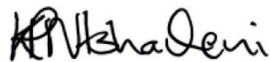

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES**NOTICE 1412 OF 2022****AMENDMENTS TO THE RULES OF THE POST OFFICE RETIREMENT FUND**

I, Khumbudzo Ntshavheni, the Minister of Communications and Digital Technologies, acting in terms of section **10** of the Post Office Act, **No. 44** of 1958, as amended, hereby promulgate amendment No. 5 here attached to the Rules of the Post Office Retirement Fund.



Hon. Khumbudzo Ntshavheni, MP
Minister of Communications and Digital Technologies
Date: 28 October 2022

POST OFFICE RETIREMENT FUND**Amendment No. 5**

The Trustees of the Post Office Retirement Fund resolved at SANDTON on 29 AUGUST 2018 that with effect from the date on which this amendment is published by notice in the Government Gazette, the Rules of the Post Office Retirement Fund shall be amended for the reasons set out below:

- (1) *To provide that due to changes in tax legislation, a Member who retires from Service may leave his benefit in the Fund until such time as he makes an election with regard to payment of the benefit;*
- (2) *To clarify that a child shall not be regarded as a Qualifying Child once a capital guarantee payment has been made;*
- (3) *To allow the Trustees, on the advice of the Actuary, to determine the amount of the Employer contributions to be allocated to the Risk Reserve to procure risk benefits and the General Reserve to meet Fund expenses, and to allow any excess amounts to be allocated towards retirement funding;*
- (4) *To allow the Fund to accept amounts transferred from another fund in which the Employer participates which are earmarked for allocation to the Stabilisation Reserve;*
- (5) *To clarify that membership of the Fund only ceases when a Member has received all the benefits due to him from the Fund;*
- (6) *To provide for the payment of a greater spouse's pension in the event that the value of the Member's Share exceeds the value of the spouse's and children's pensions;*
- (7) *To clarify that the provisions of the Rule dealing with the disposition of benefits on the death of a Member do not apply to a benefit which is expressed in the Rules to be paid to a particular person;*

- (8) *With effect from the 2021 Trustee elections, to extend the term of office of the elected Trustees and promote continuity on the board of Trustees by providing that Trustee elections will be held every two years and alternate between elections for the Trustees representing the A-Pensioners, B-Pensioners, C-Pensioners and Pensioners, and elections for the Trustees representing the other Members of the Fund;*
- (9) *To remove historic provisions which no longer apply to any Defined Benefit Members;*

by:

- (i) *adding the following definitions to Rule 1.1:*

DEFERRED RETIREE : a MEMBER other than a DEFINED BENEFIT MEMBER who has retired from SERVICE in terms of RULE 5 or RULE 7.3, or a DEFINED BENEFIT MEMBER who has retired from SERVICE in terms of clause 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3 or 5.4 of ANNEX A and whose RETIREMENT FROM THE FUND does not take place on his retirement from SERVICE;

IMPLEMENTATION DATE : the date on which Amendment No. 5 to the RULES effective 1 December 2005 is published by notice in the Government Gazette;

RETIREMENT FROM THE FUND : in relation to a MEMBER other than a DEFINED BENEFIT MEMBER who has retired from SERVICE in terms of RULE 5 or RULE 7.3, or a DEFINED BENEFIT MEMBER who has retired from SERVICE in terms of clause 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3 or 5.4 of ANNEX A ;

- (a) prior to the IMPLEMENTATION DATE, the date on which a benefit became due and payable from the FUND to such MEMBER; or

- (b) on or after the IMPLEMENTATION DATE, the date on which such MEMBER elects to receive payment of his benefit in terms of paragraph 4 of the Second Schedule to the Income Tax Act, 1962 (Act No. 58 of 1962) or, if later, the date on which the FUND receives notification of such election;

- (ii) *replacing the definition 'Pension Interest' in Rule 1.1 with the following:*

PENSION INTEREST : the meaning assigned to it in the Divorce Act, 1979 (Act No. 70 of 1979);

