments of the assets attributed to that account or COMPONENTS within that account, as applicable, having regard to the investment portfolio or portfolios in which such assets are invested by the BOARD from time to time.

A.10.4.4 In determining INVESTMENT RETURN the BOARD may decide to utilise a unitisation process.

A.10.5 DETERMINATION OF A DC MEMBER'S FUND CREDIT

A.10.5.1 The DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT is equal to sum of the balance available in each COMPONENT within the FUND CREDIT ACCOUNT in respect of the DC MEMBER or DC DEFERRED PENSIONER.

A.10.5.2 The value of a DC MEMBER'S or DC DEFERRED PENSIONER'S FUND CREDIT is determined in terms of RULE A.9.7 and excludes INVESTMENT RETURN on that portion of the FUND CREDIT of a DC MEMBER or DC DEFERRED PENSIONER which has been assigned to a NON-MEMBER SPOUSE in terms of a DIVORCE ORDER on and after the date on which the DIVORCE ORDER was granted.

A.11 COMPOSITION OF COMPONENTS APPLICABLE TO THE DEFINED CONTRIBUTION SECTION OF THE FUND

A.11.1 RETIREMENT COMPONENT IN RESPECT OF DC MEMBERS AND DC DEFERRED PENSIONERS

A.11.1.1 The following amounts shall be credited to the RETIREMENT COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) The CONTRIBUTIONS allocated in terms of RULE B.2.1.2(b)(ii);

(b) Any amount transferred from a retirement component in another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in terms of, RULE A.8.1.1, RULE A.8.1.3, RULE A.8.1.4, RULE A.8.1.5 or RULE B.2.1.2(c);

(c) The CONTRIBUTIONS allocated in terms of RULE B.2.2.7(b)(ii);

(d) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the MEMBER in terms of Section 15C of the ACT or in terms of the RULES of the FUND;

(e) Transfers from the MEMBER'S SAVINGS COMPONENT, VESTED ANNUITY COMPONENT or VESTED LUMP SUM COMPONENT in terms of RULE A.13.3;

(f) Interest paid by the EMPLOYER to the FUND in respect of the late payment of contributions attributable to the RETIREMENT COMPONENT in terms of RULE A.4.8.5;

(g) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(h) Any other allocations or transfers to the RETIREMENT COMPONENT in terms of these RULES; and

(i) Positive INVESTMENT RETURN applicable to the RETIREMENT COMPONENT taking into account the portfolio or portfolios in which the RETIREMENT COMPONENT is invested.

A.11.1.2 The following amounts shall be debited to the RETIREMENT COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) Benefit payments and amounts transferred to other APPROVED FUNDS in terms of these RULES to a maximum of the balance standing to the credit of the RETIREMENT COMPONENT at the CALCULATION DATE;

(b) Reasonable expenses, that are specific to the DC MEMBER or DC DEFERRED PENSIONER and attributable to the RETIREMENT COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(c) In respect of DC DEFERRED PENSIONERS, reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the DC DEFERRED PENSIONERS and attributable to the RETIREMENT COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(d) Any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE B.1.5;

(e) Any other amounts deducted in terms of Section 37D of the ACT;

(f) Any other payments, deductions or transfers from the RETIREMENT COMPONENT in terms of these RULES; and

(g) Negative INVESTMENT RETURN applicable to the RETIREMENT COMPONENT taking into account the portfolio or portfolios in which the RETIREMENT COMPONENT is invested.

A.11.2 SAVINGS COMPONENT IN RESPECT OF DC MEMBERS AND DC

DEFERRED PENSIONERS

A.11.2.1 The following amounts shall be credited to the SAVINGS COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) For a MEMBER in the FUND on 1 September 2024, the amount in RULE A.11.3.2(a) transferred from the MEMBER'S VESTED ANNUITY COMPONENT and the amount in RULE A.11.4.2(a) transferred from the MEMBER'S VESTED LUMP SUM COMPONENT;

(b) The CONTRIBUTIONS allocated in terms of RULE B.2.1.2(b)(i);

(c) Any amount transferred from a vested annuity component, or similar component, in another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in terms of RULE A.8.1.1, RULE A.8.1.3, RULE A.8.1.4, RULE A.8.1.5 or B.2.1.2(c);

(d) The CONTRIBUTIONS allocated in terms of RULE B.2.2.7(b)(i);

(e) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the MEMBER in terms of Section 15C of the ACT or in terms of the RULES of the FUND;

(f) Interest paid by the EMPLOYER to the FUND in respect of the late payment of contributions attributable to the SAVINGS COMPONENT in terms of RULE A.4.8.5;

(g) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(h) Any other allocations or transfers to the SAVINGS COMPONENT in terms of these RULES; and

(i) Positive INVESTMENT RETURN applicable to the SAVINGS COMPONENT taking into account the portfolio or portfolios in which the SAVINGS COMPONENT is invested.

A.11.2.2 The following amounts shall be debited to the SAVINGS COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) SAVINGS COMPONENT withdrawals in terms of RULE B.6;

(b) Transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(a);

(c) Benefit payments and amounts transferred to other APPROVED FUNDS in terms of these RULES to a maximum of the balance standing to the credit of the SAVINGS COMPONENT at the CALCULATION DATE;

(d) Reasonable expenses, that are specific to the DC MEMBER or DC DEFERRED PENSIONER and attributable to the SAVINGS COMPONENT, including expenses in terms of RULE B.6.1.1(c), as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(e) In respect of DC DEFERRED PENSIONERS, reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the DC DEFERRED PENSIONERS and attributable to the SAVINGS COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(f) Any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE B.1.5;

(g) Any other amounts deducted in terms of Section 37D of the ACT;

(h) Any other payments, deductions or transfers from the SAVINGS COMPONENT in terms of these RULES; and;

(i) Negative INVESTMENT RETURN applicable to the SAVINGS COMPONENT taking into account the portfolio or portfolios in which the SAVINGS COMPONENT is invested.

A.11.3 VESTED ANNUITY COMPONENT IN RESPECT OF DC MEMBERS AND DC DEFERRED PENSIONERS

A.11.3.1 The following amounts shall be credited to the VESTED ANNUITY COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) For a MEMBER in the FUND on 1 September 2024, his FUND CREDIT on 31 August 2024 less his VESTED AMOUNT on 31 August 2024;

(b) The CONTRIBUTIONS allocated in terms of RULE B.2.1.2(a);

(c) Any amount transferred from a vested annuity component in another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in terms of RULE A.8.1.1, RULE A.8.1.3, RULE A.8.1.4, RULE A.8.1.5 or B.2.1.2(c);

(d) The CONTRIBUTIONS allocated in terms of RULE B.2.2.7(a);

(e) Interest paid by the EMPLOYER to the FUND in respect of the late payment of contributions attributable to the VESTED ANNUITY COMPONENT in terms of RULE A.4.8.5;

(f) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(g) Any other allocations or transfers to the VESTED ANNUITY COMPONENT in terms of these RULES; and

(h) Positive INVESTMENT RETURN applicable to the VESTED ANNUITY COMPONENT taking into account the portfolio or portfolios in which the VESTED ANNUITY COMPONENT is invested.

A.11.3.2 The following amounts shall be debited to the VESTED ANNUITY COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) Transfer of a MEMBER'S SAVINGS COMPONENT SEEDING AMOUNT to his SAVINGS COMPONENT in terms of RULE A.13.1.1(a);

(b) Transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(b);

(c) Benefit payments and amounts transferred to other APPROVED FUNDS in terms of these RULES to a maximum of the balance standing to the credit of the VESTED ANNUITY COMPONENT at the CALCULATION DATE;

(d) Reasonable expenses, that are specific to the DC MEMBER or DC DEFERRED PENSIONER and attributable to the VESTED ANNUITY COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(e) In respect of DC DEFERRED PENSIONERS, reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the DC DEFERRED PENSIONERS and attributable to the VESTED ANNUITY COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(f) Any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE B.1.5;

(g) Any other amounts deducted in terms of Section 37D of the ACT;

(h) Any other payments, deductions or transfers from the VESTED ANNUITY COMPONENT in terms of these RULES; and

(i) Negative INVESTMENT RETURN applicable to the SAVINGS COMPONENT taking into account the portfolio or portfolios in which the VESTED ANNUITY COMPONENT is invested.

A.11.4 VESTED LUMP SUM COMPONENT IN RESPECT OF DC MEMBERS AND DC DEFERRED PENSIONERS

A.11.4.1 The following amounts shall be credited to the VESTED LUMP SUM COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) For a MEMBER in the FUND on 1 September 2024, his VESTED AMOUNT on 31 August 2024;

(b) Any amount transferred from a vested lump sum component in another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, in terms of RULE A.8.1.1, RULE A.8.1.3, RULE A.8.1.4, RULE A.8.1.5 or B.2.1.2(c);

(c) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(e) Any other allocations or transfers to the VESTED LUMP SUM COMPONENT in terms of these RULES; and

(f) Positive INVESTMENT RETURN applicable to the VESTED LUMP SUM COMPONENT taking into account

the portfolio or portfolios in which the VESTED LUMP SUM COMPONENT is invested.

A.11.4.2 The following amounts shall be debited to the VESTED LUMP SUM COMPONENT in respect of each DC MEMBER and DC DEFERRED PENSIONER on or after 1 September 2024:

(a) Transfer of a MEMBER'S SAVINGS COMPONENT SEEDING AMOUNT to his SAVINGS COMPONENT in terms of A.13.1.1(b);

(b) Transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(b);

(c) Benefit payments and amounts transferred to other APPROVED FUNDS in terms of these RULES to a maximum of the balance standing to the credit of the VESTED LUMP SUM COMPONENT at the CALCULATION DATE;

(d) Reasonable expenses, that are specific to the DC MEMBER or DC DEFERRED PENSIONER and attributable to the VESTED LUMP SUM COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(e) In respect of DC DEFERRED PENSIONERS, reasonable expenses necessary to meet the ongoing costs of the FUND to be borne by the DC DEFERRED PENSIONERS and attributable to the VESTED LUMP SUM COMPONENT, as determined by the BOARD, transferred to the DC EXPENSE RESERVE ACCOUNT;

(f) Any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE B.1.5;

(g) Any other amounts deducted in terms of Section 37D of the ACT;

(h) Any other payments, deductions or transfers from the VESTED LUMP SUM COMPONENT in terms of these RULES; and

(i) Negative INVESTMENT RETURN applicable to the SAVINGS COMPONENT taking into account the portfolio or portfolios in which the VESTED LUMP SUM is invested.

A.12 COMPOSITION OF COMPONENTS APPLICABLE TO THE DEFINED BENEFIT SECTION OF THE FUND

A.12.1 RETIREMENT COMPONENT IN RESPECT OF DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS

A.12.1.1 The FUND shall establish a RETIREMENT COMPONENT for each DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER of the FUND on or after 1 September 2024. Such RETIREMENT COMPONENT shall form part of each MEMBER'S benefit in the FUND.

A.12.1.2 The credits of amounts or the value of PENSIONABLE SERVICE to, and debits of amounts or the value of PENSIONABLE SERVICE from the RETIREMENT COMPONENT in respect of the values or amounts in RULE A.12.1.3 and RULE A.12.1.4, shall be determined by the ACTUARY, taking into account such factors as the ACTUARY considers relevant, including the impact of such factors on the MEMBER'S ACCUMULATED MEMBER'S CONTRIBUTIONS, MEMBER'S INDIVIDUAL ACCOUNT, MINIMUM INDIVIDUAL RESERVE and PENSIONABLE SERVICE provided that any such credits or debits are cost neutral to the FUND at the time that they are implemented.

A.12.1.3 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the

following amounts shall be credited to the RETIREMENT COMPONENT:

(a) The value of PENSIONABLE SERVICE accrued after 1 September 2024 in terms of RULE C.2.4.1(b);

(b) Contributions paid by the DB MEMBER in terms of RULE C.2.2.1;

(c) Transfers into the FUND on behalf of the DB MEMBER in terms of RULE A.8.1.4, RULE A.8.1.5, RULE C.2.2.2 or RULE C.2.2.3;

(d) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the MEMBER in terms of Section 15C of the ACT or in terms of the RULES of the FUND;

(e) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(f) Transfers of the amount or value of PENSIONABLE SERVICE, as applicable, from the MEMBER'S SAVINGS COMPONENT, VESTED ANNUITY COMPONENT or VESTED LUMP SUM COMPONENT in terms of RULE A.13.3.1;

(g) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any other amount allocated to the RETIREMENT COMPONENT in terms of the RULES; and

(h) Positive INVESTMENT RETURN applicable to the RETIREMENT COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the RETIREMENT COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.1.4 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be debited from the RETIREMENT COMPONENT:

(a) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any expenses deducted from the RETIREMENT COMPONENT as determined by the BOARD;

(b) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE C.1.4;

(c) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of benefit payments, payments in terms of section 37D of the ACT and transfers in terms of these RULES, including any amount required to establish a pension in the FUND for a member who elects to become a FUND PENSIONER; and

(d) Negative INVESTMENT RETURN applicable to the RETIREMENT COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the RETIREMENT COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.2 SAVINGS COMPONENT IN RESPECT OF DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS

A.12.2.1 The FUND shall establish a SAVINGS COMPONENT for each DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER of the FUND on or after 1 September 2024. Such SAVINGS COMPONENT shall form part of each MEMBER'S benefit in the FUND.

A.12.2.2 The credits of amounts or the value of PENSIONABLE SERVICE to, and debits of amounts or the value of PENSIONABLE SERVICE from the SAVINGS COMPONENT in respect of the values or amounts in RULE A.12.2.3 and RULE A.12.2.4 respectively, shall be determined by the ACTUARY, taking into account such factors as the ACTUARY considers relevant, including the impact of such factors on the MEMBER'S ACCUMULATED MEMBER'S CONTRIBUTIONS, MEMBER'S INDIVIDUAL ACCOUNT, MINIMUM INDIVIDUAL RESERVE and PENSIONABLE SERVICE provided that any such credits or debits are cost neutral to the FUND at the time that they are implemented.

A.12.2.3 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be credited to the SAVINGS COMPONENT:

(a) For a MEMBER in the FUND on 1 September 2024, the amount or value of the PENSIONABLE SERVICE, as applicable, transferred from the MEMBER'S VESTED ANNUITY COMPONENT and the MEMBER'S VESTED LUMP SUM COMPONENT in terms of RULE A.13.2.1(a) and RULE A.13.2.1(b) respectively;

(b) The value of PENSIONABLE SERVICE accrued after 1 September 2024 in terms of RULE C.2.4.1(a);

(c) Contributions paid by the DB MEMBER in terms of RULE C.2.2.1;

(d) Transfers into the FUND on behalf of the DB MEMBER in terms of RULE A.8.1.4, RULE A.8.1.5, RULE C.2.2.2 or RULE C.2.2.3;

(e) Any amount allocated from the MEMBER SURPLUS ACCOUNT or the EMPLOYER SURPLUS ACCOUNT or any other amount allocated for the benefit of the

MEMBER in terms of Section 15C of the ACT or in terms of the RULES of the FUND;

(f) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(g) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any other amount allocated to the SAVINGS COMPONENT in terms of the RULES;

(h) Positive INVESTMENT RETURN applicable to the SAVINGS COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the SAVINGS COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.2.4 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be debited from the SAVINGS COMPONENT:

(a) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of SAVINGS COMPONENT withdrawals in terms of RULE C.7;

(b) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(a);

(c) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any expenses deducted from the SAVINGS COMPONENT, including expenses in terms of RULE C.7.1.1(d) as determined by the BOARD;

(d) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE C.1.4;

(e) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of benefit payments, payments in terms of section 37D of the ACT and transfers in terms of these RULES, including any amount required to establish a pension in the FUND for a member who elects to become a FUND PENSIONER; and

(f) Negative INVESTMENT RETURN applicable to the SAVINGS COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the SAVINGS COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.3 VESTED ANNUITY COMPONENT IN RESPECT OF DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS

A.12.3.1 The FUND shall establish a VESTED ANNUITY COMPONENT for each DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER of the FUND on or after 1 September 2024. Such VESTED ANNUITY COMPONENT shall form part of each MEMBER'S benefit in the FUND.

A.12.3.2 The credits of amounts or the value of PENSIONABLE SERVICE to, and debits of amounts or the value of PENSIONABLE SERVICE from the VESTED ANNUITY COMPONENT in respect of the values or amounts in RULE A.12.3.3 and RULE A.12.3.4 respectively, shall be determined by the ACTUARY, taking into account such factors as the ACTUARY considers relevant, including the impact of such factors on the MEMBER'S ACCUMULATED MEMBER'S CONTRIBUTIONS, MEMBER'S INDIVIDUAL ACCOUNT, MINIMUM INDIVIDUAL RESERVE and PENSIONABLE SERVICE provided that any such credits or debits are cost neutral to the FUND at the time that they are implemented.

A.12.3.3 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be credited to the VESTED ANNUITY COMPONENT:

(a) For a MEMBER who was a MEMBER of the FUND on 1 September 2024, the amount or value of the PENSIONABLE SERVICE, as applicable, in respect of his FUND benefit on 31 August 2024 less the value of the PENSIONABLE SERVICE in respect of his VESTED AMOUNT on 31 August 2024; and.

(b) Transfers into the FUND on behalf of the DB MEMBER in terms of RULE A.8.1.4, RULE A.8.1.5, RULE C.2.2.2 or RULE C.2.2.3;

(c) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(d) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any other amount allocated to the VESTED ANNUITY COMPONENT in terms of the RULES; and

(e) Positive INVESTMENT RETURN applicable to the VESTED ANNUITY COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the VESTED ANNUITY COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.3.4 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be debited from the VESTED ANNUITY COMPONENT:

(a) Transfer of the amount or value of PENSIONABLE SERVICE, as applicable, in respect of a MEMBER'S

SAVINGS COMPONENT SEEDING AMOUNT to his SAVINGS COMPONENT in terms of RULE A.13.2.1(a);

(b) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(b);

(c) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any expenses deducted from the VESTED ANNUITY COMPONENT as determined by the BOARD;

(d) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE C.1.4;

(e) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of benefit payments, payments in terms of section 37D of the ACT and transfers in terms of these RULES, including any amount required to establish a pension in the FUND for a member who elects to become a FUND PENSIONER; and

(f) Negative INVESTMENT RETURN applicable to the VESTED ANNUITY COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the VESTED ANNUITY COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.4 VESTED LUMP SUM COMPONENT IN RESPECT OF DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS

A.12.4.1 The FUND shall establish a VESTED LUMP SUM COMPONENT for each DB MEMBER, DEFERRED MEMBER,

DB DEFERRED PENSIONER or PAID-UP PENSIONER of the FUND on or after 1 September 2024. Such VESTED LUMP SUM COMPONENT shall form part of each MEMBER'S benefit in the FUND.

A.12.4.2 The credits of amounts or the value of PENSIONABLE SERVICE to, and debits of amounts or the value of PENSIONABLE SERVICE from the VESTED LUMP SUM COMPONENT in respect of the values or amounts in RULE A.12.4.3 and RULE A.12.4.4 respectively, shall be determined by the ACTUARY, taking into account such factors as the ACTUARY considers relevant, including the impact of such factors on the MEMBER'S ACCUMULATED MEMBER'S CONTRIBUTIONS, MEMBER'S INDIVIDUAL ACCOUNT, MINIMUM INDIVIDUAL RESERVE and PENSIONABLE SERVICE provided that any such credits or debits are cost neutral to the FUND at the time that they are implemented.

A.12.4.3 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be credited to the VESTED LUMP SUM COMPONENT:

(a) For a MEMBER who was a MEMBER of the FUND on 1 September 2024, the amount or value of the PENSIONABLE SERVICE, as applicable, in respect of his VESTED AMOUNT on 31 August 2024; and.

(b) Transfers into the FUND on behalf of the DB MEMBER in terms of RULE A.8.1.4, RULE A.8.1.5, RULE C.2.2.2 or RULE C.2.2.3;

(c) Any amount allocated as a result of the disposition of a benefit in terms of RULE B.1.5.2 or RULE C.1.4.2;

(d) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any other amount allocated to

the VESTED LUMP SUM COMPONENT in terms of the RULES; and

(e) Positive INVESTMENT RETURN applicable to the VESTED LUMP SUM COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the VESTED LUMP SUM COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.12.4.4 For each applicable DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER the following amounts shall be debited from the VESTED LUMP SUM COMPONENT:

(a) Transfer of the amount or value of PENSIONABLE SERVICE, as applicable, in respect of a MEMBER'S SAVINGS COMPONENT SEEDING AMOUNT to his SAVINGS COMPONENT in terms of RULE A.13.2.1(b);

(b) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of transfers to the MEMBER'S RETIREMENT COMPONENT in terms of RULE A.13.3.1(b);

(c) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any expenses deducted from the VESTED LUMP SUM COMPONENT as determined by the BOARD;

(d) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of any amounts paid to or in respect of, a NON-MEMBER SPOUSE in terms of RULE C.1.4;

(e) The amount or value of PENSIONABLE SERVICE, as applicable, in respect of benefit payments, payments in terms of section 37D of the ACT and transfers in terms of these RULES, including any amount required to

establish a pension in the FUND for a member who elects to become a FUND PENSIONER; and

(f) Positive INVESTMENT RETURN applicable to the VESTED LUMP SUM COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT taking into account the portfolio or portfolios in which the VESTED LUMP SUM COMPONENT of the MEMBER'S INDIVIDUAL ACCOUNT is invested.