- (iii) *replacing the definition 'Qualifying Child' in Rule 1.1 with the following:*

QUALIFYING CHILD of a MEMBER, PENSIONER or C-PENSIONER

- (a) a child of the MEMBER, PENSIONER or C-PENSIONER including a child born out of wedlock or a legally adopted child, under the age of 18 years and unmarried, or
- (b) a step-child, under the age of 18 years and unmarried, who, in the opinion of the TRUSTEES, was substantially dependent on the MEMBER, PENSIONER or C-PENSIONER at the time of his death,

and shall include

- (i) in the case of a child of a MEMBER or PENSIONER, at the discretion of the TRUSTEES, a child as defined in (a) or (b) above who is over the age of 18 years but under the age of 25 years, who was substantially dependent on the MEMBER or PENSIONER, and
- (ii) in the case of a child of a C-PENSIONER, a child as defined in (a) or (b) above, but who is older than 18 years and younger than 25 years where such child is studying full-time or is physically or mentally handicapped; and

- (iii) a child born after the death of the MEMBER, PENSIONER or C-PENSIONER who, but for such death, would have been a QUALIFYING CHILD in terms of (a) or (b) above,

but shall exclude

- (aa) in the case of a child of a MEMBER or PENSIONER, a child as defined in (a) or (b) above who was adopted or became a step-child after the MEMBER'S NORMAL RETIREMENT DATE, or the date of the MEMBER'S actual retirement from SERVICE, whichever is the earlier; and
- (bb) in the case of a child of a C-PENSIONER, a child as defined in (a) or (b) above who was adopted or became a step-child after the STATUTORY RETIREMENT DATE of the C-PENSIONER or the date of his actual retirement from SERVICE, whichever is the earlier; and
- (cc) a child who ceased to be a QUALIFYING CHILD on or after the attainment of age 18 years, if an amount was claimed and paid in terms of RULE 6.1(1)(d);

provided that where doubt exists, the TRUSTEES shall at their discretion decide whether or not such child is a QUALIFYING CHILD; provided further that the TRUSTEES may, in a particular case, extend the maximum age of 25 years, on condition that the employer contributes to the FUND such additional amounts as the ACTUARY may deem necessary to make provision for the said benefit;

- (iv) *replacing the definition 'Qualifying Spouse' in Rule 1.1 with the following:*

QUALIFYING SPOUSE : a surviving partner of the MEMBER, PENSIONER or C-PENSIONER in a RECOGNISED MARITAL UNION existing at the time of the death of the MEMBER, PENSIONER or C-PENSIONER; provided that

- (a) in the event of the death of a PENSIONER such RECOGNISED MARITAL UNION must already have existed on the PENSIONER'S RETIREMENT FROM THE FUND;
- (b) in the event of the death of a C-PENSIONER such RECOGNISED MARITAL UNION must already have existed at the earlier of the C-PENSIONER'S NORMAL RETIREMENT DATE or the date of his actual retirement from SERVICE;
- (v) *replacing Rule 2.2(1)(a)(iii) with the following:*
 - (iii) the EMPLOYER'S contributions made after the CONVERSION DATE on behalf of the MEMBER in terms of RULE 3.2(1)(a) and, if applicable, that part of the contributions received by the FUND in terms of RULE 3.2(1)(b) that is applied for the MEMBER'S retirement benefit in terms of RULE 3.2(5)(b);
- (vi) *replacing Rule 2.2(3)(c)(aa)(ii) with the following:*
 - (ii) EMPLOYER contributions in terms of RULE 3.2(5)(a)(i);
- (vii) *adding the following Rule 2.2(3)(e)(aa)(v) to Rule 2.2(3)(e)(aa):*
 - (v) any amounts transferred from another APPROVED FUND in which the EMPLOYER participates which are earmarked for allocation to this account.
- (viii) *replacing Rule 2.2(3)(f)(aa)(iv) with the following:*
 - (iv) EMPLOYER contributions in terms of RULE 3.2(5)(a)(ii);
- (ix) *adding the following Rule 3.2(5) to Rule 3.2:*

(5) Out of the amount contributed by the EMPLOYER in terms of RULE 3.2(1)(b) :

(a) such amounts, as decided by the TRUSTEES on the advice of the ACTUARY, as are required :

(i) to procure the death and disability benefits described in RULE 6.1(1) and RULE 7 shall be allocated to the Risk Reserve;

(ii) to cover the cost of expenses referred to in RULE 10.14 and RULE 10.15, other than expenses referred to in RULE 2.2(3)(a)(bb)(iii), RULE 2.2(3)(b)(bb)(vi) and RULE 2.2(3)(b)(bb)(vii), shall be allocated to the General Reserve;

and

(b) the balance, if any, shall be applied towards the MEMBER'S retirement benefit.

(x) *replacing Rule 4.2 with the following:*

TERMINATION

4.2 (1) Unless otherwise provided for in the RULES, a MEMBER shall not be permitted to withdraw from membership while he remains in SERVICE.

(2) A MEMBER who has left SERVICE for any reason and has received all the benefits which may be due to him in terms of these RULES shall cease to be a MEMBER.

(xi) replacing Rule 5.1 with the following:

NORMAL RETIREMENT

- 5.1 (1) A MEMBER other than a DEFINED BENEFIT MEMBER shall retire from SERVICE on his NORMAL RETIREMENT DATE. On RETIREMENT FROM THE FUND, such MEMBER shall become entitled to a PENSION secured by the balance of his MEMBER'S SHARE at that date, after the amount of any lump sum benefit paid in terms of RULE 5.3 has been deducted. The PENSION payable will be based on a conversion factor applicable to his age at RETIREMENT FROM THE FUND, as decided by the TRUSTEES acting on the advice of the ACTUARY.
- (2) The PENSION shall commence on the first day of the month following RETIREMENT FROM THE FUND and the first payment of the PENSION shall be due at the end of such month.
- (3) If a MEMBER other than a DEFINED BENEFIT MEMBER is dismissed by the EMPLOYER as a result of a reduction in or a reorganisation of staff, the provisions of (1) and (2) shall apply *mutatis mutandis* to the MEMBER; provided that if the MEMBER so elects a cash withdrawal benefit shall be paid to him in terms of RULE 8.1.

(xii) replacing Rule 5.2 with the following:

EARLY RETIREMENT

- 5.2 (1) A MEMBER other than a DEFINED BENEFIT MEMBER may, after having attained the age of 55 years and before having attained the NORMAL RETIREMENT AGE, retire

from SERVICE. On RETIREMENT FROM THE FUND, such MEMBER shall become entitled to a PENSION secured by the balance of his MEMBER'S SHARE at that date, after the amount of any lump sum benefit paid in terms of RULE 5.3 has been deducted. The PENSION payable will be based on a conversion factor applicable to his age at RETIREMENT FROM THE FUND, as decided by the TRUSTEES acting on the advice of the ACTUARY.

- (2) A MEMBER other than a DEFINED BENEFIT MEMBER may, after having attained the age of 50 years and before having attained the NORMAL RETIREMENT AGE and subject to the approval of the EMPLOYER, retire from SERVICE. On RETIREMENT FROM THE FUND, such MEMBER shall become entitled to a PENSION secured by his MEMBER'S SHARE at that date, less the amount of any lump sum benefit paid in terms of RULE 5.3, based on a conversion factor applicable to his age at RETIREMENT FROM THE FUND, as decided by the TRUSTEES acting on the advice of the ACTUARY.

(xiii) *replacing Rule 5.3(1) with the following:*

- 5.3 (1) On RETIREMENT FROM THE FUND, a MEMBER other than a DEFINED BENEFIT MEMBER, may choose to receive as a lump sum benefit up to one-third of his MEMBER'S SHARE (or up to the whole thereof if allowed by income tax legislation). The balance of the MEMBER'S SHARE, if any, will be made available to secure a PENSION for the MEMBER, as decided by the TRUSTEES acting on the advice of the ACTUARY.