A.13 SAVINGS COMPONENT SEEDING AND TRANSFERS BETWEEN COMPONENTS

A.13.1 SAVINGS COMPONENT SEEDING AMOUNT IN RESPECT OF DC MEMBERS AND DC DEFERRED PENSIONERS

A.13.1.1 The SAVINGS COMPONENT SEEDING AMOUNT for a DC MEMBER and DC DEFERRED PENSIONER who was a MEMBER of the FUND on 1 September 2024 shall be as follows:

(a) A transfer from the MEMBER'S VESTED ANNUITY COMPONENT to his SAVINGS COMPONENT equal to:

VESTED ANNUITY COMPONENT / FUND CREDIT x (lesser of 10% x FUND CREDIT and R30 000)

and

(b) A transfer from the MEMBER'S VESTED LUMP SUM COMPONENT to his SAVINGS COMPONENT equal to:

VESTED LUMP SUM COMPONENT / FUND CREDIT x (lesser of 10% x FUND CREDIT and R30 000)

provided that the SAVINGS COMPONENT SEEDING AMOUNT shall be calculated as at 31 August 2024

immediately after the transfer into the VESTED ANNUITY COMPONENT in terms of RULE A.11.3.1(a) and the transfer into the VESTED LUMP SUM COMPONENT in terms of RULE A.11.4.1(a).

A.13.2 SAVINGS COMPONENT SEEDING AMOUNT IN RESPECT OF DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS

A.13.2.1 The SAVINGS COMPONENT SEEDING AMOUNT for a DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER and PAID-UP PENSIONER who was a MEMBER of the FUND on 1 September 2024 shall be as follows:

(a) A transfer from the MEMBER'S VESTED ANNUITY COMPONENT to his SAVINGS COMPONENT equal to:

VESTED ANNUITY COMPONENT / FUND benefit x (lesser of 10% x FUND benefit and R30 000)

and

(b) A transfer from the MEMBER'S VESTED LUMP SUM COMPONENT to his SAVINGS COMPONENT equal to:

VESTED LUMP SUM COMPONENT / FUND benefit x (lesser of 10% x FUND benefit and R30 000)

where the FUND benefit referred to in RULE A.13.2.1(a) and RULE A.13.2.1(b) is equal to sum of the amount allocated to the MEMBER'S VESTED ANNUITY COMPONENT in terms of RULE A.12.3.3(a) and the amount allocated to the MEMBER'S VESTED LUMP SUM COMPONENT in terms of RULE A.12.4.3(a), on 31 August 2024,

provided that the SAVINGS COMPONENT SEEDING AMOUNT shall be calculated as at 31 August 2024 immediately after the transfer into the VESTED ANNUITY COMPONENT in terms of RULE A.12.3.3(a) and the transfer into the VESTED LUMP SUM COMPONENT in terms of RULE A.12.4.3(a).

A.13.3 TRANSFER OF BENEFITS BETWEEN COMPONENTS

A.13.3.1 A MEMBER shall at any time be entitled to elect to:

(a) Transfer all or part of the balance in his SAVINGS COMPONENT to his RETIREMENT COMPONENT; or

(b) Transfer all or part of the balance in his VESTED ANNUITY COMPONENT and his VESTED LUMP SUM COMPONENT to his RETIREMENT COMPONENT,

provided that the value of any amount so transferred shall be determined by the ACTUARY in respect of DB MEMBERS, DEFERRED MEMBERS, DB DEFERRED PENSIONERS AND PAID-UP PENSIONERS.

A.13.3.2 No transfers between COMPONENTS, other than those set out in RULE A.13.3.1 and the transfers on 1 September 2024 in terms of RULE A.13.1 and RULE A.13.2, shall be permitted.

PART B: DEFINED CONTRIBUTION RULES

B.1 GENERAL PROVISIONS

B.1.1 CESSATION OF MEMBERSHIP OF A DC MEMBER

B.1.1.1 Save insofar as the RULES specifically entitle or require a DC MEMBER to withdraw from his membership of the FUND while he remains in the SERVICE of an EMPLOYER, a DC MEMBER shall not be entitled to withdraw from his membership of the FUND while he remains in the SERVICE of an EMPLOYER.

B.1.1.2 Subject to any provision to the contrary in these RULES and the provisions of any policy of insurance issued to the FUND in respect of the provision of INSURED BENEFITS, a DC MEMBER shall cease to be eligible for INSURED BENEFITS on the day he leaves the SERVICE of the EMPLOYER.

B.1.1.3 A DC MEMBER who leaves SERVICE shall on the date of his exit from SERVICE, unless he elects to become a DC DEFERRED PENSIONER or to receive the benefits to which he is entitled in terms of these RULES, automatically become a DC DEFERRED PENSIONER. The DC DEFERRED PENSIONER'S FUND CREDIT, less any SAVINGS COMPONENT withdrawals in terms of RULE B.6, shall remain in the FUND until the FUND receives a written instruction from the DC DEFERRED PENSIONER in accordance with RULE B.5.2.2.

B.1.1.4 Where a DC MEMBER leaves SERVICE of one EMPLOYER and enters the SERVICE of another EMPLOYER within seven calendar days, then the DC MEMBER shall, for purposes of these RULES, not become a DC DEFERRED PENSIONER and shall remain a DC MEMBER for the period not in SERVICE and may not withdraw from the FUND in terms of these RULES; provided that no CONTRIBUTION is payable in respect of the

period that such person is a DC MEMBER whilst not in SERVICE.

B.1.1.5 A DC MEMBER, DC DEFERRED PENSIONER, DEFERRED MEMBER or PENSION RECIPIENT who has received all benefits from the FUND that he qualifies for, shall cease to be a MEMBER and shall have no further claim against the FUND.

B.1.2 MEMBERSHIP OF A DC MEMBER IN RECEIPT OF A DISABILITY INCOME BENEFIT

B.1.2.1 If a DC MEMBER becomes DISABLED and entitled to a DISABILITY INCOME BENEFIT then, for so long as he is paid a DISABILITY INCOME BENEFIT and has not elected to exit the FUND in terms of RULE B.1.2.6, he will remain a MEMBER of the FUND, be deemed to remain in SERVICE and the provisions of RULE B.1.2.2, RULE B.1.2.3, RULE B.1.2.4 and RULE B.1.2.5 shall apply to him.

B.1.2.2 CONTRIBUTIONS will continue to be payable by the MEMBER and his EMPLOYER, provided that the CONTRIBUTIONS payable by the EMPLOYER may instead be paid to the FUND by the applicable REGISTERED INSURER responsible for paying the DISABILITY INCOME BENEFIT.

B.1.2.3 If the DC MEMBER dies while he remains entitled to the DISABILITY INCOME BENEFIT, a benefit will be payable in terms of RULE B.4.

B.1.2.4 If the payment of the DISABILITY INCOME BENEFIT to the DC MEMBER stops while he is still alive and the DC MEMBER is re-employed by an EMPLOYER, he will remain a DC MEMBER of the FUND.

B.1.2.5 If the payment of the DISABILITY INCOME BENEFIT to the DC MEMBER stops while he is still alive and the DC MEMBER is not re-employed by an EMPLOYER, the DC MEMBER may be eligible for retirement in terms of RULE B.3.2 or if not eligible

his membership of the FUND will terminate immediately and he will become entitled to a benefit in terms of RULE B.5.1.1.

B.1.2.6 A DC MEMBER in receipt of the DISABILITY INCOME BENEFIT may, subject to such terms and conditions as determined by the BOARD from time to time, elect to retire from SERVICE in terms of RULE B.3.2.5 or elect to resign from SERVICE in terms of RULE B.5.1.1, in which case his membership of the FUND will terminate immediately, provided that, in respect of such DC MEMBER:

(a) In the event of resignation, the DISABILITY INCOME BENEFIT will continue to be paid to the DC MEMBER in terms of the policy with the REGISTERED INSURER with whom the DISABILITY INCOME BENEFIT is insured;

(b) In the event of retirement, the DISABILITY INCOME BENEFIT will cease in terms of the policy with the REGISTERED INSURER with whom the DISABILITY INCOME BENEFIT is insured;

(c) MEMBER and EMPLOYER CONTRIBUTIONS in terms of RULE B.1.2.2 will cease on the date of retirement or resignation from SERVICE, as applicable;

(d) The INSURED BENEFIT and the FUNERAL BENEFIT shall not become payable on the death of the DC MEMBER following the date of retirement or resignation from SERVICE, as applicable; and

(e) The FUND is not liable for any loss suffered by the DC MEMBER, the EMPLOYER or any other party as a result of the DC MEMBER’s election to retire or resign in terms of this RULE B.1.2.6.

B.1.3 TEMPORARY ABSENCE

B.1.3.1 If a DC MEMBER is absent from the SERVICE of an EMPLOYER with the consent of the EMPLOYER and the DC MEMBER is in receipt of full, reduced or no remuneration from the EMPLOYER, then the DC MEMBER'S membership of the FUND will continue. During this period, CONTRIBUTIONS may be paid, as agreed between the DC MEMBER and the EMPLOYER, with the exception of:

(a) the amount required to meet the ongoing expenses of the FUND; and

(b) to the extent that cover is available in terms of the insurance policies providing such benefits, the DISABILITY INCOME BENEFIT, FUNERAL BENEFIT and the INSURED BENEFIT premiums,

which will be paid by the applicable EMPLOYER on behalf of the MEMBER and will be based on the MEMBER'S full PENSIONABLE SALARY immediately prior to the commencement of the absence from service.

B.1.3.2 In the event of STRIKE ACTION, CONTRIBUTIONS will be paid based on shifts/days worked with the exception of:

(a) the amount required to meet the ongoing expenses of the FUND,

(b) to the extent that cover is available in terms of the insurance policies providing such benefits, the DISABILITY INCOME BENEFIT, FUNERAL BENEFIT and the INSURED BENEFIT premiums,

which will be paid by the applicable EMPLOYER on behalf of the MEMBER and will be based on the MEMBER'S full PENSIONABLE SALARY immediately prior to the commencement of the STRIKE ACTION for the duration of the STRIKE PERIOD regardless of actual shifts/days worked.

B.1.4 DC MEMBER MEDICAL REQUIREMENTS AND CONDITIONS APPLICABLE TO INSURED BENEFITS

B.1.4.1 This RULE shall apply notwithstanding anything to the contrary contained in these RULES.

B.1.4.2 The INSURED BENEFIT payable on the death of a DC MEMBER shall be insured with a REGISTERED INSURER selected by the BOARD. The INSURED BENEFIT shall not be payable in respect of any DC MEMBER after age 65, provided that the INSURED BENEFIT shall only be payable in respect of a DC MEMBER who was over his PENSION AGE on 1 January 2015, if he irrevocably elected to be covered for the INSURED BENEFIT and has EMPLOYER contributions allocated accordingly.

B.1.4.3 The BOARD has the power, when so instructed by the REGISTERED INSURER, to require that a DC MEMBER be examined at the REGISTERED INSURER'S expense by a medical practitioner appointed by the REGISTERED INSURER.

These medical examinations may be required in the event of a new DC MEMBER joining the FUND or if a DC MEMBER'S INSURED BENEFIT exceeds the "evidence of health" limit set from time to time by the REGISTERED INSURER.

If, in the REGISTERED INSURER'S opinion, a DC MEMBER is not in good health, the DC MEMBER'S benefits will be subject to such restrictions or additional premiums payable by the DC MEMBER in respect of his INSURED BENEFITS as the REGISTERED INSURER may impose. The FUND shall inform the DC MEMBER in writing of any restriction imposed in terms of this RULE. Failure by the PRINCIPAL OFFICER to inform the DC MEMBER accordingly shall not invalidate the other provisions of this RULE B.1.4.

B.1.4.4 The payment of any benefit based on the INSURED BENEFIT is subject to the claim being admitted by the REGISTERED INSURER and the amount payable to the BENEFICIARIES of the DC MEMBER in respect of the INSURED BENEFITS shall be limited to the amount paid by the REGISTERED INSURER to the FUND.

B.1.4.5 It is specifically provided that any election by a DC MEMBER to buy up his benefit in terms of RULE B.4.2.4 shall be subject to:

(a) The approval of the REGISTERED INSURER and any restrictions the REGISTERED INSURER may impose; and

(b) Any limit to the maximum multiple of PENSIONABLE SALARY a MEMBER may elect, as determined by the BOARD, in consultation with the REGISTERED INSURER.

B.1.4.6 If, in terms of RULE B.1.4, a reduced INSURED BENEFIT or no INSURED BENEFIT is payable resulting in a reduction in premiums payable on behalf of a DC MEMBER, then the BOARD may, in consultation with the ACTUARY, allocate such premium saving to a DC MEMBER in accordance with RULE B.2.2.2.

B.1.4.7 If the insurer with whom the separate policy of insurance underlying the DISABILITY INCOME BENEFIT is insured, regards any DC MEMBER as not eligible for the DISABILITY INCOME BENEFIT or eligible for a reduced DISABILITY INCOME BENEFIT in terms of the conditions of the policy, then the BOARD may, in consultation with the ACTUARY, allocate the premium saving to a DC MEMBER in accordance with RULE B.2.2.2.

B.1.5 DISPOSITION OF BENEFITS IN RESPECT OF A DIVORCED MEMBER

B.1.5.1 In the event that the FUND has on record or is provided, in respect of a DC MEMBER, with a valid and proper DIVORCE ORDER the FUND shall give effect to such DIVORCE ORDER.

B.1.5.2 If as a result of giving effect to such a DIVORCE ORDER, any portion of the MEMBER'S PENSION INTEREST ON DIVORCE is:

(a) paid to a NON-MEMBER SPOUSE;

(b) transferred to an APPROVED FUND in respect of a NON-MEMBER SPOUSE;

(c) allocated to matching COMPONENTS in the MEMBER'S INDIVIDUAL ACCOUNT of a NON-MEMBER SPOUSE where such NON-MEMBER SPOUSE is an existing DB MEMBER of the FUND; or

(d) allocated to matching COMPONENTS in the FUND CREDIT of a NON-MEMBER SPOUSE where such NON-MEMBER SPOUSE is an existing DC MEMBER of the FUND,

either at the date of divorce, the date the DC MEMBER exits the FUND or at any other date permissible or required in terms of the ACT or other applicable legislation, the benefits due to the DC MEMBER, in terms of these RULES shall be reduced:

(i) By such amount paid to, transferred on behalf of, or allocated to the matching COMPONENTS of the FUND CREDIT or MEMBER'S INDIVIDUAL ACCOUNT of, the NON-MEMBER SPOUSE, gross of any tax paid on behalf of the NON-MEMBER SPOUSE where the NON-MEMBER SPOUSE is liable for the tax; and

(ii) By any tax paid from the DC MEMBER'S benefit where the DC MEMBER is liable for the tax.

B.1.5.3 Any amount deducted, including any tax thereon, from a DC MEMBER'S FUND CREDIT in terms of RULE B.1.5.2 shall, where applicable, be deducted pro rata from the MEMBER's COMPONENTS on the date referred to in RULE B.1.5.2.

B.1.6 PAYMENT OF PENSION

B.1.6.1 All PENSIONS payable in terms of Part B of these RULES shall be, at the election of the MEMBER or BENEFICIARY, but subject to all of the terms and conditions relating to such election as determined by the BOARD from time to time:

(a) Purchased in the MEMBER'S or BENEFICIARY'S name from a REGISTERED INSURER(S) chosen by such person; or

(b) Paid from the FUND; or

(c) Partly paid from the FUND and the balance purchased in the MEMBER'S or BENEFICIARY'S name from a REGISTERED INSURER(S) chosen by such person,

provided that a MEMBER may instead of receiving a PENSION elect to transfer the whole of his FUND benefit to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND on his retirement from the FUND. Any such transfer or, where a MEMBER or BENEFICIARY elects to purchase a PENSION in terms of RULE B.1.6.1 (a) or RULE B.1.6.1 (c), each PENSION, shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

B.1.6.2 Where a MEMBER'S or BENEFICIARY'S PENSION, or part thereof, is purchased from a REGISTERED INSURER in his own name, including where a PENSIONER'S LIVING ANNUITY COMPONENT is applied to purchase a PENSION in terms of RULE B.1.6.4(l), the following shall apply:

(a) The MEMBER or BENEFICIARY shall choose the REGISTERED INSURER(S) from which each PENSION is purchased within such period as the BOARD may determine;

(b) The purchase of such PENSION must comply with the ACT, the Income Tax Act, 1962, and any directives of the REVENUE AUTHORITIES;

(c) The terms and conditions applicable to such PENSION, including any options elected by the MEMBER or BENEFICIARY and the determination of any benefit arising on his death, shall be subject to such terms and conditions as the BOARD from time to time determine and communicated to MEMBERS;

(d) The PENSION so purchased shall be compulsory, non-commutable, non-assignable and payable for the life of the MEMBER or BENEFICIARY and such other person or persons as the MEMBER or BENEFICIARY may at the time of purchase of the PENSION elect unless that person is a CHILD in which case the PENSION may cease on the CHILD reaching 18 years of age;

(e) On purchase of a PENSION for a MEMBER or BENEFICIARY from a REGISTERED INSURER, the FUND shall have no further liability in respect of such MEMBER or BENEFICIARY nor any person who would, but for the purchase of the PENSION, have had any right or expectation of any right or benefit to succeed to the rights of such MEMBER or BENEFICIARY in relation to the FUND. If the MEMBER or BENEFICIARY elected to have his PENSION partly paid from the FUND and the balance purchased in his name from a REGISTERED INSURER, the FUND shall have no further liability in respect of the MEMBER or BENEFICIARY nor any

person who would, but for the purchase of the PENSION, have had any right or expectation of any right or benefit to succeed to the rights of such MEMBER or BENEFICIARY in relation to the FUND in respect of the amount used to purchase a PENSION from a REGISTERED INSURER for the MEMBER or BENEFICIARY; and

(f) On purchase of a PENSION for a PENSION RECIPIENT in the form of an annuity in terms of the provision of RULE B.1.6.4 (l) , the FUND shall have no further liability in respect of the PENSION RECIPIENT nor any person who would, but for the purchase of the annuity, have had any right or expectation of any right or benefit to succeed to the rights of such PENSION RECIPIENT in relation to the FUND in respect of the amount previously held in the PENSIONER'S LIVING ANNUITY COMPONENT. If a PENSION RECIPIENT holds only a LIVING ANNUITY COMPONENT with the FUND and elects to purchase an annuity in terms of the provision of RULE B.1.6.4 (l), the FUND shall have no further liability in respect of the PENSION RECIPIENT nor any person who would, but for the purchase of the annuity, have had any right or expectation of any right or benefit to succeed to the rights of such PENSION RECIPIENT in relation to the FUND and the PENSION RECIPIENT shall cease to be a PENSION RECIPIENT in terms of these RULES.

B.1.6.3 An election by a MEMBER or BENEFICIARY to have his PENSION, or part thereof, paid from the FUND is subject to the consent of the BOARD and the PRINCIPAL EMPLOYER, in consultation with the ACTUARY, at all times. If the BOARD and the PRINCIPAL EMPLOYER should at any time withdraw such approval, then, in respect of all PENSIONS then being paid

from the FUND in terms of RULE B.1.6.4, the BOARD shall either:

(a) Purchase a PENSION for the PENSION RECIPIENT from a REGISTERED INSURER in the name of the FUND and for this purpose, the BOARD shall have power to effect policies of insurance with one or more REGISTERED INSURERS for the purpose of investing the FUND'S moneys in order to meet the cost of providing benefits in terms of these RULES; or

(b) Purchase a PENSION from a REGISTERED INSURER in the name of the PENSION RECIPIENT, in accordance with the provisions of RULE B.1.6.2.