(xiv) *replacing Rule 5.3(2)(a) with the following:*

- (a) the pension purchased for the BENEFICIARY from the INSURER is, effective from the date following RETIREMENT FROM THE FUND, payable for the lifetime of the BENEFICIARY,

(xv) *replacing Rule 5.4 with the following:*

ADDITIONAL RETIREMENT BENEFIT

- 5.4 On RETIREMENT FROM THE FUND, a MEMBER other than a DEFINED BENEFIT MEMBER who has retired from SERVICE in terms of this RULE 5 and who has made additional contributions in terms of RULE 3.1(3) shall become entitled to an additional benefit secured by such additional contributions on such terms and conditions as the TRUSTEES determine after consultation with the ACTUARY. Such MEMBER may choose to receive as a lump sum benefit up to one-third of the balance in his Additional Voluntary Contribution Account.

(xvi) *replacing Rule 6.1(1)(b) with the following:*

- (b) a PENSION to his QUALIFYING SPOUSE equal to 40% of the MEMBER'S PENSIONABLE EMOLUMENTS immediately before his death; provided that if the value of the MEMBER'S SHARE at the date of death is greater than the value of :
 - (i) the amount required to provide the PENSION payable to the QUALIFYING CHILDREN in terms of (c) below; plus
 - (ii) the amount required to provide a PENSION to the QUALIFYING SPOUSE as calculated in the first paragraph of (b) above;

the PENSION to the QUALIFYING SPOUSE shall be of such higher amount as can be secured by the difference between the value of the MEMBER'S SHARE at the date of death and the value of the PENSIONS in (i) and (ii) above, as calculated by the ACTUARY;

(xvii) *replacing Rule 6.1(2)(d) with the following:*

- (d) after the last payment of a QUALIFYING SPOUSE'S PENSION and/or QUALIFYING CHILDREN'S PENSION has been made in terms of RULE 9.1, the TRUSTEES shall deduct the total amount paid to the PENSIONER, his QUALIFYING SPOUSE, QUALIFYING CHILDREN, DEPENDANTS, and/or NOMINEES including any amount which may have been paid in a lump sum, from the amount of the MEMBER'S SHARE at RETIREMENT FROM THE FUND.

Should there be any positive difference, such positive difference shall be paid to the PENSIONER'S DEPENDANTS and/or NOMINEES, and/or into the PENSIONER'S estate.

(xviii) *replacing the first paragraph of Rule 6.5(1) with the following:*

- 6.5 (1) Any benefit payable by the FUND in respect of a deceased MEMBER which is not expressed in the RULES to be paid to a particular person, shall, subject to a pledge in accordance with any guarantee in terms of RULE 10.16, not form part of the assets in the estate of such a MEMBER, but shall be dealt with in the following manner :

(xix) *replacing Rule 7.3 with the following:*

- 7.3 (1) If the TRUSTEES, after taking medical advice, decide that a MEMBER other than a DEFINED BENEFIT MEMBER is PERMANENTLY DISABLED, the MEMBER shall retire

from SERVICE and on RETIREMENT FROM THE FUND become entitled to a PENSION equal to 65% of his PENSIONABLE EMOLUMENTS at the date of his PERMANENT DISABLEMENT, increased at a rate decided by the TRUSTEES acting on the advice of the ACTUARY, from the date of retiring from SERVICE until RETIREMENT FROM THE FUND.

- (2) On RETIREMENT FROM THE FUND, at the request of the MEMBER, the TRUSTEES may at their discretion commute for a cash payment up to one-third of the PENSION described in (1) above. Such cash payment shall be calculated by the ACTUARY and the PENSION shall be reduced by the amount thereof which is commuted in terms of these RULES.
- (3) If a PENSIONER who retired in terms of (1) above dies, the provisions of RULE 6.1(2) shall apply *mutatis mutandis*.
- (4) On RETIREMENT FROM THE FUND, a MEMBER who has retired from SERVICE in terms of (1) above and who has made additional contributions in terms of RULE 3.1(3) shall become entitled to an additional benefit secured by such additional contributions on such terms and conditions as the TRUSTEES determine after consultation with the ACTUARY. Such MEMBER may choose to receive as a lump sum benefit up to one-third of the balance in his Additional Voluntary Contribution Account.