B.1.6.4 If a MEMBER or BENEFICIARY elects to receive his PENSION, or part thereof, from the FUND the following conditions are applicable to the LIFE ANNUITY COMPONENT and the LIVING ANNUITY COMPONENT:

(a) The PENSION secured in terms of the provisions of (b) to (l) below must be payable for the life of the PENSION RECIPIENT unless that PENSION RECIPIENT is a CHILD, in which case:

(i) A LIVING ANNUITY COMPONENT cannot be elected; and

(ii) the PENSION may cease on the CHILD reaching 25 years of age;

(b) The full value of the benefit available on retirement in terms of RULE B.3, or death in terms of RULE B.4, less any amount commuted in terms of these RULES and less any amount used to purchase a PENSION from a REGISTERED INSURER, must first be applied to secure a LIFE ANNUITY COMPONENT of such minimum amount as the BOARD may agree to from time to time. The minimum amount does not apply where the

PENSION RECIPIENT has, after complying with the requirements of the BOARD, elected to purchase a LIVING ANNUITY COMPONENT with the full value of the benefit available, less any amount commuted, subject to any conditions the BOARD may impose;

(c) The MEMBER or WIDOW / WIDOWER must elect to apply the balance of the benefit available (if any) to secure an additional LIFE ANNUITY COMPONENT and/or LIVING ANNUITY COMPONENT payable from the FUND. A BENEFICIARY other than a MEMBER or WIDOW / WIDOWER must apply the benefit available (if any) to secure an additional LIFE ANNUITY COMPONENT payable from the FUND;

(d) The ACTUARY, using the assumptions agreed with the BOARD, shall determine the amount of capital required for the LIFE ANNUITY COMPONENT; provided that the LIFE ANNUITY COMPONENT must allow for:

(i) annual increases to the PENSION in terms of the pension increase policy adopted by the BOARD in consultation with the ACTUARY from time to time, payable from the date set out in the pension increase policy and subject to the minimum pension increase in terms of the ACT;

(ii) if the PENSION RECIPIENT is a retiring DC MEMBER or DC DEFERRED PENSIONER and is married or deemed by the BOARD to be married at retirement, provision must be made for a PENSION payable to the surviving WIDOW / WIDOWER equal to a minimum of 50 per cent of the PENSIONER'S PENSION entitlement at the date of his retirement after the exercise of any option permitted in terms of RULE B.3.3 and

adjusted to allow for any increase made in accordance with (i) above after the date of the PENSIONER'S retirement; and

(iii) if the PENSION RECIPIENT is a retiring DC MEMBER or DC DEFERRED PENSIONER, provision must be made that if the PENSION RECIPIENT dies within 5 years of the date of commencement of his PENSION then payment of his PENSION shall be continued until the end of the 5 year period; provided that, subject to the consent of the BOARD and subject to the such conditions as prescribed by the BOARD, the PENSIONER may elect a different period.

(e) The PENSION RECIPIENT shall not have an option to convert the LIFE ANNUITY COMPONENT into a LIVING ANNUITY COMPONENT at any time in the future or to change the terms of the LIFE ANNUITY COMPONENT or the lives covered;

(f) In the event of the death of a PENSIONER in receipt of a LIFE ANNUITY COMPONENT, the WIDOW / WIDOWERS and/or the CHILD'S portion will be allocated to the WIDOW / WIDOWERS and/or CHILDREN specified by the PENSIONER at the time of retirement;

(g) If the PENSION RECIPIENT elects to receive any part of his PENSION as a LIVING ANNUITY COMPONENT he shall be required to:

(i) nominate in which investment portfolio or portfolios in terms of RULE A.10.3 the LIVING ANNUITY CAPITAL ACCOUNT shall be invested;

(ii) annually, on the anniversary of the commencement of the PENSION, and subject to any requirements and restrictions of the REVENUE AUTHORITIES, elect the monthly amount of the LIVING ANNUITY COMPONENT of his PENSION. The monthly amount so elected shall be fixed for a period of 12 months.

Provided that, notwithstanding the provisions of this RULE B.1.6.4 (g) (ii), any LIVING ANNUITANT shall be advised by the BOARD when his PENSION is approaching the limits specified by the REVENUE AUTHORITIES from time to time;

(h) The PENSION payments in respect of the LIVING ANNUITY COMPONENT together with the amounts specified in RULE A.9.8.3 (b) shall be disinvested from the applicable investment portfolio or portfolios in the same proportion as the LIVING ANNUITANT specified his LIVING ANNUITY CAPITAL ACCOUNT shall be invested;

(i) A LIVING ANNUITANT may elect to nominate his SPOUSE and / or CHILD to, on his death, receive the balance of his LIVING ANNUITY CAPITAL ACCOUNT as a PENSION in terms of RULE B.1.6.1 (a), RULE B.1.6.1 (b) or RULE B.1.6.1 (c), in such proportions as he may elect, provided that:

(i) Such nomination must be made in writing to the FUND by the LIVING ANNUITANT and must contain such information about the SPOUSE and / or CHILD, as specified by the FUND, to enable the FUND to identify and contact the SPOUSE and / or CHILD;

(ii) Such nomination may at any time be replaced and or repealed, in writing, by the LIVING ANNUITANT;

(iii) If any of the nominated BENEFICIARIES have pre-deceased the LIVING ANNUITANT, the surviving BENEFICIARIES shall, on the death of the LIVING ANNUITANT, receive a proportionately higher share of the LIVING ANNUITY CAPITAL ACCOUNT;

(iv) If there are no surviving nominated BENEFICIARIES or if the LIVING ANNUITANT has not made a nomination or if the LIVING ANNUITNANT has repealed his nomination, the provisions of RULE B.1.6.4 (j) shall apply;

(v) The nominated BENEFICIARIES may, subject to so electing within six (6) months after the death of the LIVING ANNUITANT, elect to commute all or part of such amount for a lump sum; and

(vi) Any PENSIONS paid to nominated BENEFIARIES as a LIVING ANNUITY, in accordance with this RULE, shall be subject to the provisions of RULE B.1.6.4 (g) and RULE B.1.6.4 (h).

(j) On the death of a LIVING ANNUITANT who has not made a nomination or who has repealed his nomination in terms of RULE B.1.6.4 (i) or if there are no surviving nominated BENEFICIARIES:

(i) the balance of the LIVING ANNUITY CAPITAL ACCOUNT shall continue to be paid as an PENSION in terms of RULE B.1.6.1 (a), RULE B.1.6.1 (b) or RULE B.1.6.1 (c) to his surviving

WIDOW / WIDOWER provided that if there is more than one surviving WIDOW / WIDOWER, the LIVING ANNUITY CAPITAL ACCOUNT shall be split between them such that the amount allocated to each surviving WIDOW / WIDOWER is sufficient to purchase the same initial LIFE ANNUITY COMPONENT PENSION for each surviving WIDOW / WIDOWER on the death of the LIVING ANNUITANT, as determined by the ACTUARY; or

(ii) if the LIVING ANNUITANT has no surviving WIDOW / WIDOWER the balance of the LIVING ANNUITY CAPITAL ACCOUNT shall be paid as a PENSION in terms of RULE B.1.6.1 (a), RULE B.1.6.1 (b) or RULE B.1.6.1 (c) to any BENEFICIARIES in such proportions as the BOARD may decide, taking into account the provisions of Section 37C of the ACT; or

(iii) if there are no BENEFICIARIES, the balance of the LIVING ANNUITY CAPITAL ACCOUNT shall be paid to the estate of the deceased LIVING ANNUITANT,

provided that:

(iv) a BENEFICIARY entitled to a PENSION in terms of RULE B.1.6.4 (j)(i) or RULE B.1.6.4 (j)(ii) may elect, within 6 (six) months of the death LIVING ANNUITANT, to commute all or part of such amount for a lump sum.

(v) any PENSIONS paid to BENEFIARIES as a LIVING ANNUITY, in accordance with this

RULE, shall be subject to the provisions of RULE B.1.6.4 (g) and RULE B.1.6.4 (h).

(k) A LIVING ANNUITANT may convert the whole of his LIVING ANNUITY COMPONENT into a LIFE ANNUITY COMPONENT at any time. A LIVING ANNUITANT may elect to convert part of his LIVING ANNUITY COMPONENT into a LIFE ANNUITY COMPONENT on an annual basis on the anniversary of the establishment of the LIVING ANNUITY COMPONENT. The ACTUARY shall determine the terms of the conversion subject to conditions determined by the BOARD and the provisions of (d) above, at the date of the conversion, shall apply, mutatis mutandis;

(l) A PENSION RECIPIENT who has elected to receive any part of his PENSION as a LIVING ANNUITY COMPONENT may, subject to any requirements and restrictions of the REVENUE AUTHORITIES and subject to the approval of, and conditions determined by, the BOARD, at any time direct the BOARD to replace the whole of, or part of, his LIVING ANNUITY COMPONENT with a pension in the form of an annuity purchased from a REGISTERED INSURER in the name of the PENSION RECIPIENT, in accordance with the provisions of RULE B.1.6.2. Under no circumstances, other than in terms of the provisions of RULE B.1.6.3, may a LIFE ANNUITY COMPONENT be replaced with a pension in the form of an annuity purchased from a REGISTERED INSURER; and

(m) In the event of the death of an unmarried PENSIONER in receipt of a LIFE ANNUITY COMPONENT, or on the death of both a married PENSIONER and that PENSIONER'S WIDOW / WIDOWER in receipt of a LIFE ANNUITY COMPONENT, before the end of the

period contemplated in RULE B.1.6.4 (d) (iii), the present value of the PENSIONS still payable for the balance of the period shall be determined by the ACTUARY and shall be paid as an annuity, as determined by the ACTUARY, to any BENEFICIARIES in such proportions as the BOARD may decide taking into account the provisions of Section 37C of the ACT; provided that such BENEFICIARY or BENEFICIARIES may elect, within 6 (six) months of the death of an unmarried PENSIONER, or of the death of both a married PENSIONER and that PENSIONER'S WIDOW / WIDOWER, as applicable, to commute all or part of such amount for a lump sum.

B.1.7 SPECIAL PROVISIONS APPLICABE IN RESPECT OF CONTRIBUTIONS AS A RESULT OF THE COVID-19 PANDEMIC

B.1.7.1 Notwithstanding anything to the contrary in these RULES, if the employment conditions of a DC MEMBER are affected such that his pay is reduced or his absence is partially or fully unpaid as a result of the COVID-19 pandemic, the following shall apply:

(a) his membership of the FUND shall continue;

(b) the CONTRIBUTIONS in respect of the DC MEMBER and payable by the DC MEMBER in terms of RULE B.2.1.1 (a) or by the EMPLOYER in terms of RULE B.2.2.1, may be temporarily suspended or reduced by the EMPLOYER; provided that the EMPLOYER shall pay at least such amounts as are:

i) required to meet the ongoing expenses of the FUND attributable to DC MEMBERS; and

ii) to the extent that cover is available in terms of the insurance policies providing such benefits, the DISABILITY INCOME

BENEFIT, FUNERAL BENEFIT and the INSURED BENEFIT premiums,

based on the DC MEMBER'S PENSIONABLE SALARY prior to any such change; and

(c) subject to the provisions of RULE B.1.7.1(b)(ii), the DC MEMBER shall remain covered for the INSURED BENEFIT in the event of the death of the DC MEMBER during the period referred to in RULE B.1.7.2.

B.1.7.2 The provisions of RULE B.1.7.2 shall apply from 1 May 2020 to 31 October 2020 or such shorter period as is:

(a) communicated by each affected EMPLOYER to affected DC MEMBERS in its SERVICE; and

(b) confirmed to the FUND in writing by each affected EMPLOYER.

B.1.8. **DISPOSITION OF BENEFITS IN RESPECT OF A DIVORCED LIVING ANNUITANT**

B.1.8.1 In the event that the FUND has on record or is provided, in respect of a LIVING ANNUITANT, with a valid and proper DIVORCE ORDER, the FUND shall give effect to such DIVORCE ORDER.

B.1.8.2 If as a result of giving effect to such a DIVORCE ORDER, any portion of the LIVING ANNUITANT'S PENSION INTEREST ON DIVORCE is:

(a) paid to a NON-MEMBER SPOUSE; or

(b) transferred to an APPROVED FUND in respect of a NON-MEMBER SPOUSE; or

(c) used to purchase a PENSION in accordance with the provisions of RULE B.1.6,

either at the date of divorce or at any other date permissible or required in terms of the ACT or other applicable legislation, the LIVING ANNUITANT'S LIVING ANNUITY CAPITAL ACCOUNT shall be reduced:

(i) By such amount paid to, transferred on behalf of, or allocated for the purchase of a pension for the NON-MEMBER SPOUSE, gross of any tax paid on behalf of the NON-MEMBER SPOUSE where the NON-MEMBER SPOUSE is liable for the tax; and

(ii) By any tax paid from the LIVING ANNUITANT'S benefit where the LIVING ANNUITANT is liable for the tax.

B.1.9 **DISPOSITION OF BENEFITS IN RESPECT OF A DIVORCED PENSIONER**

B.1.9.1 In the event that the FUND has on record or is provided, in respect of a PENSIONER, with a valid and proper DIVORCE ORDER, the FUND shall give effect to such DIVORCE ORDER.

B.1.9.2 If as a result of giving effect to such a DIVORCE ORDER, any portion of the PENSIONER'S PENSION INTEREST ON DIVORCE is:

(a) paid to a NON-MEMBER SPOUSE; or

(b) transferred to an APPROVED FUND in respect of a NON-MEMBER SPOUSE; or

(c) used to purchase a PENSION in accordance with the provisions of RULE B.1.6,

either at the date of divorce or at any other date permissible or required in terms of the ACT or other applicable legislation, the PENSION payable to the PENSIONER, in terms of these RULES shall be reduced based on the remaining portion of the PENSION INTEREST ON DIVORCE, and other relevant factors, as determined by the ACTUARY.

B.1.9.3 The value of the portion of the PENSION INTEREST ON DIVORCE payable to the NON-MEMBER SPOUSE and the remaining portion of the PENSION INTEREST ON DIVORCE attributable to the PENSIONER shall take account of:

(a) any tax paid on behalf of the NON-MEMBER SPOUSE where the NON-MEMBER SPOUSE is liable for the tax; and

(b) any tax paid from the PENSIONER'S remaining portion of the PENSION INTEREST ON DIVORCE where the PENSIONER is liable for the tax.

B.2 CONTRIBUTIONS

B.2.1 MEMBER CONTRIBUTIONS

B.2.1.1 Subject to RULE B.1.3, a DC MEMBER:

(a) Shall contribute an amount equivalent to 7.5 per cent of his PENSIONABLE SALARY

(b) May make additional contributions to the FUND, in order to secure greater benefits or in respect of a period of past SERVICE, in accordance with such conditions and procedures as the BOARD may prescribe from time to time; provided that:

(i) the payment of additional contributions to the FUND shall be subject to the limitations and requirements of the Income Tax Act, 1962; and

(ii) such additional contributions shall be allocated to the MEMBER'S FUND CREDIT.

(c) A MEMBER who is or was a member of another APPROVED FUND, other than a RETIREMENT ANNUITY FUND, may elect to transfer one or more amounts held by the other APPROVED FUND for the benefit of the DC MEMBER in the FUND;

(d) Shall contribute any additional amount which may, in terms of RULE B.1.4.3, be payable, to the FUND.

B.2.1.2 Amounts received by the FUND in terms of RULE B.2.1.1 shall be allocated to the FUND CREDIT ACCOUNT of the DC MEMBER concerned, provided that:

(a) Contributions received in terms of RULE B.2.1.1(a), RULE B.2.1.1(b) or RULE B.2.1.1(d) in respect of

periods prior to 1 September 2024, which are allocated to a DC MEMBER'S FUND CREDIT after 31 August 2024, shall be allocated to the DC MEMBER'S VESTED ANNUITY COMPONENT;

(b) Contributions received in terms of RULE B.2.1.1(a), RULE B.2.1.1(b) or RULE B.2.1.1(d) in respect of periods on or after 1 September 2024, which are allocated to a DC MEMBER'S FUND CREDIT after 31 August 2024, shall be allocated as follows:

(i) One-third to the DC MEMBER'S SAVINGS COMPONENT; and

(ii) Two-thirds to the DC MEMBER'S RETIREMENT COMPONENT; and

(c) Amounts received and allocated after 31 August 2024 in terms of RULE B.2.1.1(c) shall be allocated to matching COMPONENTS in the FUND.

B.2.2 EMPLOYER CONTRIBUTIONS

B.2.2.1 Subject to RULE B.1.3, the EMPLOYER shall contribute to the FUND each month in respect of each DC MEMBER 14.16% of the DC MEMBER'S PENSIONABLE SALARY.

B.2.2.2 From the contribution set out in RULE B.2.2.1:

(a) The premiums payable by the EMPLOYER to the REGISTERED INSURER with whom the DISABILITY INCOME BENEFIT and FUNERAL BENEFIT are insured, must be paid to the REGISTERED INSURER;

(b) The premiums payable by the FUND to the REGISTERED INSURER with whom the INSURED BENEFIT is insured, must be paid to the REGISTERED INSURER;

(c) An amount, as determined by the BOARD from time to time, must be deducted and applied to the DC

EXPENSE RESERVE ACCOUNT to provide for the ongoing expenses of the FUND; and

(d) Any balance remaining thereafter must be credited to the DC MEMBER'S FUND CREDIT.

Provided that:

(i) The deduction in respect of the ongoing expenses of the FUND, the premiums payable in respect of the INSURED BENEFIT policy before any election the MEMBER may make in terms of RULE B.4.2.4 and the premiums payable in respect of the FUNERAL BENEFIT and the DISABILITY INCOME BENEFIT policies referred to in this RULE B.2.2.2, shall in aggregate not exceed 5.5% of the DC MEMBER'S PENSIONABLE SALARY;

(ii) If the total of the deduction and the premiums referred to in (i) exceeds the 5.5% maximum at any time, the INSURED BENEFITS must be reduced to the proportion at which the total of the deduction and the premiums is less than or equal to 5.5%; and

(iii) In the case of a DC MEMBER who remains in SERVICE after reaching his PENSION AGE as contemplated in RULE B.3.2.2:

(a) who is no longer eligible for the INSURED BENEFIT in terms of RULE B.1.4.2, no deduction will be made in respect of the provisions contemplated in RULE B.2.2.2 (a) and RULE B.2.2.2 (b) in respect of that DC MEMBER; or

(b) who is no longer eligible for the DISABILITY INCOME BENEFIT, but is eligible for the INSURED BENEFIT in terms of RULE B.1.4.2, no deduction will be made in respect of the

premiums payable in respect of the DISABILITY INCOME BENEFIT as contemplated in RULE B.2.2.2 (a) in respect of that DC MEMBER.

B.2.2.3 An EMPLOYER, at its discretion and for any reason, may make additional contributions to the FUND in respect of any DC MEMBER, in addition to those made in terms of RULE B.2.2.1, to be credited in respect of each such DC MEMBER to his FUND CREDIT.

B.2.2.4 The EMPLOYER shall contribute from time to time such amounts as advised by the ACTUARY to fund the retrenchment benefit referred to in RULE B.5.1.2 to be credited in respect of each such DC MEMBER to his FUND CREDIT.

B.2.2.5 If there is a sufficient amount standing to the credit of a CATEGORY A or CATEGORY B EMPLOYER'S NOTIONAL SHARE of the EMPLOYER SURPLUS ACCOUNT which may be used for this purpose, then, at the request of such EMPLOYER, an amount equivalent to or less than the amount for which such EMPLOYER or any other EMPLOYER, as advised by the CATEGORY A or CATEGORY B EMPLOYER in writing, would otherwise be liable in terms of this RULE B.2.2 in respect of the month may be debited from the EMPLOYER SURPLUS ACCOUNT in terms of RULE A.9.5.3 and applied in lieu of those contributions, or part thereof, as the case may be in which circumstance no contribution, or a contribution in a lesser amount, as the case may be, will be payable by such EMPLOYER in respect of that month.

B.2.2.6 It is specifically provided that:

(a) The terms and conditions applicable to the premiums referred to in RULE B.2.2.2 (a) and the payment of the DISABILITY INCOME BENEFIT and the FUNERAL BENEFIT are set out in the policies issued by the REGISTERED INSURER with whom such benefits have

been insured and, accordingly, the FUND is not liable for the payment of any DISABILITY INCOME BENEFIT or FUNERAL BENEFIT; and

(b) The FUND is not liable for any loss suffered by a MEMBER, the EMPLOYER or any other party in respect of any cancellation or diminution of the DISABILITY INCOME BENEFIT or the FUNERAL BENEFIT, in the event that the premiums for such benefits are paid late, incorrectly or not at all by the FUND on behalf of the EMPLOYER, to the REGISTERED INSURER.

B.2.2.7 Any contributions received by the FUND in terms of RULE B.2.2.2(d), RULE B.2.2.3 or RULE B.2.2.4, or transferred from a CATEGORY A or CATEGORY B EMPLOYER'S NOTIONAL SHARE of the EMPLOYER SURPLUS ACCOUNT in terms of RULE B.2.2.5, shall be allocated to the FUND CREDIT ACCOUNT of the DC MEMBER concerned, provided that:

(a) Contributions received in respect of periods prior to 1 September 2024, which are allocated to a DC MEMBER'S FUND CREDIT after 31 August 2024, shall be allocated to the DC MEMBER'S VESTED ANNUITY COMPONENT; and

(b) Contributions received in respect of periods on or after 1 September 2024, which are allocated to a DC MEMBER'S FUND CREDIT after 31 August 2024, shall be allocated as follows:

(i) One-third to the DC MEMBER'S SAVINGS COMPONENT; and

(ii) Two-thirds to the DC MEMBER'S RETIREMENT COMPONENT.

B.3 RETIREMENT BENEFITS

B.3.1 AMOUNT OF PENSION

B.3.1.1 The PENSION payable to a DC MEMBER or DC DEFERRED PENSIONER on his date of retirement from the FUND shall be of such amount as can be purchased by his FUND CREDIT, after the exercise of any option in terms of RULE B.3.3. The PENSION shall either be purchased from a REGISTERED INSURER or be paid as a FUND PENSION depending on the option elected by the retiring DC MEMBER or the DC DEFERRED PENSIONER in terms of RULE B.1.6.1.

B.3.2 RETIREMENT FROM SERVICE

B.3.2.1 A DC MEMBER, provided his EMPLOYER consents, who has reached the age of 50 years may retire from SERVICE at any time before he reaches the PENSION AGE.

B.3.2.2 A DC MEMBER who has not retired in terms of RULE B.3.2.1 shall retire from SERVICE on reaching his PENSION AGE unless his EMPLOYER agrees to him remaining in SERVICE after that date.

B.3.2.3 If the BOARD, after considering medical evidence acceptable to the BOARD, is satisfied that a DC MEMBER who is under the age of 50 and who does not qualify for a DISABILITY INCOME BENEFIT has become totally and permanently incapable of efficiently carrying out his duties, may agree to such MEMBER'S retirement from SERVICE at any time before he reaches the PENSION AGE.

B.3.2.4 A DC MEMBER who is allowed to remain in SERVICE after his PENSION AGE shall retire from SERVICE on such later date as he agrees with his EMPLOYER, but not later than the last day of the month in which such person reaches age 65 years.

B.3.2.5 A DC MEMBER in receipt of a DISABILITY INCOME BENEFIT shall retire from SERVICE on reaching his PENSION AGE

unless he elects to retire before the PENSION AGE in terms of RULE B.1.2.6.

B.3.2.6 If a DC MEMBER makes an election to retire from the FUND but dies before such election has been implemented by the FUND, the FUND CREDIT of the DC MEMBER will be payable in accordance with such election or, if this is not possible, to the DC MEMBER'S estate.

B.3.3 LUMP SUM OPTION (COMMUTATION)

B.3.3.1 A DC MEMBER or DC DEFERRED PENSIONER shall be entitled at the time of his retirement from the FUND to elect to commute a portion of his retirement benefit, as described in RULE B.3.1, for a lump sum benefit, subject to a maximum of:

(a) his SAVINGS COMPONENT; plus

(b) his VESTED LUMP SUM COMPONENT; plus

(c) one-third of his VESTED ANNUITY COMPONENT.

B.3.3.2 Notwithstanding the provisions of RULE B.3.3.1, a DC MEMBER or DC DEFERRED PENSIONER shall be entitled to commute the whole of his retirement benefit, as described in RULE B.3.1, for a lump sum benefit, provided that the value of:

(a) his RETIREMENT COMPONENT; plus

(b) two-thirds of his VESTED ANNUITY COMPONENT,

does not exceed R240 000 or such other amount determined by the REVENUE AUTHORITIES from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

B.3.3.3 Notwithstanding the provisions of RULE B.3.3.1 and RULE B.3.3.2 and subject to any conditions as may be prescribed by the REVENUE AUTHORITIES, a DC MEMBER or DC DEFERRED PENSIONER shall be entitled to commute

the whole of his retirement benefit as described in RULE B.3.1 for a lump sum benefit if he:

(a) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(b) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2002; or

(c) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

B.3.4 TRANSFER OPTION

B.3.4.1 Instead of receiving a benefit in terms of RULE B.3.1, a DC MEMBER or DC DEFERRED PENSIONER shall be entitled at the time of his retirement from the FUND to elect to transfer his FUND CREDIT to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND. Any such transfer shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

B.3.4.2 In respect of a transfer to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND, the transfer shall be in respect of the whole of the MEMBER'S FUND CREDIT and following the transfer, the FUND shall have no further liability in respect of such MEMBER whatsoever and the MEMBER shall cease to be a MEMBER in terms of these RULES.

B.3.5 CONDITIONS APPLICABLE TO A DC DEFERRED PENSIONER ON RETIREMENT FROM SERVICE

B.3.5.1 A DC MEMBER who retires from SERVICE in terms of RULE B.3.2.1, RULE B.3.2.2, RULE B.3.2.3, RULE B.3.2.4 or RULE B.3.2.5 may elect to retire from the FUND or to defer the receipt of his retirement benefit and become a DC DEFERRED PENSIONER, provided that a DC MEMBER who does not make such an election before retirement from SERVICE shall automatically become a DC DEFERRED PENSIONER. A DC MEMBER who becomes a DC DEFERRED PENSIONER by the operation of this RULE shall remain a DC DEFERRED PENSIONER until such time as he elects in writing to retire from the FUND in terms of RULE B.3.1 or to transfer his FUND CREDIT to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND in terms of RULE B.3.4. The following conditions shall apply to such DC DEFERRED PENSIONERS:

(a) no further contributions shall be paid to the FUND by or in respect of the DC DEFERRED PENSIONER;

(b) the DC DEFERRED PENSIONER must make a written election regarding the investment of his FUND CREDIT, failing which his FUND CREDIT shall be invested in the default investment portfolio as it applies to DC DEFERRED PENSIONERS and the provisions of RULE A.10.3 shall apply mutatis mutandis to a DC DEFERRED PENSIONER;

(c) the DC DEFERRED PENSIONER may make investment choice decisions with regard to his benefit in the FUND on the same basis and subject to the same conditions as other DC MEMBERS;

(d) the DC DEFERRED PENSIONER'S FUND CREDIT shall be credited with INVESTMENT RETURN in terms of the provisions of RULE A.10.4.1;

(e) the DC DEFERRED PENSIONER may not resign from FUND, they may only retire from the FUND;

(f) the INSURED BENEFIT, the FUNERAL BENEFIT and the DISABILITY INCOME BENEFIT shall not become payable if the DC DEFERRED PENSIONER dies or becomes DISABLED. The FUND shall make no deductions in respect of such benefits;

(g) if the DC DEFERRED PENSIONER dies after the date of retirement from SERVICE and:

(i) prior to making an election to retire from the FUND, the FUND CREDIT of the DC DEFERRED PENSIONER will be payable to the DC DEFERRED PENSIONER'S DEPENDANTS and/or NOMINEES in terms of Section 37C of the ACT; or

(ii) after making an election to retire from the FUND but before such election has been implemented by the FUND, the FUND CREDIT of the DC DEFERRED PENSIONER will be payable in accordance with such election or, if this is not possible, to the DC DEFERRED PENSIONER'S estate;

(h) any lawful deductions in terms of the provisions of the ACT and the RULES shall become enforceable and the relevant amounts due shall be deducted from the DC DEFERRED PENSIONER'S benefit effective on the date of his retirement from SERVICE;

(i) any lawful claim against the benefit of a DC DEFERRED PENSIONER which arises after the date of retirement

from SERVICE and while the DC DEFERRED PENSIONER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be deducted from the benefit of such a DC DEFERRED PENSIONER upon the FUND being furnished with satisfactory proof of such a lawful claim; and

(j) reasonable expenses as determined by the BOARD, including administration costs, costs referred to in RULE B.6.1.1(c), and any costs associated with tracing the DC DEFERRED PENSIONER or his DEPENDANTS, may be deducted from the benefit.

B.3.5.2 A DC DEFERRED PENSIONER who has attained the age of 50 years, may elect to retire from the FUND in terms of RULE B.3.1 or to transfer his FUND CREDIT to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND in terms of RULE B.3.4 at any age, even if this is older than the PENSION AGE of the FUND, subject to any maximum retirement age that is imposed by legislation.

B.3.5.3 A DC DEFERRED PENSIONER who has become a DC DEFERRED PENSIONER through the operation of RULE B.3.5.1, who re-enters SERVICE so that he is eligible again to become a DC MEMBER of the FUND shall be treated in all respects as a new DC MEMBER of the FUND whose benefits will accrue separately from his deferred retirement benefit.

B.4 DEATH BENEFITS

B.4.1 RESTRICTION OF BENEFITS

Any benefits payable under this RULE B.4 that are derived from amounts that have been insured with a REGISTERED INSURER shall be subject to the restrictions of RULE B.1.4.

B.4.2 DEATH BENEFIT

B.4.2.1 A death benefit shall only be payable on the death of a DC MEMBER while in SERVICE or on the death of a DC DEFERRED PENSIONER prior to retirement.

B.4.2.2 The death benefit payable as a result of the death of a DC MEMBER in SERVICE shall be equal to his FUND CREDIT, plus, if applicable in terms of RULE B.1.4.2 and RULE B.4.2.4, a lump sum INSURED BENEFIT. The amount of the lump sum INSURED BENEFIT shall be determined and reviewed from time to time by the BOARD in consultation with the ACTUARY and may be increased or decreased taking into account the terms and conditions available from REGISTERED INSURERS in respect of the INSURED BENEFIT, including the cost thereof, and the premium due for the DISABILITY INCOME BENEFIT. The BOARD shall choose the REGISTERED INSURER, as required from time to time to provide the lump sum INSURED BENEFIT. The BOARD shall notify DC MEMBERS of the table of the INSURED BENEFIT, which table shall indicate the amount of the INSURED BENEFIT. Any changes to this table shall similarly be notified to DC MEMBERS.

B.4.2.3 The lump sum INSURED BENEFIT referred to in RULE B.4.2.2 shall be payable to the FUND and shall be dealt with as part of the benefit payable as a result of the death of the DC MEMBER.

B.4.2.4 In respect of the lump sum INSURED BENEFIT payable on the death of a DC MEMBER, the BOARD shall have the power without any obligation, to offer each such DC MEMBER the option of buying down or buying up this benefit on such terms as the BOARD may decide and subject to such terms and conditions imposed by the REGISTERED INSURER concerned, provided that:

(a) A DC MEMBER may elect to buy-down or buy-up the benefit on or before such date each year, and with effect from such date each year, as the BOARD may decide from time to time. Provided that the consequential reduced or increased benefit is, in relation to that DC MEMBER, in multiples, as the BOARD may decide, of ANNUALISED PENSIONABLE SALARY at the time of the election, and the increased or reduced benefit is not less than 2 times the ANNUALISED PENSIONABLE SALARY of such DC MEMBER at the time of the election of such MEMBER;

(b) Any benefit which in terms of this RULE B.4.2.4 is bought down shall remain reduced by the same multiple, notwithstanding that the unreduced multiple applicable to the DC MEMBER may change because he moves into a different age bracket in terms of the table of INSURED BENEFITS;

(c) Any benefit which in terms of this RULE B.4.2.4 is bought up shall remain increased by the same multiple, notwithstanding that the unincreased multiple applicable to the DC MEMBER may change because he moves into a different age bracket in terms of the table of INSURED BENEFITS;

(d) Any cost saving or additional cost, as determined by the BOARD, acting on the advice of the ACTUARY, in respect of the cost of the benefit forgone or of the cost of the additional benefit where a DC MEMBER elects to buy-down or buy-up the benefit in terms shall be allocated in accordance with RULE B.2.2.2.

B.4.2.5 The death benefit payable on the death of a DC DEFERRED PENSIONER prior to retirement from the FUND shall be equal to his FUND CREDIT.

B.4.3 PAYMENT OF DEATH BENEFIT

B.4.3.1 Payment of the total death benefit as determined in terms of RULE B.4.2 shall be made in terms of this RULE B.4.3.

B.4.3.2 On the death of a DC MEMBER a PENSION shall be paid to the WIDOW / WIDOWER of the deceased DC MEMBER that is equal to 66 per cent of such DC MEMBER'S ANNUALISED PENSIONABLE SALARY at the time of death, subject to the following:

(a) The PENSION shall be payable for the lifetime of the WIDOW / WIDOWER;

(b) If there is more than one WIDOW / WIDOWER, the aforesaid percentage shall be shared equally amongst all eligible WIDOWS / WIDOWERS;

(c) If any WIDOW / WIDOWER comes forward after payment of the PENSIONS to any other BENEFICIARIES have commenced, but before the expiry of 24 months from the date of death of the DC MEMBER and it is determined that he is entitled to a PENSION:

(i) he will only be entitled to the PENSION from the first day of the month following the month in which it was established that he is a WIDOW / WIDOWER as defined;

(ii) the PENSIONS being paid to the other WIDOW(S) / WIDOWER(S) at the time that an additional WIDOW / WIDOWER comes forward will be recalculated to take account of the additional WIDOW / WIDOWER and any resulting adjustment to the PENSION being paid to a WIDOW / WIDOWER will not constitute a reduction of the benefit payable to him as contemplated in the ACT; and

(iii) the provisions of this sub-rule (ii) will apply regardless of the number of additional WIDOWS / WIDOWERS that come forward within the 24 month period stipulated above.

(d) If no CHILD PENSION is payable, the PENSION payable to the eligible WIDOW / WIDOWER will be increased to 100 per cent of the MEMBER'S ANNUALISED PENSIONABLE SALARY, subject to the provisions of RULE B.4.3.2 (b).

(e) If a PENSION is awarded to a CHILD or an additional CHILD in terms of RULE B.4.3.3 (b) after payment of the PENSIONS to the other BENEFICIARIES has already commenced, the PENSION paid to one or more WIDOW(S) / WIDOWER(S) will be recalculated to take account of the CHILD. Any resulting adjustment to the PENSION being paid to one or more WIDOW(S) / WIDOWER(S) will not constitute a reduction of the benefit payable to him as contemplated in the ACT.

B.4.3.3 On the death of a DC MEMBER, a PENSION shall be paid in respect of each CHILD of the deceased DC MEMBER subject to the following:

(a) The amount of the PENSION will be equal to:

(i) 17 per cent if there is only one CHILD; or

(ii) 34 per cent if there are two or more CHILDREN,

of the DC MEMBER'S ANNUALISED PENSIONABLE SALARY at the time of death divided by the number of eligible CHILDREN. Provided that if no WIDOW (s) / WIDOWER(S) PENSION is payable, the amount of the pension that is to be divided among any CHILDREN will be increased to a level not exceeding 100% of the DC MEMBER'S ANNUALISED PENSIONABLE SALARY.

(b) If any CHILD comes forward after payment of the PENSIONS to the other CHILDREN have commenced, but before the expiry of 24 months from the date of death of the DC MEMBER and it is determined that he is entitled to a PENSION:

(i) he will only be entitled to the PENSION from the first day of the month following the month in which it was established that he is a CHILD as defined;

(ii) the PENSIONS being paid to the other CHILDREN at the time that an additional CHILD comes forward will be recalculated to take account of the additional CHILD and any resulting adjustment to the PENSION being paid to a CHILD will not constitute a reduction of the benefit payable to him as contemplated in the ACT; and

(iii) the provisions of sub-rule (ii) will apply regardless of the number of additional CHILDREN that come forward within the 24 month period stipulated above.

(c) The PENSION payable to any CHILD shall cease on the earlier of the CHILD'S death or attainment of age 25 years provided that in respect of a mentally or physically handicapped CHILD, the BOARD may, in its discretion, continue the payment of the PENSION for the lifetime of such CHILD on condition that such PENSION is set-up at inception of payment.

This RULE B.4.3 applies with effect from 1 December 2011. The payment of WIDOW / WIDOWER and/or CHILDREN'S PENSIONS in respect of a DC MEMBER who died before

1 December 2011 will be dealt with in terms of the applicable rule in force prior to 1 December 2011.

B.4.3.4 The amount required to secure the PENSIONS referred to in RULES B.4.3.2 and B.4.3.3 as a LIFE ANNUITY COMPONENT from the FUND in terms of RULE B.1.6.4 (d) for each WIDOW / WIDOWER and CHILD shall be determined by the ACTUARY. For the purposes of this RULE B.4.3.4 only, this amount is referred to as the Cost of the Pension for each BENEFICIARY in RULES B.4.3.2 and B.4.3.3. The percentages alluded to in RULES B.4.3.2 and B.4.3.3 shall be reduced proportionally where the total of the amount payable in respect of a deceased DC MEMBER in terms of RULES B.4.2.2 and B.4.2.4, is insufficient to provide the total of the Cost of the Pension for all BENEFICIARIES in RULES B.4.3.2 and B.4.3.3. If the percentages are thereby reduced proportionally, then the Cost of the Pension for each BENEFICIARY in RULES B.4.3.2 and B.4.3.3 shall likewise be reduced proportionally by the same amount and the revised amount is, for purposes of this RULE only, referred to as the Capital Available to Secure a Pension for each BENEFICIARY in RULES B.4.3.2 and B.4.3.3.

B.4.3.5 The PENSION payable to a WIDOW / WIDOWER and/or a CHILD / CHILDREN in terms hereof shall be payable of such amount as can be secured by the Cost of the Pension in respect of that BENEFICIARY, except where the Cost of the Pension is reduced proportionally as provided for in RULE B.4.3.4, the Capital Available to Secure a Pension for each BENEFICIARY shall be used instead in respect of that BENEFICIARY. Payment of such PENSION shall be subject to the following:-

(a) It may be commuted in such amount as the BOARD may agree on the request in writing by the BENEFICIARY entitled thereto, subject to so electing within six (6)

months after the death of the DC MEMBER and such tax and any other requirements by the REVENUE AUTHORITIES;

(b) In respect of so much of the Cost of the Pension or the Capital Available to Secure a Pension if the Cost of the Pension is reduced proportionally in terms of RULE B.4.3.4 that is not commuted in terms of subsection (a), it shall be paid in terms of RULE B.1.6.1;

(c) Provided that any election in terms of RULE B.1.6.1 to be made by a CHILD, shall be made by the guardian or caregiver of such CHILD, as appropriate.

B.4.3.6 Where the total of the amount payable in respect of a DC MEMBER in terms of RULES B.4.2.2 and B.4.2.4 exceeds the total of the Cost of the Pension for all BENEFICIARIES, if any, in terms of RULES B.4.3.2 and B.4.3.3, the balance remaining shall be paid as a PENSION with the BENEFICIARIES being determined by the BOARD according to Section 37C of the ACT.

B.4.3.7 The total amount payable in respect of a DC DEFERRED PENSIONER in terms of RULE B.4.2.5 shall be paid in accordance with Section 37C of the ACT with the BENEFICIARIES being determined by the BOARD according to Section 37C of the ACT.

B.4.3.8 Where payment of the death benefit is to be made in terms of Section 37C of the ACT, the following shall apply:

(a) It may be commuted in such amount as the BOARD may agree on the request in writing by the BENEFICIARY entitled thereto, subject to so electing within six (6) months after the death of the DC MEMBER or DC DEFERRED PENSIONER such tax and any other requirements by the REVENUE AUTHORITIES;

(b) In respect of so much of the death benefit not commuted

in terms of subsection (a) above, it shall be paid in the form of PENSION in terms of RULE B.1.6.1 (a), RULE B.1.6.1 (b) or RULE B.1.6.1 (c), as applicable, in respect of a benefit payable in terms of RULE B.4.3.6 or RULE B.4.3.7; and

(c) Provided that any election in terms of RULE B.1.6.1 to be made by a CHILD, shall be made by the guardian or caregiver of such CHILD, as appropriate.

B.5 TERMINATION OF SERVICE BEFORE RETIREMENT

B.5.1 TERMINATION OF SERVICE BENEFIT

B.5.1.1 If a DC MEMBER does not qualify to retire under RULE B.3 and leaves SERVICE before the PENSION AGE for any reason for which no benefit is specifically provided elsewhere in these RULES he shall be entitled to a benefit equal to his FUND CREDIT.