(xx) replacing Rule 9.1(2)(a) with the following:

- (a) a MEMBER'S RETIREMENT FROM THE FUND takes place, or the MEMBER dies, or

(xxi) replacing Rule 9.12(5)(a) with the following:

- (a) in the case of a **MEMBER**, including a **DEFERRED RETIREE**, who is not a **DEFINED BENEFIT MEMBER**, from the **MEMBER'S SHARE** and, if applicable, the **MEMBER'S Additional Voluntary Contribution Account**; or

(xxii) replacing Rule 9.12(5)(b) with the following:

- (b) in the case of a **DEFINED BENEFIT MEMBER**, including a **DEFERRED RETIREE** who is a **DEFINED BENEFIT MEMBER**, from the **MEMBER'S interest in the FUND**;

(xxiii) replacing Rule 10.1(3) with the following:

- (3) The term of office of the **TRUSTEES** is three years; provided that:
 - (a) the term of office of the **TRUSTEES** elected by the **MEMBERS** in terms of **RULE 10.1(1)(b)(ii)** with effect from 1 April 2021 and thereafter shall be four years;
 - (b) the term of office of the **TRUSTEES** elected by the **A-PENSIONERS, B-PENSIONERS, C-PENSIONERS** and **PENSIONERS** in terms of **RULE 10.1(1)(b)(i)** in respect of the 1 April 2021 **TRUSTEE** election shall be two years; and
 - (c) the term of office of the **TRUSTEES** elected by the **A-PENSIONERS, B-PENSIONERS, C-PENSIONERS** and **PENSIONERS** in terms of **RULE 10.1(1)(b)(i)** after the 1 April 2021 **TRUSTEE** election shall be four years.

At the end of the term of office, the **TRUSTEES** shall cease to hold office but shall be eligible for re-election or **re-appointment** as the case may be.

(xxiv) adding the following Rule 13 to the Rules:

13. PROVISIONS APPLICABLE TO A DEFERRED RETIREE

The following special provisions shall apply to a DEFERRED RETIREE who has retired from SERVICE in terms of RULE 5 or RULE 7.3 :

- (1) After the date on which the DEFERRED RETIREE retires from SERVICE with the EMPLOYER in terms of RULE 5 or RULE 7.3 :
 - (a) contributions by and in respect of the DEFERRED RETIREE in terms of RULE 3 shall cease;
 - (b) the benefits referred to in RULE 6.1(1) shall not become payable if the DEFERRED RETIREE dies before RETIREMENT FROM THE FUND.
- (2) If the DEFERRED RETIREE made additional contributions in terms of RULE 3.1(3), the DEFERRED RETIREE'S additional voluntary contribution account shall remain in the Share Account and shall be credited with investment earnings in terms of RULE 2.2(1)(b)(aa)(ii) until RETIREMENT FROM THE FUND.
- (3) In the case of a DEFERRED RETIREE who has retired from SERVICE in terms of RULE 5 :
 - (a) the DEFERRED RETIREE'S MEMBER'S SHARE shall remain in the Share Account and shall be :

- (i) debited with such reasonable expenses as the TRUSTEES may determine;
 - (ii) credited with investment earnings in terms of RULE 2.2(1)(a)(v) and debited with any amounts transferred to the Reserve Account in terms of RULE 2.2(1)(a)(bb)(i) until RETIREMENT FROM THE FUND;
- (b) the benefit referred to in (3)(a) and, if applicable, (2) above shall become payable in the following circumstances :
 - (i) in terms of RULE 5 to the DEFERRED RETIREE on RETIREMENT FROM THE FUND; or
 - (ii) in terms of RULE 6.5 if the DEFERRED RETIREE dies before RETIREMENT FROM THE FUND.
- (4) In the case of a DEFERRED RETIREE who has retired from SERVICE in terms of RULE 7.3 :
 - (a) the benefit referred to in RULE 7.3(1) and, if applicable, (2) above shall become payable in terms of RULE 7.3 to the DEFERRED RETIREE on RETIREMENT FROM THE FUND;
 - (b) if the DEFERRED RETIREE dies before RETIREMENT FROM THE FUND, such benefits shall be payable as would have been paid if the DEFERRED RETIREE'S RETIREMENT FROM

THE FUND had taken place on the day before his death and he had elected to commute for a lump sum the maximum amount permissible in terms of RULE 7.3.

- (xxv) *replacing the definition 'Prospective Annuity' in clause 1 of Annex A with the following:*

PROSPECTIVE ANNUITY : the annuity that would have been payable to a MEMBER on his STATUTORY RETIREMENT DATE if his PENSIONABLE EMOLUMENTS would have remained unchanged from the date of his actual retirement from SERVICE or death up to and including his STATUTORY RETIREMENT DATE;

- (xxvi) *replacing clauses 3.1, 3.2, 3.3 and 3.4 of Annex A with the following:*

BENEFITS ON RETIREMENT

3.1 Retirement on reaching the STATUTORY RETIREMENT AGE

An A-MEMBER who reaches his STATUTORY RETIREMENT AGE shall retire from SERVICE on his STATUTORY RETIREMENT DATE with the following PENSION BENEFITS :

- (1) A gratuity of 6,72 per cent of his PENSIONABLE EMOLUMENTS on retirement from SERVICE multiplied by the period of his PENSIONABLE SERVICE.
- (2) An annuity of $1/55^{\text{th}}$ of his PENSIONABLE EMOLUMENTS on retirement from SERVICE multiplied by the period of his PENSIONABLE SERVICE, plus the ADDITIONAL ANNUITY AMOUNT.

3.2 Retirement after reaching the STATUTORY RETIREMENT AGE

If an A-MEMBER who reaches his STATUTORY RETIREMENT AGE is requested by the EMPLOYER to remain in his SERVICE, and the A-MEMBER agrees, he shall remain an A-MEMBER of the FUND and further contributions by and for him shall be made to the FUND. Such MEMBER shall retire from SERVICE upon reaching the age of seventy years at the latest, with the PENSION BENEFITS calculated in terms of clause 3.1, based on his PENSIONABLE EMOLUMENTS and PENSIONABLE SERVICE at the date of his actual retirement from SERVICE.

3.3 Retirement before reaching the STATUTORY RETIREMENT AGE

An A-MEMBER who has completed QUALIFYING SERVICE of at least ten years, may retire from SERVICE before reaching his STATUTORY RETIREMENT AGE subject to the following provisions :

- (1) An A-MEMBER who has reached the age of sixty years shall be entitled to, and if he has reached the age of fifty-five years may with the approval of the EMPLOYER, retire from SERVICE with the PENSION BENEFITS as set out in clause 3.1, reduced in either case by one third of one per cent for each completed month between the date on which he retires from SERVICE and his STATUTORY RETIREMENT DATE.
- (2) The benefits of an A-MEMBER who retires from SERVICE in terms of this clause shall be calculated with reference to his date of retirement from SERVICE; provided that -

- (i) the earliest date on which he may retire from SERVICE shall be the end of the month during which he reached the age entitling him thereto, or during which the EMPLOYER grants him approval to retire from SERVICE before reaching his STATUTORY RETIREMENT AGE, or if he reaches the said age on the first day of the month, with effect from that date;
- (ii) he may otherwise only retire from SERVICE at the end of a month.