B.5.1.2 At the discretion of the EMPLOYER, a DC MEMBER referred to in clause (b) of the definition of a DC MEMBER, who leaves SERVICE due to retrenchment and is aged 50 years or more at the date of retrenchment, may become entitled to a benefit enhancement increased by a factor determined in accordance with the table below:

Age at date of retrenchment	Additional percentage of FUND CREDIT for each year of SERVICE
50	0.330%
51	0.330%
52	0.330%
53	0.330%
54	0.330%

55	0.330%
56	0.264%
57	0.198%
58	0.132%
59	0.066%

It is specifically provided that:

(a) for the purposes of the above table, SERVICE shall mean such DC MEMBER'S PENSIONABLE SERVICE while a MEMBER of the Defined Benefit Section of the FUND as well as his SERVICE as a DC MEMBER; except in the case of a DEFERRED MEMBER, whose SERVICE shall be limited to the period of his membership of the FUND after 31 July 2006 as a DC MEMBER;

(b) the cost of providing such extra benefit shall be paid by the EMPLOYER from the contributions referred to in RULE B.2.2.4;

(c) for the purposes of determining whether the circumstances in which the MEMBER leaves SERVICE constitutes retrenchment, the BOARD shall be entitled to act on the particulars provided to them by the EMPLOYER.

B.5.1.3 A DC MEMBER referred to in RULE B.5.1.1 or RULE B.5.1.2 may elect to defer the receipt of his FUND CREDIT and become a DC DEFERRED PENSIONER or may elect that his FUND CREDIT:

(a) be transferred to such APPROVED FUND as the DC MEMBER may decide in terms of RULE B.5.3; or

(b) be paid to the DC MEMBER in cash, excluding his RETIREMENT COMPONENT, and subject to any

conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a DC DEFERRED PENSIONER benefit in the FUND or transfer them to an APPROVED FUND; or

(c) be paid as a combination of a transfer to an APPROVED FUND in terms of RULE B.5.1.3 (a) and a cash payment in terms of, and subject to the conditions set out in, RULE B.5.1.3 (b),

provided that a DC MEMBER who does not make such an election on withdrawal from SERVICE shall automatically become a DC DEFERRED PENSIONER and provided further that the benefit referred to in RULE B.5.1.1 or B.5.1.2, as the case may be, shall only become due and payable by the FUND on the date the FUND receives a written instruction to pay or transfer the benefit in terms of these RULES. A DC MEMBER who becomes a DC DEFERRED PENSIONER by the operation of this RULE shall remain a DC DEFERRED PENSIONER until such time as he elects in writing to withdraw or retire from the FUND in terms of RULE B.5.2.2.

B.5.1.4 The conditions set out in RULE B.5.2 shall apply to a DC DEFERRED PENSIONER referred to in RULE B.5.1.3.

B.5.1.5 If a DC MEMBER makes an election to withdraw from the FUND but dies before such election has been implemented by the FUND, the FUND CREDIT of the DC MEMBER will be payable in accordance with such election or, if this is not possible, to the DC MEMBER'S estate.

B.5.2 CONDITIONS APPLICABLE TO A DC DEFERRED PENSIONER ON WITHDRAWAL FROM SERVICE

B.5.2.1 The following conditions shall apply to a DC MEMBER who becomes a DC DEFERRED PENSIONER in terms of RULE B.5.1.3:

(a) no further contributions shall be paid to the FUND by or in respect of the DC DEFERRED PENSIONER;

(b) the DC DEFERRED PENSIONER must make a written election regarding the investment of his FUND CREDIT failing which his FUND CREDIT shall be invested in the default investment portfolio as it applies to DC DEFERRED PENSIONERS and the provisions of RULE A.10.3 shall apply mutatis mutandis to a DC DEFERRED PENSIONER;

(c) the DC DEFERRED PENSIONER may make investment choice decisions with regard to his benefit in the FUND on the same basis and subject to the same conditions as other MEMBERS;

(d) the DC DEFERRED PENSIONER'S FUND CREDIT shall be credited with INVESTMENT RETURN in terms of the provisions of RULE A.10.4.1;

(e) the INSURED BENEFIT, the FUNERAL BENEFIT and the DISABILITY INCOME BENEFIT shall not become payable if the DC DEFERRED PENSIONER dies or becomes DISABLED. The FUND shall make no deductions in respect of such benefits.

(f) If the DC DEFERRED PENSIONER dies after the date of withdrawal from SERVICE and:

(i) prior to making an election to withdraw or retire from the FUND, the FUND CREDIT of the DC DEFERRED PENSIONER will be payable to the

DC DEFERRED PENSIONER'S DEPENDANTS and/or NOMINEES in terms of Section 37C of the ACT; or

(ii) after making an election to withdraw or retire from the FUND but before such election has been implemented by the FUND, the FUND CREDIT of the DC DEFERRED PENSIONER will be payable in accordance with such election or, if this is not possible, to the DC DEFERRED PENSIONER'S estate;

(g) any lawful deductions in terms of the provisions of the ACT and the RULES shall become enforceable and the relevant amounts due shall be deducted from the DC MEMBER'S benefit effective on the date of his withdrawal from SERVICE;

(h) any lawful claim against the benefit of a DC DEFERRED PENSIONER which arises after the date of withdrawal from SERVICE and while the DC DEFERRED PENSIONER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be deducted from the benefit of such a DC DEFERRED PENSIONER upon the FUND being furnished with satisfactory proof of such a lawful claim; and

(i) reasonable expenses as determined by the BOARD, including administration costs, costs referred to in RULE B.6.1.1(c), and any costs associated with tracing the DC DEFERRED PENSIONER or his DEPENDANTS, may be deducted from the benefit.

B.5.2.2 The FUND CREDIT of a DC DEFERRED PENSIONER who has become a DC DEFERRED PENSIONER through the operation of RULE B.5.1.3 will remain in the FUND until the

FUND receives a written instruction from the DC DEFERRED PENSIONER to:

(a) transfer the FUND CREDIT to an APPROVED FUND as the DC DEFERRED PENSIONER may decide in terms of RULE B.5.3, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(b) pay the FUND CREDIT to the DC DEFERRED PENSIONER in cash, excluding his RETIREMENT COMPONENT and subject to any conditions determined by the REVENUE AUTHORITIES, his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable his SAVINGS COMPONENT, as a DC DEFERRED PENSIONER benefit in the FUND or transfer them to an APPROVED FUND, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(c) pay the FUND CREDIT to the DC DEFERRED PENSIONER as a combination of a transfer to an APPROVED FUND in terms of RULE B.5.2.2 (a) and a cash payment in terms of, and subject to the conditions set out in RULE B.5.2.2 (b), provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(d) retire from the FUND in terms of RULE B.3.5.2 provided that the DC DEFERRED PENSIONER has attained the age of 50 years on the date the FUND received and acknowledged the written instruction; or

(e) pay the FUND CREDIT to the DC DEFERRED PENSIONER in cash if, subject to any conditions as may

be prescribed by the REVENUE AUTHORITIES, the DC DEFERRED PENSIONER:

(i) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(ii) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2002; or

(iii) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

B.5.2.3 The FUND CREDIT of a PAID-UP PENSIONER who on the CONVERSION DATE, irrevocably elected to become a DC DEFERRED PENSIONER at that date, may elect a benefit in terms of RULE B.5.2.2 (a), RULE B.5.2.2 (b) or RULE B.5.2.2 (c) on any date after the date the DC DEFERRED PENSIONER withdraws from the service of his employer or retires in terms of RULE B.5.2.2 (d) on any date after the date the DC DEFERRED PENSIONER retires from the service of his employer.

B.5.2.4 A DC DEFERRED PENSIONER who has become a DC DEFERRED PENSIONER through the operation of RULE B.5.1.3 and who subsequently re-enters SERVICE so that he is eligible again to become a DC MEMBER of the FUND shall convert from a DC DEFERRED PENSIONER to a DC

MEMBER. The FUND CREDIT attributed to that DC MEMBER when he was a DC DEFERRED PENSIONER shall form the opening balance of the FUND CREDIT attributable to the new period of membership.

B.5.2.5 The following conditions shall apply in respect of a DC DEFERRED PENSIONER who becomes a DC DEFERRED PENSIONER on the transfer of his employment to a new employer in terms of RULE A.8.7.1(b) or RULE A.8.7.2(b):

(a) The provisions of RULE B.5.2.1and B.5.2.4 shall apply *mutatis mutandis* to such DC DEFERRED PENSIONER, provided that any reference to “withdrawing from the SERVICE” or “withdrawal from SERVICE” shall be replaced with “transfer of service to his new employer”; and

(b) The provisions of RULE B.5.2.2 shall apply *mutatis mutandis* to such DC DEFERRED PENSIONER, provided that the written instruction referred to in RULE B.5.2.2 may only have an effective date on or after the date on which the DC DEFERRED PENSIONER withdraws from, or retires from, the service of his new employer, as applicable.

B.5.3 TRANSFER OPTION

B.5.3.1 A withdrawing DC MEMBER or DC DEFERRED PENSIONER may request that his benefit be transferred to an APPROVED FUND, subject to the provisions of RULE B.5.1.3 (c). Any such transfers to an APPROVED FUND shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

B.5.3.2 If the benefit to be transferred in terms of RULE B.5.3.1 is not transferred by the FUND within the period determined in terms of Section 13A(5) of the ACT, interest will be added to the value

of the benefit from the date of expiry of that period to the actual date of transfer at a rate equal to the greater of the rate prescribed in terms of that section of the ACT and the INVESTMENT RETURN.

B.5.4 MISCELLANEOUS PROVISIONS ON WITHDRAWAL FROM SERVICE

B.5.4.1 When a benefit has been paid to the DC MEMBER or DC DEFERRED PENSIONER as a lump sum or transferred on his behalf, the DC MEMBER or DC DEFERRED PENSIONER, as applicable, shall have no further claim on the FUND.

B.5.4.2 For the purposes of establishing the benefit to which the DC MEMBER or DC DEFERRED PENSIONER is entitled in terms of these RULES, the BOARD shall be entitled to act without further enquiry on the particulars given to them by the EMPLOYER of the reason for the DC MEMBER'S termination of SERVICE.

B.5.4.3 In cases where a DC MEMBER who is dismissed from the SERVICE of an EMPLOYER elects to contest his dismissal in terms of labour laws, and:

(a) Where, the DC MEMBER has not yet been paid his withdrawal benefits in terms of the RULES, the payment of such benefit shall be suspended until the legal process has been completed; or

(b) Where the DC MEMBER has been paid his withdrawal benefit in terms of the RULES and is subsequently re-instated into the SERVICE of the EMPLOYER, the DC MEMBER may choose to repay to the FUND the benefit he had received within 3 (three) months of the re-instatement date and thereby re-instate his membership with the FUND. Should the DC MEMBER fail to exercise this option within the 3 (three) month period, a new membership period with the FUND as a DC MEMBER will commence from the date of his re-instatement.

(c) Provided, however, that where the MEMBER has been re-instated, the period between the date of dismissal and re-instatement shall not be treated as PENSIONABLE SERVICE unless the MEMBER exercises his option in sub-rule (b) above, if applicable, and pays his CONTRIBUTIONS for the said period. The EMPLOYER shall in this case, also pay its CONTRIBUTIONS for the said period into the FUND.

B.6 SAVINGS COMPONENT WITHDRAWALS

B.6.1 PROVISIONS RELATING TO SAVINGS COMPONENT WITHDRAWALS

B.6.1.1 A DC MEMBER or DC DEFERRED PENSIONER may at any time elect to withdraw part or all of his SAVINGS COMPONENT as a cash lump sum benefit, subject to the following conditions:

(a) the amount withdrawn, before taking into account such charges as determined by the BOARD, shall be subject to a minimum of R2 000 (two thousand Rand) or such other amount as may be prescribed by the REVENUE AUTHORITIES from time to time;

(b) only one amount may be withdrawn in each tax year, from 1 March to the end of February in the following year, provided that where:

(i) a MEMBER exits the FUND in terms of RULE B.5; and

(ii) such a MEMBER has made a withdrawal in terms of RULE B.6.1.1(a) in that tax year,

then such a MEMBER may be permitted to make a second withdrawal of the total balance in the SAVINGS COMPONENT;

(c) a withdrawal administration fee, as determined by the BOARD, may be deducted from the amount withdrawn and allocated to the DC EXPENSE RESERVE ACCOUNT;

(d) the amount withdrawn shall be dealt with in accordance with the Income Tax Act, 1962; and

(e) such other terms and conditions relating to the election and payment of SAVINGS COMPONENT withdrawals as may be determined by the BOARD from time to time and communicated to the MEMBERS.

PART C: DEFINED BENEFIT RULES

C.1 GENERAL PROVISIONS

C.1.1 CESSATION OF MEMBERSHIP OF A DB MEMBER

C.1.1.1 Save insofar as the RULES specifically entitle or require a DB MEMBER to withdraw from his membership of the FUND while he remains in the SERVICE of an EMPLOYER, a DB MEMBER shall not be entitled to withdraw from his membership while he remains in the SERVICE of an EMPLOYER.

C.1.1.2 Subject to any provision to the contrary in these RULES in respect of the provision of the pre-retirement lump sum death benefit payable on the death of a DB MEMBER in terms of RULE C.4.1.1, a DB MEMBER shall cease to be eligible for a death benefit in terms of RULE C.4.1 on the day he leaves the SERVICE of the EMPLOYER.

C.1.1.3 A DB MEMBER who leaves SERVICE shall on the date of his exit from SERVICE, unless he elects to become a DB DEFERRED PENSIONER or to receive the benefits to which he is entitled in terms of these RULES, automatically become a DB DEFERRED PENSIONER. The DB DEFERRED PENSIONER'S FUND benefit, less any SAVINGS COMPONENT withdrawals in terms of RULE C.7, shall remain in the FUND until the FUND receives a written instruction from the DB DEFERRED PENSIONER in accordance with RULE C.5.3.2.

C.1.1.4 Where a DB MEMBER leaves SERVICE of one EMPLOYER and enters the SERVICE of another EMPLOYER within seven calendar days then, the DB MEMBER shall, for the purposes of these RULES, not become a DB DEFERRED PENSIONER and shall remain a DB MEMBER for the period not in SERVICE and may not withdraw from the FUND in terms of these RULES, provided that no CONTRIBUTION is payable in respect of the

period that such person is a DB MEMBER whilst not in SERVICE, and further provided that the period not in SERVICE will not count towards PENSIONABLE SERVICE.

C.1.1.5 A DB MEMBER, DB DEFERRED PENSIONER, PAID-UP PENSIONER or a PENSION RECIPIENT who has received all benefits from the FUND that he qualifies for, shall cease to be a MEMBER and shall have no further claim against the FUND.

C.1.2 TEMPORARY ABSENCE

C.1.2.1 If a DB MEMBER is absent from the SERVICE of an EMPLOYER and is in receipt of full, reduced or no remuneration from an EMPLOYER, then the DB MEMBER'S membership of the FUND will continue. During this period, contributions may be paid, as agreed between the DB MEMBER and the EMPLOYER, with the exception of the:

(a) the amount required to meet the ongoing expenses of the FUND; and

(b) to the extent that cover is available in terms of the insurance policies providing such benefits, the FUNERAL BENEFIT premium and the premium for the pre-retirement lump sum death benefit specified in RULE C.4.1.1,

which will be paid by the applicable EMPLOYER on behalf of the MEMBER and will be based on the MEMBER'S full PENSIONABLE SALARY immediately prior to the commencement of the absence from service.

C.1.2.2 In the event of STRIKE ACTION, CONTRIBUTIONS will be paid based on shifts/days worked, with the exception of the:

(a) the amount required to meet the ongoing expenses of the FUND; and

(b) to the extent that cover is available in terms of the insurance policies providing such benefits, the

FUNERAL BENEFIT premium and the premium for the pre-retirement lump sum death benefit specified in RULE C.4.1.1,

which will be paid by the applicable EMPLOYER on behalf of the MEMBER and will be based on the MEMBER'S full PENSIONABLE SALARY immediately prior to the commencement of the STRIKE ACTION for the duration of the STRIKE PERIOD regardless of actual shifts/days worked.

C.1.2.3 To the extent that a DB MEMBER does not contribute based on his full PENSIONABLE SALARY during any period of absence from SERVICE in terms of RULE C.1.2.1 or period of STRIKE ACTION in terms of RULE C.1.2.2, such period shall only be included in the period of his PENSIONABLE SERVICE in the ratio of the contributions actually paid to the full contributions required based on full PENSIONABLE SALARY.

C.1.3 DB MEMBER MEDICAL REQUIREMENTS AND CONDITIONS APPLICABLE TO INSURED BENEFITS

C.1.3.1 This RULE shall apply notwithstanding anything to the contrary contained in these RULES.

C.1.3.2 The pre-retirement lump sum death benefit payable on the death of a DB MEMBER in terms of RULE C.4.1.1 may be reinsured with a REGISTERED INSURER selected by the BOARD.

C.1.3.3 The BOARD has the power at its election, or when so instructed by the REGISTERED INSURER, to require that a DB MEMBER be examined at the REGISTERED INSURER'S expense by a medical practitioner appointed by the REGISTERED INSURER.

C.1.3.4 These medical examinations may be required if a DB MEMBER'S pre-retirement lump sum death benefit exceeds the "evidence of health" limit set from time to time by the REGISTERED INSURER.

C.1.4 DISPOSITION OF BENEFITS IN RESPECT OF A DIVORCED MEMBER

C.1.4.1 In the event that the FUND has on record or is provided with a valid and proper DIVORCE ORDER in respect of a DB MEMBER, the FUND shall give effect to such DIVORCE ORDER.

C.1.4.2 If as a result of giving effect to such a DIVORCE ORDER, any portion of the MEMBER'S PENSION INTEREST ON DIVORCE is:

(a) paid to a NON-MEMBER SPOUSE;

(b) transferred to an APPROVED FUND in respect of a NON-MEMBER SPOUSE;

(c) allocated to matching COMPONENTS in the MEMBER'S INDIVIDUAL ACCOUNT of a NON-MEMBER SPOUSE where such NON-MEMBER SPOUSE is an existing DB MEMBER of the FUND; or

(d) allocated to matching COMPONENTS in the FUND CREDIT of a NON-MEMBER SPOUSE where such NON-MEMBER SPOUSE is an existing DC MEMBER of the FUND,

either at the date of divorce, the date the DB MEMBER exits the FUND or at any other date permissible or required in terms of the ACT or other applicable legislation, the benefits due to the DB MEMBER, in terms of these RULES shall be reduced:

(i) By such amount paid to, transferred on behalf of, or allocated to the matching COMPONENTS of the FUND CREDIT or MEMBER'S INDIVIDUAL ACCOUNT of, the NON-MEMBER SPOUSE, gross of any tax paid on behalf of the NON-MEMBER SPOUSE where the NON-MEMBER SPOUSE is liable for the tax; and

(ii) By any tax paid from the DB MEMBER'S benefit where the DB MEMBER is liable for the tax.

C.1.4.3 It is specifically provided that where any amount or tax is paid or transferred in terms of RULE C.1.4.2, other than that portion paid or transferred in respect of his MEMBER'S INDIVIDUAL ACCOUNT:

(a) The ACTUARY shall calculate the resultant reduction in PENSIONABLE SERVICE and ACCUMULATED MEMBER'S CONTRIBUTIONS for the DB MEMBER taking into account the amount and tax that is paid or transferred out of the FUND;

(b) Notwithstanding any other RULE of the FUND, any subsequent benefit payable to or on behalf of the DB MEMBER shall be based on the PENSIONABLE SERVICE and ACCUMULATED MEMBER'S CONTRIBUTIONS for the DB MEMBER taking into account the reduction in paragraph (a) above; and

(c) The reduction in PENSIONABLE SERVICE and ACCUMULATED MEMBER'S CONTRIBUTIONS for the DB MEMBER, as appropriate, to be used for subsequent benefit payment purposes shall be communicated in writing by the FUND to the DB MEMBER and the records of the FUND shall be endorsed accordingly.

C.1.4.4 Any amount deducted, including any tax thereon, from a DB MEMBER'S benefit in terms of RULE C.1.4.2 shall, where applicable, be deducted pro rata from the MEMBER'S COMPONENTS on the date referred to in RULE C.1.4.2.

C.1.5 PAYMENT OF PENSION

C.1.5.1 All PENSIONS payable in terms of RULE C.3 shall be at the election of the MEMBER, but subject to all of the terms and conditions relating to such election as determined by the BOARD from time to time:

(a) Purchased in the MEMBER'S name from a REGISTERED INSURER chosen by the MEMBER; or

(b) Paid from the FUND; or

(c) Partly paid from the FUND and the balance purchased in the MEMBER'S name from a REGISTERED INSURER chosen by the MEMBER,

provided that a MEMBER may instead of receiving a PENSION elect to transfer his FUND benefit to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND on his retirement from the FUND. Any such transfer or, where a MEMBER elects to purchase a PENSION in terms of RULE C.1.5.1 (a) or RULE C.1.5.1 (c), each PENSION, shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

C.1.5.2 Where a MEMBER'S PENSION, or part thereof, is purchased from a REGISTERED INSURER in his own name, the following shall apply:

(a) The MEMBER shall choose the REGISTERED INSURER from which each PENSION is purchased within such period as the BOARD may determine;

(b) The purchase of such PENSION must comply with the ACT, the Income Tax Act, Act, 1962, and any directives of the REVENUE AUTHORITIES;

(c) The terms and conditions applicable to such PENSION, including any options elected by the MEMBER and the determination of any benefit arising on his death, shall be subject to such terms and conditions as the BOARD from time to time may determine;

(d) The PENSION so purchased shall be compulsory, non-commutable, non-assignable and payable for the life of the MEMBER and such other person or persons as the

MEMBER may at the time of purchase of the PENSION elect unless; and

(e) On purchase of a PENSION for a MEMBER from a REGISTERED INSURER, the FUND shall have no further liability in respect of such MEMBER nor any person who would, but for the purchase of the PENSION, have had any right or expectation of any right or benefit to succeed to the rights of such MEMBER in relation to the FUND; and the purchase of the PENSION shall have the same effect as a withdrawal from the FUND of the MEMBER. If the MEMBER elected to have his PENSION partly paid from the FUND and the balance purchased in his name from a REGISTERED INSURER, the FUND shall have no further liability in respect of such MEMBER nor any person who would, but for the purchase of the PENSION, have had any right or expectation of any right or benefit to succeed to the rights of such MEMBER in relation to the FUND in respect of the amount used to purchase a PENSION from a REGISTERED INSURER for the MEMBER.

C.1.6 SPECIAL PROVISIONS APPLICABLE IN RESPECT OF CONTRIBUTIONS AS A RESULT OF THE COVID-19 PANDEMIC

C.1.6.1 Notwithstanding anything to the contrary in these RULES, if the employment conditions of a DB MEMBER are affected such that his pay is reduced or his absence is partially or fully unpaid as a result of the COVID-19 pandemic, the following shall apply:

(a) his membership of the FUND shall continue;

(b) the CONTRIBUTIONS in respect of the DB MEMBER and payable by the DB MEMBER in terms of RULE C.2.1 or by the EMPLOYER in terms of RULE C.2.3.1, may be temporarily suspended or

reduced by the EMPLOYER; provided that the EMPLOYER shall pay at least such amounts as are

i) required to meet the ongoing expenses of the FUND attributable to DB MEMBERS; and

ii) to the extent that cover is available in terms of the insurance policies providing such benefits, the FUNERAL BENEFIT premiums and the premiums payable in respect of the insured portion of the death in-service benefit,

based on the DB MEMBER'S PENSIONABLE SALARY prior to any such change;

(c) for the purposes of determining benefits which accrue during or after the period referred to in RULE C.1.6.2, the DB MEMBER'S PENSIONABLE SALARY during the period referred to in RULE C.1.6.2 shall be deemed to be equal to the DB MEMBER'S PENSIONABLE SALARY which applied immediately prior the commencement of this period;

(d) PENSIONABLE SERVICE shall:

(i) not accrue for any period during which CONTRIBUTIONS, other than CONTRIBUTIONS referred to in RULE C.1.6.1(b)(i) and RULE C.1.6.1(b)(ii), have been suspended; or

(ii) accrue at a reduced rate, as determined by the ACTUARY using methods and assumptions approved by the BOARD, for any period during which CONTRIBUTIONS, other than CONTRIBUTIONS referred to in RULE C.1.6.1(b)(i) and RULE C.1.6.1(b)(ii), have been reduced; and

(e) the DB MEMBER shall remain covered for the death in-service benefit in the event of the death of the DB MEMBER during the period referred to in RULE C.1.6.2.

C.1.6.2 The provisions of RULE C.1.6.1 shall apply from 1 May 2020 to 31 October 2020 or such shorter period as is:

(a) communicated by each affected EMPLOYER to affected DB MEMBERS in its SERVICE; and

(b) confirmed to the FUND in writing by each affected EMPLOYER.

C.1.7 **DISPOSITION OF BENEFITS IN RESPECT OF A DIVORCED PENSIONER**

C.1.7.1 In the event that the FUND has on record or is provided, in respect of a PENSIONER, with a valid and proper DIVORCE ORDER, the FUND shall give effect to such DIVORCE ORDER.

C.1.7.2 If as a result of giving effect to such a DIVORCE ORDER, any portion of the PENSIONER'S PENSION INTEREST ON DIVORCE is:

(a) paid to a NON-MEMBER SPOUSE; or

(b) transferred to an APPROVED FUND in respect of a NON-MEMBER SPOUSE; or

(c) used to purchase a PENSION in accordance with the provisions of RULE B.1.6,

either at the date of divorce or at any other date permissible or required in terms of the ACT or other applicable legislation, the PENSION payable to the PENSIONER, in terms of these RULES shall be reduced based on the remaining portion of the PENSION INTEREST ON DIVORCE, and other relevant factors, as determined by the ACTUARY.

C.1.7.3 The value of the portion of the PENSION INTEREST ON DIVORCE payable to the NON-MEMBER SPOUSE and the remaining portion of

the PENSION INTEREST ON DIVORCE attributable to the PENSIONER shall take account of:

(a) any tax paid on behalf of the NON-MEMBER SPOUSE where the NON-MEMBER SPOUSE is liable for the tax; and

(b) any tax paid from the PENSIONER'S remaining portion of the PENSION INTEREST ON DIVORCE where the PENSIONER is liable for the tax.

C.2 CONTRIBUTIONS

C.2.1 MEMBER CONTRIBUTIONS

C.2.1.1 Subject to RULE C.1.2, a DB MEMBER shall contribute each month to the FUND at a rate of 7.5 per cent of his monthly PENSIONABLE SALARY, provided that no contributions shall be payable by a DB MEMBER after he has attained the age of 65 years.

C.2.2 ADDITIONAL VOLUNTARY AND TRANSFER CONTRIBUTIONS

C.2.2.1 A DB MEMBER may make additional contributions to the FUND, in order to secure greater benefits or in respect of a period of past SERVICE, in accordance with such conditions and procedures as the BOARD may prescribe from time to time; provided that:

(a) the payment of additional contributions to the FUND shall be subject to the limitations and requirements of the Income Tax Act, 1962;

(b) such additional contributions shall be allocated to the MEMBER'S INDIVIDUAL ACCOUNT, and

(c) such amounts shall be allocated one-third to the MEMBER'S SAVINGS COMPONENT and two-thirds to the MEMBER'S RETIREMENT COMPONENT.

C.2.2.2 At the request of a DB MEMBER who was or is a member of another APPROVED FUND, other than a RETIREMENT

ANNUITY FUND, the FUND may accept the transfer to it of one or more amounts held by the APPROVED FUND for the benefit of the DB MEMBER in respect of a past period of employment before joining SERVICE, provided that such amounts shall be allocated to matching COMPONENTS in the FUND.

C.2.2.3 Amounts may be transferred to the FUND in respect of a DB MEMBER who has been transferred to the SERVICE of an EMPLOYER from an associated company or organisation or a NAMIBIAN EMPLOYER, provided that such amounts shall be allocated to matching COMPONENTS in the FUND.

C.2.2.4 All voluntary and transfer contributions received by the FUND in terms of RULE C.2.2.1, RULE C.2.2.2 or RULE C.2.2.3 will be housed in a MEMBER'S INDIVIDUAL ACCOUNT, which will form part of the COMPONENTS in terms of RULE A.12.

C.2.3 EMPLOYER CONTRIBUTIONS

C.2.3.1 Subject to RULE C.1.2 and RULE C.2.3.2, each EMPLOYER shall pay to the FUND a percentage, which may be not be less than the rate of contribution payable by DB MEMBERS in terms of RULE C.2.1, determined by the BOARD, after taking into account the amount certified by the ACTUARY from time to time to be required to cover the cost of the benefits under the RULES, calculated after taking into account the contributions payable by DB MEMBERS in terms of RULE C.2.1 and the assets and liabilities of the FUND, of the PENSIONABLE SALARY of those of his employees who are DB MEMBERS. Any EMPLOYER'S contributions required to be paid shall be paid to the FUND at the same time as the corresponding contributions deducted from the salaries or wages of the DB MEMBERS.

C.2.3.2 If there is a sufficient amount standing to the credit of a CATEGORY A EMPLOYER'S NOTIONAL SHARE of the EMPLOYER SURPLUS ACCOUNT which may be used for this

purpose, then, at the request of that EMPLOYER, an amount equivalent to or less than the amount for which such EMPLOYER would otherwise be liable in terms of RULE C.2.3.1 in respect of the month may be debited from the EMPLOYER SURPLUS ACCOUNT in terms of RULE A.9.5.3 and applied in lieu of those contributions, or part thereof, as the case may be in which circumstance no contribution, or a contribution in a lesser amount, as the case may be, will be payable by such EMPLOYER in respect of that month.

C.2.3.3 In addition to the amount referred to in RULE C.2.3.1, the EMPLOYER shall contribute to the FUND each month in respect of each DB MEMBER, such amount as is required to cover the cost of the FUNERAL BENEFIT, provided that:

(a) The premiums payable by the EMPLOYER to the REGISTERED INSURER with whom the FUNERAL BENEFIT is insured, must be paid by the FUND to the REGISTERED INSURER;

(b) The terms and conditions applicable to the premiums referred to in RULE C.2.3.3 (a) and the payment of the FUNERAL BENEFIT are set out in the policy issued by the REGISTERED INSURER with whom such benefits have been insured and, accordingly, the FUND is not liable for the payment of any FUNERAL BENEFIT; and

(c) The FUND is not liable for any loss suffered by a MEMBER, the EMPLOYER or any other party in respect of any cancellation or diminution of the FUNERAL BENEFIT, in the event that the premiums for such benefits are paid late, incorrectly or not at all by the FUND on behalf of the EMPLOYER, to the REGISTERED INSURER.

C.2.4 ALLOCATION OF PENSIONABLE SERVICE

C.2.4.1 The value of the PENSIONABLE SERVICE accrued as a result of the contributions referred to in RULE C.2.1.1 and C.2.3, shall be allocated:

(a) One-third to the DB MEMBER'S SAVINGS COMPONENT; and

(b) Two-thirds to the DB MEMBER'S RETIREMENT COMPONENT.

C.3 RETIREMENT BENEFITS

C.3.1 PENSION RATE

C.3.1.1 A DB MEMBER who has attained PENSION AGE and elects to retire from the FUND on the date of his retirement from SERVICE, shall be paid a pension of 2 per cent of FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE under 35 years of age and 2,2 per cent of FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE after 35 years of age, months pro rata.

C.3.1.2 A DB MEMBER who elects a date of retirement from the FUND that is later than his date of retirement from SERVICE shall be subject to and receive benefits in terms of RULE C.3.9.

C.3.2 NORMAL RETIREMENT

C.3.2.1 A DB MEMBER who has attained PENSION AGE shall retire from SERVICE; provided that he may, if he and his EMPLOYER agrees, continue in SERVICE for a further period in terms of RULE C.3.5.

C.3.2.2 If a DB MEMBER retires or is retired from SERVICE on attaining PENSION AGE and elects to retire from the FUND on the date of his retirement from SERVICE, he shall be entitled, as from the date of retirement, to a PENSION calculated in terms of RULE C.3.1.1.

C.3.3 EARLY RETIREMENT

C.3.3.1 Notwithstanding the provisions of RULE C.3.2.1, a DB MEMBER may, subject to the consent of his EMPLOYER, retire from SERVICE after attaining the age of 50 years, in which case he shall be entitled, as from the date of his retirement from the FUND, to a PENSION in respect of his PENSIONABLE SERVICE to the date of his early retirement adjusted as determined by the BOARD acting on the advice of the ACTUARY.

C.3.4 ILL HEALTH RETIREMENT

C.3.4.1 A DB MEMBER who has not attained the PENSION AGE and who, in the opinion of his EMPLOYER is considered to be no longer capable of carrying on working as a result of medical infirmity, may at the sole discretion of the BOARD, after having obtained the opinion of a medical practitioner:

(a) Retire from SERVICE in terms of RULE C.3.4.2 where the infirmity has resulted in permanent disability precluding further employment or gainful occupation with the EMPLOYER or elsewhere; or

(b) Retire from SERVICE in terms of RULE C.3.4.3 where the MEMBER is unable to perform any occupation with any employer for which he is or could reasonably be expected to become qualified or suited, taking into account his degree of disability and his knowledge, training and education, ability, experience and age. Such occupation need not be with the existing EMPLOYER, includes self-employment and does not have regard to the availability of work opportunities.

C.3.4.2 A DB MEMBER retired from SERVICE in terms of RULE C.3.4 and who elects to retire from the FUND at that date, shall, be paid a PENSION of 2.0 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE and for

each year of PROJECTED SERVICE under 35 years of age and 2.2 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE and for each year of PROJECTED SERVICE after 35 years of age, months pro rata.

C.3.4.3 A DB MEMBER retired in terms of RULE C.3.4 and who elects to retire from the FUND on the date of his retirement from SERVICE, shall be paid a PENSION of 2.0 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE under 35 years of age and 2.2 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE after 35 years of age, plus 1.0 per cent of his FINAL PENSIONABLE SALARY for each year of PROJECTED SERVICE under 35 years of age and 1.1 per cent of his FINAL PENSIONABLE SALARY for each year of PROJECTED SERVICE after 35 years of age, months pro rata.

C.3.4.4 Every PENSIONER who has retired from the FUND in terms of RULE C.3.4.1 (a) may be required by the BOARD to undergo a medical examination by a medical practitioner appointed by the BOARD, prior to his PENSION AGE, at intervals determined by the BOARD. If, in the opinion of the BOARD, such examination indicates that he is fit for employment, the BOARD may, in their discretion, suspend or reduce his PENSION.

Such a PENSIONER who re-enters employment may retire from the FUND on his PENSION AGE and shall then be entitled to a PENSION, calculated as follows:

(a) A PENSION as provided in RULE C.3.1.1, plus

(b) 2.0 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE under 35 years of age and 2.2 per cent of FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE after 35 years of age, for each year or part thereof from

date of original retirement to the date of suspension or reduction of the original pension, plus

(c) 2.0 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE under 35 years of age and 2.2 per cent of his FINAL PENSIONABLE SALARY for each year of PENSIONABLE SERVICE after 35 years of age, for each year or part thereof from the date of suspension or reduction of the original pension to the date of attaining PENSION AGE, reduced in the discretion of the BOARD, by a proportion not exceeding the proportion by which the original pension was reduced.

C.3.4.5 If the condition responsible for the MEMBER being placed on ill-health retirement in terms of this RULE C.3.4 is attributable by the BOARD, after taking medical advice, to any condition for which the MEMBER'S certificate of membership had been endorsed when he originally joined the FUND, then PROJECTED SERVICE shall not be taken into account in determining the pension payable to the MEMBER, provided that all or part thereof may be taken into account at the sole discretion of the BOARD.

C.3.5 LATE RETIREMENT

C.3.5.1 A DB MEMBER may only retire from SERVICE after the PENSION AGE with the consent of his EMPLOYER.

C.3.5.2 If a DB MEMBER retires or is retired from the SERVICE of an EMPLOYER after attaining PENSION AGE, he shall be entitled to:

(a) Retire from the FUND on attainment of PENSION AGE and be granted a PENSION as provided in RULE C.3.2.1, or

(b) Discontinue contributions to the FUND and wholly defer the payment of his PENSION until he elects to retire from

the FUND. During the period of such suspension the MEMBER shall not be eligible for the pre-retirement lump sum death benefit in terms of RULE C.4.1.1. He will then become entitled to a pension as provided in RULE C.3.2.1, increased to take account of the period of suspension as determined by the BOARD acting on the advice of the ACTUARY, or

(c) Continue contributions to the FUND until such time as he leaves the SERVICE of the EMPLOYER or attains the age of 65 years whichever is earlier. He will then become entitled to a pension as provided in RULE C.3.2.1, increased to take account of the period of deferment as determined by the BOARD acting on the advice of the ACTUARY.

C.3.6 MEMBER'S INDIVIDUAL ACCOUNT

C.3.6.1 Each DB MEMBER is entitled to additional retirement benefits as determined by the BOARD in consultation with the ACTUARY in respect of the balance in his MEMBER'S INDIVIDUAL ACCOUNT.

C.3.6.2 The BOARD shall establish an investment strategy in respect of the MEMBER'S INDIVIDUAL ACCOUNT, taking account of such factors as deemed appropriate by the BOARD, and such investment strategy shall be communicated to DB MEMBERS. The BOARD may at any time revise the investment strategy and must do so if it does not comply with the regulations framed under the ACT.

C.3.7 PAYMENT OF RETIREMENT PENSION

C.3.7.1 A PENSION of one twelfth of the PENSION calculated in terms of RULE C.3 shall be payable monthly in arrears on the last day of each month, subject to any election made in terms of RULE C.3.8 or RULE C.3.9.

C.3.7.2 The PENSION payable to a PENSIONER in terms of RULE C.3.7.1 shall cease on the last day of the month following his death.

C.3.7.3 If a DB MEMBER who has retired from service in terms of RULE C.3.2, RULE C.3.3, RULE C.3.4 or RULE C.3.5 makes an election to retire from the FUND but dies before such election has been implemented by the FUND, the benefit of the DB MEMBER will be payable in accordance with such election or, if this is not possible, to the DB MEMBER'S estate.

C.3.8 COMMUTATION OF PENSION

C.3.8.1 A DB MEMBER who retires from the FUND in terms of RULE C.3.4 shall be entitled at the time of his retirement from the FUND to elect to commute a portion of his retirement benefit for a lump sum benefit, subject to a maximum of:

(a) his SAVINGS COMPONENT; plus

(b) his VESTED LUMP SUM COMPONENT; plus

(c) one-third of his VESTED ANNUITY COMPONENT,

provided that the value of the lump sum shall be determined by the ACTUARY.

C.3.8.2 Notwithstanding the provisions of RULE C.3.8.1, a DB MEMBER shall be entitled to commute the whole of his retirement benefit, subject to the discretion of the BOARD, for a lump sum benefit, provided that the value of:

(a) his RETIREMENT COMPONENT; plus

(b) two-thirds of his VESTED ANNUITY COMPONENT,

as determined by the ACTUARY, does not exceed R240 000 or such other amount determined by the REVENUE AUTHORITIES from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

C.3.8.3 Notwithstanding the provisions of RULE C.3.8.1 and RULE C.3.8.2 and subject to the any conditions as may be prescribed by the REVENUE AUTHORITIES, a DB MEMBER shall be entitled to commute the whole of his retirement benefit, as determined by the ACTUARY, for a lump sum benefit if he:

(a) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(b) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2002; or

(c) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

C.3.8.4 A MEMBER choosing to commute a portion of his pension for a lump sum in terms of RULE C.3.8.1 may choose to receive a lower lump sum, as determined by the BOARD acting on the advice of the ACTUARY, in return for a higher WIDOW / WIDOWER'S PENSION and higher CHILDREN'S PENSIONS, if applicable, in terms of RULE C.4.3 and RULE C.4.5.

C.3.8.5 If a PENSION is fully commuted in terms of RULE C.3.8.2 or RULE C.3.8.3, no PENSION or lump sum benefit shall be payable to the WIDOW / WIDOWER or CHILDREN or DEPENDANTS of the DB MEMBER.

C.3.9 TRANSFER OPTION

C.3.9.1 Instead of receiving a benefit in terms of RULE C.3.7, a DB MEMBER, DB DEFERRED PENSIONER, DEFERRED MEMBER or PAID-UP PENSIONER shall be entitled at the

time of his retirement from the FUND to elect to transfer the value of his retirement benefit, as calculated by the FUND ACTUARY in terms of these RULES, to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND. Any such transfer shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

C.3.9.2 In respect of a transfer to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND, the transfer shall be in respect of the whole of the MEMBER'S retirement benefit, calculated in accordance with RULE C.3.9.1 and following the transfer, the FUND shall have no further liability in respect of such MEMBER whatsoever and the MEMBER shall cease to be a MEMBER in terms of these RULES.