BENEFITS ON DISABILITY

3.4 (1) Subject to the provisions of subclause (2), an A-MEMBER who becomes disabled before reaching his STATUTORY RETIREMENT AGE shall retire from SERVICE with benefits as set out in clause 3.1; provided that his PENSIONABLE SERVICE shall be increased for this purpose by the shortest of the following periods :

- (i) One third of the MEMBER'S actual period of PENSIONABLE SERVICE at the date of his retirement from SERVICE as a result of disability.
- (ii) The period between the date of his retirement from SERVICE as a result of disability and his STATUTORY RETIREMENT DATE.
- (iii) Five years.

(2) An A-MEMBER who becomes disabled before reaching his STATUTORY RETIREMENT AGE as a result of an injury arising out of and in the course of his employment, shall retire from SERVICE with benefits as set out in clause 3.1;

provided that the MEMBER'S PENSIONABLE SERVICE shall be increased by the period contemplated in clause 3.4(1)(ii); provided further that the TRUSTEES are satisfied that the value of the benefits is not less than the value of the benefits that would in such a case have been applicable to the MEMBER on 30 September 1991, but based on his PENSIONABLE EMOLUMENTS and PENSIONABLE SERVICE at the date of his retirement from SERVICE.

- (3) An A-MEMBER who retires from SERVICE as a result of disability shall become a PENSIONER for purposes of the STATUTES and shall be entitled to the benefits and subject to the conditions applicable to PENSIONERS of the FUND.

(xxvii) replacing clause 3.5(3) of Annex A with the following:

- (3) If an A-MEMBER dies after reaching his STATUTORY RETIREMENT AGE, but before retiring from SERVICE in terms of clause 3.2, the benefits shall be paid as though the MEMBER had retired from SERVICE in terms of clause 3.2 and his RETIREMENT FROM THE FUND had taken place on the day before his death.

(xxviii) replacing clauses 4.1, 4.2, 4.3 and 4.4 of Annex A with the following:

BENEFITS ON RETIREMENT

4.1 Retirement on reaching the STATUTORY RETIREMENT AGE

A B-MEMBER who reaches his STATUTORY RETIREMENT AGE shall retire from SERVICE with an annuity calculated at $1/40^{\text{th}}$ of his PENSIONABLE EMOLUMENTS at retirement from SERVICE multiplied by the period of his PENSIONABLE SERVICE, plus the ADDITIONAL ANNUITY AMOUNT.

4.2 Retirement after reaching the STATUTORY RETIREMENT AGE

If a B-MEMBER who reaches his STATUTORY RETIREMENT AGE remains in the SERVICE of the EMPLOYER, he shall remain a B-MEMBER of the FUND and further contributions by and for him shall be made to the FUND. Such MEMBER shall retire from SERVICE upon reaching the age of seventy-five years at the latest, with an annuity calculated in terms of clause 4.1, based on his PENSIONABLE EMOLUMENTS and PENSIONABLE SERVICE at the date of his actual retirement from SERVICE. In exceptional cases the age of seventy-five years may be extended, in which case the other provisions of this clause shall apply *mutatis mutandis*.

4.3 Retirement before reaching the STATUTORY RETIREMENT AGE

- (1) A B-MEMBER, excluding a B-MEMBER referred to in subclause (2), who has completed QUALIFYING SERVICE of at least ten years and has reached the age of fifty-five years, may with the approval of the EMPLOYER, before reaching his STATUTORY RETIREMENT AGE, retire from SERVICE with an annuity calculated in terms of clause 4.1, reduced by one third of one per cent for each full month between the date on which he retires from SERVICE and his STATUTORY RETIREMENT DATE.
- (2) If the services of a contract employee are terminated as a result of -
 - (i) the expiry of his initial contract period or an extension thereof;

- (ii) the exercising by him of a contractual right to terminate his contract during an extension thereof;
- (iii) any other reason with the approval of the EMPLOYER,

he shall retire from SERVICE with an annuity calculated in terms of clause 4.1.

- (3) The provisions of clause 3.3(2) shall apply *mutatis mutandis* to a B-MEMBER.