C.3.10 CONDITIONS APPLICABLE TO A DB DEFERRED PENSIONER ON RETIREMENT FROM SERVICE

C.3.10.1 A DB MEMBER who retires from SERVICE in terms of RULE C.3.2, RULE C.3.3, RULE C.3.4, RULE C.3.5 or RULE C.6.2.2 (c) may elect to retire from the FUND or to defer the receipt of his retirement benefit and become a DB DEFERRED PENSIONER, provided that a DB MEMBER who does not make such an election before retirement from SERVICE shall automatically become a DB DEFERRED PENSIONER. A DB MEMBER who becomes a DB DEFERRED PENSIONER by the operation of this RULE shall remain a DB DEFERRED PENSIONER until such time as he elects in writing to retire from the FUND or to transfer his FUND benefit to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT

ANNUITY FUND in terms of these RULES. The following conditions shall apply to such DB DEFERRED PENSIONERS:

(a) no further contributions shall be paid to the FUND by or in respect of the DB DEFERRED PENSIONER;

(b) the DB DEFERRED PENSIONER may not resign from FUND, they may only retire from the FUND;

(c) no lump sum death benefit in terms of RULE C.4.1.1 shall become payable if the DB DEFERRED PENSIONER dies. The FUND shall make no deductions in respect of such benefits;

(d) if the DB DEFERRED PENSIONER dies after the date of retirement from SERVICE:

(i) prior to making an election to retire from the FUND, the provisions of RULE C.4.2.7, RULE C.4.3.3 and RULE C.4.5.3 shall apply; or

(ii) after making an election to retire from the FUND but before such election has been implemented by the FUND, the benefit of the DB DEFERRED PENSIONER will be payable in accordance with such election or, if this is not possible, to the DB DEFERRED PENSIONER'S estate;

(e) any lawful deductions in terms of the provisions of the ACT and the RULES shall become enforceable and the relevant amounts due shall be deducted from the DB MEMBER'S benefit effective on the date of his retirement from SERVICE;

(f) any lawful claim against the benefit of a DB DEFERRED PENSIONER which arises after the date of retirement from SERVICE and while the DB DEFERRED PENSIONER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be

deducted from the benefit of such a DB DEFERRED PENSIONER upon the FUND being furnished with satisfactory proof of such a lawful claim; and

(g) reasonable expenses as determined by the BOARD, including administration costs, costs referred to in RULE C.7.1.1(d), and any costs associated with tracing the DB DEFERRED PENSIONER or his DEPENDANTS, may be deducted from the benefit.

C.3.10.2 A DB DEFERRED PENSIONER who has become a DB DEFERRED PENSIONER through the operation of RULE C.3.10.1 or who has otherwise become a DB DEFERRED PENSIONER in terms of these RULES and has attained the age of 50 years, may elect to retire from the FUND at any age, even if this is older than the PENSION AGE of the FUND, subject to any maximum retirement age that is imposed by legislation. The following conditions shall apply to the payment of the benefit to a DB DEFERRED PENSIONER:

(a) the value of the pension will be calculated as provided in RULE C.3.1.1, adjusted, if applicable, to take account of:

(i) the period between the PENSION AGE and the date of the DB DEFERRED PENSIONER'S retirement from the FUND;

(ii) increases granted by the BOARD over the period between the date of or retirement from SERVICE, as applicable, and date of the DB DEFERRED PENSIONER'S retirement from the FUND;

(iii) additional retirement benefits as determined by the BOARD in consultation with the ACTUARY in respect of the MEMBER'S INDIVIDUAL ACCOUNT BALANCE; and

(iv) the value of any SAVINGS COMPONENT withdrawals in terms of RULE C.7,

as determined by the BOARD acting on the advice of the ACTUARY; or

(b) The DB DEFERRED PENSIONER may elect to retire from the FUND and receive the benefit referred to in RULE C.3.10.2 (a) as a PENSION in terms of RULE C.1.5.1 or to transfer his benefit to a PENSION PRESERVATION FUND, a PROVIDENT PRESERVATION FUND or a RETIREMENT ANNUITY FUND in terms of RULE C.3.9 at any age, even if this is older than the PENSION AGE of the FUND, subject to any maximum retirement age that is imposed by legislation.

C.4 DEATH BENEFITS

C.4.1 DEATH IN SERVICE

C.4.1.1 On the death of a DB MEMBER in SERVICE prior to PENSION AGE, or prior to age 65 if CONTRIBUTIONS continue to be paid after PENSION AGE in terms of RULE C.3.5.2 (c), there shall be payable a pre-retirement lump sum death benefit equal to 2 times the DB MEMBER'S highest ANNUALISED PENSIONABLE SALARY earned at any date in the 10 years preceding death.

C.4.1.2 Where applicable WIDOW / WIDOWER and CHILDREN'S pensions, calculated on the FINAL PENSIONABLE SALARY in accordance with RULES C.4.3 and C.4.5 shall also be payable. Additional benefits as determined by the BOARD in consultation with the ACTUARY may be payable in respect of the MEMBER'S INDIVIDUAL ACCOUNT balance.

C.4.1.3 On the death of a DB MEMBER in SERVICE prior to PENSION AGE, or prior to age 65 if CONTRIBUTIONS continue to be paid after PENSION AGE in terms of RULE C.3.5.2 (c), who does not leave a WIDOW / WIDOWER or a CHILD entitled to a

PENSION in terms of these RULES, an amount equal to the sum of his MINIMUM INDIVIDUAL RESERVE and MEMBER'S INDIVIDUAL ACCOUNT balance shall be payable.

C.4.2 DEATH OF A PENSIONER

C.4.2.1 Subject to the approval of the BOARD, a DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER who has no SPOUSE or DEPENDANTS may, on retirement from the FUND, elect to nominate a person to whom a portion of his PENSION will be payable on his death. The amount of the reduction to his PENSION to allow for the payment of the nominated person's pension shall be calculated by the ACTUARY.

C.4.2.2 If a DB MEMBER who joined the FUND prior to 1 January 1996 retires in terms of RULE C.3.4.1 (a) and dies before reaching his PENSION AGE, an amount equivalent to 2 times the DB MEMBER'S ANNUALISED PENSIONABLE SALARY at the date of his retirement shall be allocated and paid as a PENSION in three monthly instalments to the WIDOW / WIDOWER and CHILDREN in proportion to the PENSIONS payable to the WIDOW / WIDOWER CHILDREN in accordance RULES C.4.3 and C.4.5. If the PENSION of such a DB MEMBER had been suspended or reduced in terms of RULE C.3.4.4 and as at the date of death has not been restored to its normal level, the value of the lump sum shall be reduced in the same proportion as the PENSION was reduced. If no WIDOW / WIDOWER and CHILDREN'S PENSIONS are payable in terms of RULES C.4.3 and C.4.5 then the amount due in terms of this RULE shall be payable in accordance with Section 37C of the ACT and the provisions of RULE B.4.3.8 shall apply mutatis mutandis.

Provided that any benefit so payable shall be paid as an annuity split into three monthly instalments.

Provided further that a BENEFICIARY may:

(a) Subject to the approval of the BOARD; and

(b) Subject to so electing within 6 (six) months after the death of the PENSIONER, fully commute the said PENSION for a lump sum.

C.4.2.3 If a DB MEMBER who joined the FUND after 31 December 1995 retires in terms of RULE C.3.4.1 (a) and dies before reaching his PENSION AGE a SUPPLEMENTARY PENSION of one twelfth of 15% of the DB MEMBER'S ANNUALISED PENSIONABLE SALARY at the date of retirement shall be payable monthly in arrears to either the WIDOW / WIDOWER or the CHILDREN of the deceased DB MEMBER. The SUPPLEMENTARY PENSION shall be effective from the first day of the month following the date of death and shall continue for so long as a PENSION is payable in terms of RULES C.4.3 and C.4.5 or until the deceased PENSIONER would have attained PENSION AGE, if earlier.

C.4.2.4 On the death of a PENSIONER who was a DB MEMBER at retirement, other than a PENSIONER referred to in RULES C.4.2.1 or C.4.2.3, an amount equivalent to three times the last monthly pension payment, subject to a minimum amount to be decided by the BOARD, shall be allocated and paid as a PENSION in 3 monthly instalments to the WIDOW / WIDOWER and CHILDREN in proportion to the pensions payable to the WIDOW / WIDOWER and CHILDREN in accordance with RULES C.4.3 and C.4.5. If no WIDOW / WIDOWER and CHILDREN'S PENSIONS are payable in terms of RULES C.4.3 and C.4.5 then the amount due in terms of this RULE C.4.2.4 shall be payable in accordance with RULE B.4.3.8.

Provided that any benefit so payable shall be paid as an annuity split into three monthly instalments.

Provided further that a BENEFICIARY may:

(a) Subject to the approval of the BOARD; and

(b) Subject to so electing within six (6) months after the death of the PENSIONER, fully commute the said PENSION for a lump sum.

C.4.2.5 Where applicable post-retirement WIDOW / WIDOWER and CHILDREN'S PENSIONS in accordance with RULES C.4.3 and C.4.5 shall also be payable.

C.4.2.6 On the death of a PENSIONER who was a DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or a PAID-UP PENSIONER before retirement, who does not leave a WIDOW / WIDOWER or a CHILD entitled to a PENSION in terms of these RULES, the amount by which his ACCUMULATED MEMBER'S CONTRIBUTIONS and MEMBERS INDIVIDUAL ACCOUNT balance exceeds the total PENSION payments made to the PENSIONER shall be payable in accordance with Section 37C of the ACT and the provisions of RULE B.4.3.8 shall apply mutatis mutandis.

Provided that any benefit so payable shall be paid as a PENSION split into three monthly instalments.

Provided further that a BENEFICIARY may:

(a) Subject to the approval of the BOARD; and

(b) Subject to so electing within six (6) months after the death of the PENSIONER, fully commute the said PENSION for a lump sum.

C.4.2.7 On the death of a DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER before retirement who does not leave a WIDOW / WIDOWER or a CHILD entitled to a PENSION in terms of these RULES, an amount equal to his MINIMUM INDIVIDUAL RESERVE shall be payable in

accordance with Section 37C of the ACT and the provisions of RULE B.4.3.8 shall apply mutatis mutandis.

C.4.3 WIDOW / WIDOWER'S PENSIONS

C.4.3.1 On the death of a DB MEMBER, a PENSION shall be payable to the WIDOW / WIDOWER of the deceased of 66 per cent of

(a) 2.0 per cent of his FINAL PENSIONABLE SALARY for each year of POTENTIAL PENSIONABLE SERVICE under 35 years of age, and

(b) 2.2 per cent of FINAL PENSIONABLE SALARY for each year of POTENTIAL PENSIONABLE SERVICE after 35 years of age to the PENSION AGE, months pro rata.

C.4.3.2 On the death of a PENSIONER who was a DB MEMBER, a DEFERRED MEMBER, a DB DEFERRED PENSIONER or PAID-UP PENSIONER at retirement, a PENSION shall be payable to the WIDOW / WIDOWER of the deceased of 66 per cent of the PENSIONER'S PENSION at the date of death.

C.4.3.3 On the death of a DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER before retirement, a pension shall be payable to the WIDOW / WIDOWER of the deceased of 66 per cent of the PENSION he had accrued at the date of his death.

C.4.3.4 Where the PENSIONER referred to in RULE C.4.3.2 has chosen a lower lump sum in terms of RULE C.3.8.3, the percentage in terms of this RULE will be increased to a level not exceeding 100 per cent, as determined by the ACTUARY, and will depend on the proportion of pension commuted at retirement.

C.4.4 PAYMENT OF WIDOW / WIDOWER'S PENSION

C.4.4.1 The WIDOW / WIDOWER'S PENSION shall be payable for the lifetime of the WIDOW / WIDOWER.

C.4.4.2 Where the PENSION is apportioned between two or more WIDOWS / WIDOWERS, then that portion of the PENSION payable to the WIDOW /WIDOWER shall cease on the death of such WIDOW / WIDOWER.

C.4.4.3 If any WIDOW / WIDOWER comes forward after payment of the PENSIONS to any other BENEFICIARIES have commenced, but before the expiry of 24 months from the date of death of the DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER, PAID-UP PENSIONER or PENSIONER and it is determined that he is entitled to a PENSION:

(a) he will only be entitled to the PENSION from the first day of the month following the month in which it was established that he is a WIDOW / WIDOWER as defined;

(b) the PENSIONS being paid to the other WIDOW(S) / WIDOWER(S) at the time that an additional WIDOW / WIDOWER comes forward will be recalculated to take account of the additional WIDOW / WIDOWER and any resulting adjustment to the PENSION being paid to a WIDOW / WIDOWER will not constitute a reduction of the benefit payable to him as contemplated in the ACT; and

(c) the provisions of this sub-rule (b) will apply regardless of the number of additional WIDOWS / WIDOWERS that come forward within the 24 month period stipulated above.

C.4.5 CHILDREN'S PENSIONS

C.4.5.1 On the death of a DB MEMBER, a PENSION shall be paid in respect of each CHILD of the deceased of which the FUND has become aware within 24 months after the death of the DB MEMBER subject to the following:

(a) The amount of the PENSION will be equal to

(i) 17 per cent if there is only one CHILD, or

(ii) 34 per cent if there are two or more CHILDREN,

of:

2.0 per cent of his FINAL PENSIONABLE SALARY for each year of POTENTIAL PENSIONABLE SERVICE under 35 years of age to the PENSION AGE, and

2.2 per cent of FINAL PENSIONABLE SALARY for each year of POTENTIAL PENSIONABLE SERVICE after 35 years of age, months pro rata;

divided by the number of CHILDREN.

(b) If any CHILD comes forward after payment of the PENSIONS to the other CHILDREN have commenced, but before the expiry of the 24 month period, stipulated in RULE C.4.5.1 above and it is determined that he is entitled to a PENSION:

(i) he will only be entitled to the PENSION from the first day of the month following the month in which it was established that he is a CHILD as defined;

(ii) the PENSIONS being paid to any other CHILDREN at the time that an additional CHILD comes forward may be recalculated to take account of the additional CHILD and any resulting adjustment to the PENSION being paid to a CHILD will not constitute a reduction of the benefit payable to him as contemplated in the ACT; and

(iii) the provisions of this sub-rule (b) will apply regardless of the number of additional CHILDREN that come forward within the 24 month period stipulated above.

C.4.5.2 On the death of a PENSIONER who was a DB MEMBER, a DEFERRED MEMBER, a DB DEFERRED PENSIONER or PAID-UP PENSIONER at retirement, a PENSION shall be paid in respect of each CHILD of the deceased of which the FUND has become aware within 24 months after the death of the PENSIONER subject to the following:

(a) The amount of the PENSION will be equal to

(i) 17 per cent of the PENSION he was receiving at the time of his death if there is only one CHILD, or

(ii) 34 per cent of the PENSION he was receiving at the time of his death if there are two or more CHILDREN,

divided by the number of CHILDREN and shall be subject to the provisions of RULE C.4.5.1 (b).

C.4.5.3 On the death of a DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER before retirement a PENSION shall be paid in respect of each CHILD of the deceased. The amount of the PENSION payable to the CHILD shall be equal to:

(a) 17 per cent if there is only one CHILD, or

(b) 34 per cent if there are two or more CHILDREN,

of the PENSION the DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER had accrued at the date of his death divided by the number of CHILDREN and shall be subject to the provisions of RULE C.4.5.1 (b).

C.4.5.4 If no WIDOW / WIDOWER'S PENSION is concurrently payable, the percentage in RULES C.4.5.1, C.4.5.2 and C.4.5.3 above, shall be

(a) 40 per cent of the PENSION he was receiving at the time of his death if there is only one CHILD, or

(b) 80 per cent of the PENSION he was receiving at the time of his death if there are two or more CHILDREN,

and shall be payable subject to the provisions of RULE C.4.5.1 (b).

C.4.5.5 Where a PENSIONER referred to in RULE C.4.5.2 has chosen a lower lump sum in terms of RULE C.3.8.3,

(a) The percentage in terms of RULES C.4.5.1, C.4.5.2 and C.4.5.3 shall be a percentage not exceeding

(i) 25 per cent of the PENSION he was receiving at the time of his death if there is only one CHILD; or

(ii) 50 per cent of the PENSION he was receiving at the time of his death if there are two or more CHILDREN;

(b) The percentage in terms of RULE C.4.5.4 shall be a percentage not exceeding:

(i) 60 per cent of the PENSION he was receiving at the time of his death if there is only one CHILD; or

(ii) 120 per cent of the PENSION he was receiving at the time of his death if there are two or more CHILDREN;

as determined by the ACTUARY, and shall depend on the proportion of PENSION commuted at retirement. The payment of these CHILDREN'S PENSIONS shall be subject to the provisions of RULE C.4.5.1 (b).

C.4.5.6 This RULE C.4.5 applies with effect from 1 December 2011. The payment of CHILDREN'S PENSIONS in respect of a DB MEMBER, PENSIONER, PAID-UP PENSIONER or DB DEFERRED PENSIONER who died before 1 December 2011

will be dealt with in terms of the applicable RULES that applied prior to 1 December 2011.

C.4.6 CESSATION OF CHILDS PENSION

C.4.6.1 The CHILD'S PENSION shall cease on the CHILD'S

(a) Death; or

(b) Attainment of the age of 18 years;

provided that, the PENSION may continue to a maximum age of 25 years during any period of fulltime formal study at an educational institution approved by the BOARD at their discretion, and subject to such further requirements as the BOARD in their discretion may determine from time to time, and provided further that the CHILD is not in receipt of regular monthly remuneration exceeding a level decided on by the BOARD from time to time and provided further that, in respect of a mentally or physically handicapped CHILD, the BOARD may, in their discretion, continue the payment of the PENSION.

C.4.7 MEMBER'S INDIVIDUAL ACCOUNT

Additional death benefits as determined by the BOARD in consultation with the ACTUARY in respect of the balance in the DB MEMBER'S INDIVIDUAL ACCOUNT will be payable.

C.5 WITHDRAWAL BENEFIT

C.5.1 WITHDRAWAL BENEFIT ON RESIGNATION, DISMISSAL OR RETRENCHMENT

C.5.1.1 If a DB MEMBER does not qualify to retire or qualifies but elects not to receive a retirement benefit under RULE C.3 and leaves SERVICE before the PENSION AGE for any reason other than retrenchment, in circumstances for which no benefit is specifically provided elsewhere in these RULES he shall be entitled to a benefit equal to;

(a) The balance in his MEMBER'S INDIVIDUAL ACCOUNT, if any; plus the greater of

(b) His ACCUMULATED MEMBER'S CONTRIBUTIONS; and

(c) His MINIMUM INDIVIDUAL RESERVE,

provided that the value of each part of the benefit, as set out in terms of RULE C.5.1.1(a), RULE C.5.1.1(b) and RULE C.5.1.1(c), shall be split into COMPONENTS and adjusted, as determined by the ACTUARY, in accordance with these RULES.

C.5.1.2 A DB MEMBER referred to in RULE C.5.1.1 may elect to defer the receipt of his FUND benefit and become a DB DEFERRED PENSIONER or may elect that his FUND benefit:

(a) be transferred to such APPROVED FUND as the DB MEMBER may decide in terms of RULE C.5.4; or

(b) be paid to the DB MEMBER in cash, excluding his RETIREMENT COMPONENT, and subject to any conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a DB DEFERRED PENSIONER benefit in the FUND or transfer them to an APPROVED FUND; or

(c) be paid as a combination of a transfer to an APPROVED FUND in terms of RULE C.5.1.2 (a) and a cash payment in terms of, and subject to the conditions set out in, RULE C.5.1.2 (b),

provided that a DB MEMBER who does not make such an election on withdrawal from SERVICE shall automatically become a DB DEFERRED PENSIONER and provided further that the benefit referred to in RULE C.5.1.1 shall only become

due and payable by the FUND on the date the FUND receives a written instruction to pay or transfer the benefit in terms of these RULES. A DB MEMBER who becomes a DB DEFERRED PENSIONER by the operation of this RULE shall remain a DB DEFERRED PENSIONER until such time as he elects in writing to withdraw or retire from the FUND in terms of these RULES. The provisions of RULE C.5.3 shall apply to such DB DEFERRED PENSIONERS.

C.5.1.3 If a DB MEMBER referred to in RULE C.5.1.1 makes an election to receive his benefit from the FUND but dies before such election has been implemented by the FUND, the benefit of the DB MEMBER will be payable in accordance with such election or, if this is not possible, to the DB MEMBER'S estate.

C.5.2 RETRENCHMENT

C.5.2.1 A DB MEMBER who leaves SERVICE due to retrenchment and who does not qualify to retire or qualifies but elects not to receive a retirement benefit under RULE C.3 shall become entitled to a benefit equal to:

(a) The balance in his MEMBER'S INDIVIDUAL ACCOUNT, if any; plus the greater of:

(b) His ACCUMULATED MEMBER'S CONTRIBUTIONS increased by 10 per cent per year for each year of completed PENSIONABLE SERVICE, subject to a maximum increase of 100 per cent; and

(c) His MINIMUM INDIVIDUAL RESERVE,

provided that the value of each part of the benefit, as set out in terms of RULE C.5.2.1(a), RULE C.5.2.1(b) and RULE C.5.2.1(c), shall be split into COMPONENTS and adjusted, as determined by the ACTUARY, in accordance with these RULES.

C.5.2.2 A DB MEMBER referred to in RULE C.5.2.1 may elect to defer the receipt of his FUND benefit and become a DB DEFERRED PENSIONER or may elect that his FUND benefit:

(a) be transferred to such APPROVED FUND as the DB MEMBER may decide in terms of RULE C.5.4; or

(b) be paid to the DB MEMBER in cash, excluding his RETIREMENT COMPONENT, and subject to any conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a DB DEFERRED PENSIONER benefit in the FUND or transfer them to an APPROVED FUND; or

(c) be paid as a combination of a transfer to an APPROVED FUND in terms of RULE C.5.2.2 (a) and a cash payment in terms of and subject to the conditions set out in RULE C.5.2.2 (b),

provided that a DB MEMBER who does not make such an election on withdrawal from SERVICE shall automatically become a DB DEFERRED PENSIONER and provided further that the benefit referred to in RULE C.5.2.1 shall only become due and payable by the FUND on the date the FUND receives a written instruction to pay or transfer the benefit in terms of these RULES. A DB MEMBER who becomes a DB DEFERRED PENSIONER by the operation of this RULE shall remain a DB DEFERRED PENSIONER until such time as he elects in writing to withdraw or retire from the FUND in terms of these RULES. The provisions of RULE C.5.3 shall apply to such DB DEFERRED PENSIONERS.

C.5.2.3 A MEMBER shall be regarded as being retrenched where his SERVICE with his EMPLOYER has been terminated through

no fault of his own, and where the termination was due to a reduction or reorganisation of staff for business policy reasons of which the PRINCIPAL EMPLOYER shall be the sole judge.

C.5.2.4 If a DB MEMBER referred to in RULE C.5.2.1 makes an election to receive his benefit from the FUND but dies before such election has been implemented by the FUND, the benefit of the DB MEMBER will be payable in accordance with such election or, if this is not possible, to the DB MEMBER'S estate.

C.5.3 CONDITIONS APPLICABLE TO A DB DEFERRED PENSIONER ON WITHDRAWAL FROM SERVICE

C.5.3.1 The following conditions shall apply to a DB MEMBER who becomes a DB DEFERRED PENSIONER through the operation of RULE C.5.1 or RULE C.5.2:

(a) no further contributions shall be paid to the FUND by or in respect of the DB DEFERRED PENSIONER;

(b) no lump sum death benefit in terms of RULE C.4.1.1 shall become payable if the DB DEFERRED PENSIONER dies. The FUND shall make no deductions in respect of such benefits during this period;

(c) if the DB DEFERRED PENSIONER dies after the date of withdrawal from SERVICE and:

(i) prior to making an election to withdraw or retire from the FUND, the provisions of RULE C.4.2.7, RULE C.4.3.3 and RULE C.4.5.3 shall apply; or

(ii) after making an election to withdraw or retire from the FUND but before such election has been implemented by the FUND, the benefit of the DB DEFERRED PENSIONER will be payable in accordance with such election or, if this is not possible, to the DB DEFERRED PENSIONER'S estate;

(d) any lawful deductions in terms of the provisions of the ACT and the RULES shall become enforceable and the relevant amounts due shall be deducted from the DB MEMBER'S benefit effective on the date of his withdrawal from SERVICE;

(e) any lawful claim against the benefit of a DB DEFERRED PENSIONER which arises after the date of withdrawal from SERVICE and while the DB DEFERRED PENSIONER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be deducted from the benefit of such a DB DEFERRED PENSIONER upon the FUND being furnished with satisfactory proof of such a lawful claim;

(f) reasonable expenses as determined by the BOARD, including administration costs, costs referred to in RULE C.7.1.1(d), and any costs associated with tracing the DB DEFERRED PENSIONER or his DEPENDANTS, may be deducted from the benefit;

(g) deferred pensions may be increased from time to time in line with the provisions of RULE A.4.14.

C.5.3.2 The following options shall apply to the payment of the benefit to a DB DEFERRED PENSIONER who became a DB DEFERRED PENSIONER through the operation of RULE C.5.3.1:

(a) the DB DEFERRED PENSIONER may preserve his accrued benefit in terms of RULE C.5.4 at any time following the date of deferment, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit to be preserved shall be determined by the BOARD in consultation with the ACTUARY; or

(b) the DB DEFERRED PENSIONER may take receipt of his accrued benefit at any time following the date of deferment, excluding his RETIREMENT COMPONENT, and subject to any conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a DB DEFERRED PENSIONER benefit in the FUND or transfer them to an APPROVED FUND, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit shall be determined by the BOARD in consultation with the ACTUARY; or

(c) the DB DEFERRED PENSIONER may elect a combination of a transfer in terms of RULE C.5.3.2 (a) and a cash payment in terms of, and subject to the conditions set out in RULE C.5.3.2 (b), provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(d) provided that the DB DEFERRED PENSIONER has attained the age of 50 years on the date the FUND receives and acknowledges the written instruction, the DB DEFERRED PENSIONER may retire in terms of RULE C.3.10.2; or

(e) paid in cash if the DB DEFERRED PENSIONER, subject to any conditions as may be prescribed by the REVENUE AUTHORITIES:

(i) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(ii) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2022; or,

(iii) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

C.5.3.3 If a DB DEFERRED PENSIONER re-enters SERVICE, provided he has not elected to take receipt of his benefit in terms of RULE C.5.3.2 he shall continue to be a DB DEFERRED PENSIONER in respect of the previous period of membership of the FUND. Such a person shall become a DC MEMBER on once again becoming an ELIGIBLE EMPLOYEE in respect any future periods of membership of the FUND.

C.5.3.4 The following conditions shall apply in respect of a DB DEFERRED PENSIONER who becomes a DB DEFERRED PENSIONER on the transfer of his employment to a new employer in terms of RULE A.8.7.1(b) or RULE A.8.7.2 (b):

(a) The provisions of RULE C.5.3.1 and RULE C.5.3.3 shall apply *mutatis mutandis* to such DB DEFERRED PENSIONERS, provided that any reference to "withdrawal from SERVICE" shall be replaced with "transfer of service to his new employer"; and

(b) The provisions of RULE C.5.3.2 shall apply *mutatis mutandis* to such DB DEFERRED PENSIONER, provided that the elections referred to in RULE C.5.3.2

may only have an effective date on or after the date on which the DB DEFERRED PENSIONER withdraws from, or retires from, the service of his new employer, as applicable.

C.5.4 TRANSFER OPTION

C.5.4.1 Instead of receiving the benefit described in RULES C.5.1 or C.5.2, if applicable, in cash or preserving the benefit in the FUND in terms of RULE C.5.3, a DB MEMBER or a DB DEFERRED PENSIONER may request that his benefit be transferred to an APPROVED FUND, subject to the provisions of RULE C.5.2.2 (c). Any such transfers to an APPROVED FUND shall be subject to such conditions as the REVENUE AUTHORITIES may apply from time to time, either by means of legislation or through practice notes applicable to all retirement funds.

C.5.4.2 Where the MEMBER elects to preserve his full withdrawal benefit in a RETIREMENT ANNUITY FUND or in the pension or provident fund of his new employer, then the benefit to be preserved will be as follows:

(a) In cases where RULE C.5.1 applies, the balance in his MEMBER'S INDIVIDUAL ACCOUNT, if any; plus the greatest of:

(i) his ACCUMULATED MEMBER'S CONTRIBUTIONS plus, if he has completed at least 5 years PENSIONABLE SERVICE, 10 per cent per year for each year of completed PENSIONABLE SERVICE, subject to a maximum increase of 100 per cent; and

(ii) his MINIMUM INDIVIDUAL RESERVE; and

(iii) if he has completed at least 10 years PENSIONABLE SERVICE at the date of leaving SERVICE, the value of the DB MEMBER'S

Accrued Pension as calculated by the ACTUARY.

(b) In cases where RULE C.5.2 applies, the amount determined in terms of RULE C.5.2 subject to a minimum, if the DB MEMBER has completed at least 10 years PENSIONABLE SERVICE at the date of leaving SERVICE, of the value of the DB MEMBER'S Accrued Pension as calculated by the ACTUARY, provided that the value of each part of the benefit, as set out in terms of RULE C.5.4.2(a) and RULE C.5.4.2(b), shall be split into COMPONENTS and adjusted, as determined by the ACTUARY, in accordance with these RULES.

C.5.4.3 Where a MEMBER elects to take a portion of the withdrawal benefit in cash and to preserve a portion thereof in a retirement fund as in RULE C.5.4.2, then the preserved portion shall be determined by the BOARD in consultation with the ACTUARY with due consideration to the cash withdrawal benefits elected by the MEMBER. Provided that where a MEMBER elects a partial cash withdrawal, the balance may not be transferred to a preservation fund.

C.5.4.4 If the benefit to be transferred in terms of this RULE is not transferred by the FUND within the period determined in terms of Section 13A of the ACT, interest will be added to the value of the benefit from the date of expiry of that period to the actual date of transfer at a rate equal to the greater of the rate prescribed in terms of that section and the INVESTMENT RETURN.

C.5.5 MISCELLANEOUS PROVISIONS ON WITHDRAWAL

C.5.5.1 When a benefit has been paid to the DB MEMBER or DB DEFERRED PENSIONER as a lump sum or transferred on his behalf, the DB MEMBER or DB DEFERRED PENSIONER shall have no further claim on the FUND.

C.5.5.2 For the purposes of establishing the benefit to which the DB MEMBER or DB DEFERRED PENSIONER is entitled in terms of these RULES, the BOARD shall be entitled to act without further enquiry on the particulars given to them by the EMPLOYER of the reason for the DB MEMBER'S termination of SERVICE.

C.5.5.3 In cases where a DB MEMBER who is dismissed from the SERVICE of an EMPLOYER elects to contest his dismissal in terms of labour laws, and:

(a) Where, the DB MEMBER has not yet been paid his withdrawal benefits in terms of the RULES, the payment of such benefit shall be suspended until the legal process has been completed, or

(b) Where the DB MEMBER has been paid his withdrawal benefit in terms of the RULES and is subsequently re-instated into the SERVICE of the EMPLOYER, the DB MEMBER may choose to repay to the FUND the benefit he had received within 3 months of the re-instatement date and thereby re-instate his membership with the FUND. Should the DB MEMBER fail to exercise this option within the 3 month period, he will forfeit his status as a DB MEMBER and a new membership period with the FUND as a DC MEMBER will commence from the date of his re-instatement.

Provided, however, that where the MEMBER has been re-instated, the period between the date of dismissal and re-instatement shall not be treated as PENSIONABLE SERVICE unless the MEMBER exercises his option in sub-rule (b) above, if applicable, and pays into the FUND his CONTRIBUTIONS for the said period. The EMPLOYER shall in this case, also pay its CONTRIBUTIONS for the said period into the FUND.

C.6 PAID-UP PENSIONERS AND DEFERRED MEMBERS

C.6.1 PAID-UP PENSIONERS

C.6.1.1 The following conditions shall apply to a MEMBER who becomes a PAID-UP PENSIONER in terms of these RULES:

(a) no further contributions shall be paid to the FUND by or in respect of the PAID-UP PENSIONER;

(b) no lump sum death benefit in terms of RULE C.4.1.1 shall become payable if the PAID-UP PENSIONER dies. The FUND shall make no deductions in respect of such benefits during this period;

(c) if the PAID-UP PENSIONER dies after the date of secondment or transfer of service to a non-participant associated company and:

(i) prior to making an election to withdraw or retire from the FUND, the provisions of RULE C.4.2.7, RULE C.4.3.3 and RULE C.4.5.3 shall apply;

(ii) after making an election to withdraw or retire from the FUND but before such election has been implemented by the FUND, the benefit of the PAID-UP PENSIONER will be payable in accordance with such election or, if this is not possible, to the PAID-UP PENSIONER'S estate;

(d) any lawful deductions in terms of the provisions of the ACT and the RULES shall become enforceable and the relevant amounts due shall be deducted from the DB MEMBER'S benefit effective on the date of his secondment or the date of his transfer of service to a non-participant associated company;

(e) subject to the provisions of RULE C.6.1.2, a PAID-UP PENSIONER shall be entitled to a pension calculated in terms of RULE C.3.1, based on FINAL PENSIONABLE

SALARY calculated at the date of secondment or transfer and counting PENSIONABLE SERVICE to the date of secondment or transfer only;

(f) the PAID-UP PENSIONER is entitled to additional retirement benefits as determined by the BOARD in consultation with the ACTUARY in respect of the MEMBER'S INDIVIDUAL ACCOUNT BALANCE;

(g) any lawful claim against the benefit of a PAID-UP PENSIONER which arises after the date of secondment or the date of transfer of service to a non-participant associated company and while the PAID-UP PENSIONER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be deducted from the benefit of such a PAID-UP PENSIONER upon the FUND being furnished with satisfactory proof of such a lawful claim;

(h) reasonable expenses as determined by the BOARD, including administration costs, costs referred to in RULE C.7.1.1(d), and any costs associated with tracing the PAID-UP PENSIONER or his DEPENDANTS, may be deducted from the benefit; and

(i) paid-up pensions may be increased from time to time in line with the provisions of RULE A.4.14.

C.6.1.2 The following options shall apply to the payment of the benefit to a PAID-UP PENSIONER:

(a) the BOARD may in its discretion transfer the value of the paid-up pension, as determined by the ACTUARY after consultation with the BOARD, to a PENSION FUND of which the PAID-UP PENSIONER has become a MEMBER. Such a PAID-UP PENSIONER shall be treated as having withdrawn from SERVICE; or

(b) a PAID-UP PENSIONER who has withdrawn from the service of his employer may preserve his accrued benefit in terms of RULE C.5.4 at any time following the date of becoming a PAID-UP PENSIONER, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit to be preserved shall be determined by the BOARD in consultation with the ACTUARY; or

(c) a PAID-UP PENSIONER who has withdrawn from the service of his employer may take receipt of his accrued benefit at any time following the date of becoming a PAID-UP PENSIONER, excluding his RETIREMENT COMPONENT, and subject to any conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a PAID-UP PENSIONER benefit in the FUND or transfer them to an APPROVED FUND, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit shall be determined by the BOARD in consultation with the ACTUARY; or

(d) the PAID-UP PENSIONER who has withdrawn from the service of his employer may elect a combination of a transfer in terms of RULE C.6.1.2 (a) and a cash payment in terms of, and subject to the conditions set out in RULE C.6.1.2 (c), provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(e) provided that the PAID-UP PENSIONER has attained the age of 50 years on the date the FUND receives and

acknowledges the written instruction and he has retired from the service of his employer, the PAID-UP PENSIONER may retire in terms of RULE C.3.10.2; or

(f) paid in cash if the PAID-UP PENSIONER, subject to any conditions as may be prescribed by the revenue authorities,

(i) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(ii) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2002; or,

(iii) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

C.6.1.3 If a PAID-UP PENSIONER re-enters SERVICE, he shall cease to be a PAID-UP PENSIONER and shall become a DB MEMBER who shall be credited with the PENSIONABLE SERVICE which he had accrued prior to his transfer.

C.6.2 DEFERRED MEMBERS

In addition to any benefits payable in terms of Part B of these RULES:

C.6.2.1 The following conditions shall apply to a MEMBER who becomes a DEFERRED MEMBER in terms of these RULES:

(a) no further contributions shall be paid to the FUND by or in respect of the DEFERRED MEMBER;

(b) no lump sum death benefit in terms of RULE C4.1.1 shall become payable if the DEFERRED MEMBER dies. The FUND shall make no deductions in respect of such benefits during this period;

(c) if the DEFERRED MEMBER dies after the CONVERSION DATE and:

(i) prior to making an election to withdraw or retire from the FUND, the provisions of RULE C.4.2.7, RULE C4.3.3 and RULE C4.5.3 shall apply;

(ii) after making an election to withdraw or retire from the FUND but before such election has been implemented by the FUND, the benefit of the DEFERRED MEMBER will be payable in accordance with such election or, if this is not possible, to the DEFERRED MEMBER'S estate;

(d) subject to the provisions of RULE C.6.2.2, a DEFERRED MEMBER shall be entitled to a PENSION calculated in terms of RULE C.3.1, based on FINAL PENSIONABLE SALARY calculated at the CONVERSION DATE and counting PENSIONABLE SERVICE, adjusted in accordance with these RULES, to the CONVERSION DATE only;

(e) any lawful claim against the benefit of a DEFERRED MEMBER which arises after the CONVERSION DATE and while the DEFERRED MEMBER remains a MEMBER of the FUND and which may lawfully be deducted by the FUND, shall be deducted from the benefit of such a DEFERRED MEMBER upon the FUND being furnished with satisfactory proof of such a lawful claim;

(f) reasonable expenses as determined by the BOARD, including administration costs and any costs associated with tracing the DEFERRED MEMBER or his DEPENDANTS, may be deducted from the benefit; and

(g) deferred pensions may be increased from time to time in line with the provisions of RULE A.4.14.

C.6.2.2 The following options shall apply to the payment of the benefit to a DEFERRED MEMBER:

(a) a DEFERRED MEMBER who has withdrawn from SERVICE may elect to become a DB DEFERRED PENSIONER in terms of RULE C.5.3 or preserve his accrued benefit in terms of RULE C.5.4, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit to be retained or preserved shall be determined by the BOARD in consultation with the ACTUARY; or

(b) a DEFERRED MEMBER who has withdrawn from SERVICE may take receipt of his accrued benefit, excluding his RETIREMENT COMPONENT, and subject to any conditions determined by the REVENUE AUTHORITIES, excluding his SAVINGS COMPONENT, in which case he may elect to leave his RETIREMENT COMPONENT and, if applicable, his SAVINGS COMPONENT, as a DEFERRED MEMBER benefit in the FUND or transfer them to an APPROVED FUND, provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE and further provided that the amount of the benefit shall be determined by the BOARD in consultation with the ACTUARY; or

(c) the DEFERRED MEMBER who has withdrawn from SERVICE may elect a combination of a transfer in terms of RULE C.6.2.2 (a) and a cash payment in terms of, and subject to the conditions set out in RULE C.6.2.2 (b), provided that the written instruction is received and acknowledged by the FUND before his PENSION AGE; or

(d) a DEFERRED MEMBER who has retired from SERVICE may retire in terms of RULE C.3.10.2; or

(e) paid in cash if the DEFERRED MEMBER, subject to any conditions as may be prescribed by the REVENUE AUTHORITIES:

(i) ceases to be a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or

(ii) departs from South Africa at the expiry of a work or visit visa as contemplated in the definition of 'visa' as defined in section 1 of the Immigration Act, 2002; or,

(iii) is or was a resident who emigrated from South Africa and the emigration is recognised by the South African Reserve Bank for purposes of exchange control in respect of application for that recognition received on or before 28 February 2021 and approved by the South African Reserve Bank or an authorised dealer in foreign exchange for delivery of currency on or before 28 February 2022.

C.7 SAVINGS COMPONENT WITHDRAWALS

C.7.1 PROVISIONS RELATING TO SAVINGS COMPONENT WITHRAWALS

C.7.1.1 A DB MEMBER, DEFERRED MEMBER, DB DEFERRED PENSIONER or PAID-UP PENSIONER may at any time elect to withdraw part or all of his SAVINGS COMPONENT as a cash lump sum benefit, subject to the following conditions:

(a) the value of the PENSIONABLE SERVICE in respect of the benefit withdrawn and the value of the PENSIONABLE SERVICE in respect of any remaining benefit in the MEMBER'S SAVINGS COMPONENT shall be determined by the ACTUARY;

(b) the amount withdrawn before taking into account charges as may be determined by the BOARD, shall be subject to a minimum of R2 000 (two thousand Rand) or such other amount as may be prescribed by the REVENUE AUTHORITIES from time to time;

(c) only one amount may be withdrawn in each tax year, from 1 March to the end of February in the following year, provided that where

(i) a MEMBER exits the FUND in accordance with the provisions of RULE C.5 or RULE C.6; and

(ii) such a MEMBER has made a withdrawal in terms of RULE C.7.1.1(a) in that tax year

then such a MEMBER may be permitted to make a second withdrawal of the total balance in the SAVINGS COMPONENT;

(d) a withdrawal administration fee, as determined by the BOARD, may be deducted from the amount withdrawn;

(e) the amount withdrawn shall be dealt with in accordance with the Income Tax Act, 1962; and

(f) such other terms and conditions relating to the election and payment of SAVINGS COMPONENT withdrawals as may be determined by the BOARD from time to time and communicated to the MEMBERS.