BENEFITS ON DISABILITY

- 4.4 (1) Subject to the provisions of subclause (2), a B-MEMBER who becomes disabled before reaching his STATUTORY RETIREMENT AGE shall retire from SERVICE with an annuity calculated in terms of clause 4.1; provided that the PENSIONABLE SERVICE of the MEMBER shall be increased for this purpose by the shortest of the following periods :

- (i) One third of the MEMBER'S actual period of PENSIONABLE SERVICE at the date of the MEMBER'S retirement from SERVICE as a result of disability.
- (ii) The period between the date of his retirement from SERVICE as a result of disability and his STATUTORY RETIREMENT DATE.
- (iii) Five years.

- (2) A B-MEMBER who becomes disabled before reaching his STATUTORY RETIREMENT AGE as a result of an injury arising out of and in the course of his employment, shall retire from SERVICE with an annuity calculated in terms of clause 4.1; provided that the MEMBER'S PENSIONABLE SERVICE shall be increased with the period between the date of his retirement from SERVICE and a date five years beyond his STATUTORY RETIREMENT DATE; provided further that the TRUSTEES are satisfied that the value of such benefits is not less than the value of the benefits that would in such a case have been applicable to the MEMBER on 30 September 1991, but based on his PENSIONABLE EMOLUMENTS and PENSIONABLE SERVICE at the date of his retirement from SERVICE.
- (3) A B-MEMBER who retires from SERVICE as a result of disability shall become a PENSIONER for purposes of the STATUTES and shall be entitled to the benefits and subject to the conditions applicable to PENSIONERS of the FUND.

(xxix) *replacing clause 4.5(3) of Annex A with the following:*

- (3) The provisions of subclauses (1) and (2) shall apply *mutatis mutandis* to a B-MEMBER who dies after reaching his STATUTORY RETIREMENT DATE, but before retiring from SERVICE in terms of clause 4.2.

(xxx) *replacing clauses 5.1, 5.2, 5.3 and 5.4 of Annex A with the following:*

BENEFITS ON RETIREMENT

5.1 Retirement on reaching the STATUTORY RETIREMENT AGE

A C-MEMBER who has reached his STATUTORY RETIREMENT AGE shall retire from SERVICE on his STATUTORY RETIREMENT DATE with an annuity calculated at 1/50th of his AVERAGE TERMINAL SALARY multiplied by the period of his PENSIONABLE SERVICE.

5.2 Retirement after reaching the STATUTORY RETIREMENT AGE

If a C-MEMBER who reaches his STATUTORY RETIREMENT AGE is requested by the EMPLOYER to remain in his SERVICE, and the C-MEMBER agrees, he shall remain a C-MEMBER of the FUND and further contributions shall be made by and for him to the FUND. Such MEMBER shall retire from SERVICE upon reaching the age of seventy years at the latest, with an annuity calculated in terms of clause 5.1, based on his AVERAGE TERMINAL SALARY and PENSIONABLE SERVICE at the date of his actual retirement from SERVICE.

5.3 Retirement before reaching the STATUTORY RETIREMENT AGE

- (1) A C-MEMBER who has completed QUALIFYING SERVICE of at least ten years and has reached the age of sixty years shall be entitled to, and if he has reached the age of fifty-five years may with the consent of the EMPLOYER, retire from SERVICE with an annuity calculated in terms of clause 5.1, reduced by one third of one per cent for each full month between the date on which he retires from SERVICE and his STATUTORY RETIREMENT DATE.

- (2) The provisions of clause 3.3(2) shall apply *mutatis mutandis* to a C-MEMBER.

BENEFITS ON DISABILITY

- 5.4 (1) A C-MEMBER who becomes disabled before reaching his STATUTORY RETIREMENT AGE shall retire from SERVICE with an annuity equal to his PROSPECTIVE ANNUITY at that stage.
- (2) A C-MEMBER who retires from SERVICE as a result of disability shall become a PENSIONER for purposes of the STATUTES and shall become entitled to the benefits and subject to the conditions applicable to PENSIONERS of the FUND.
- (3) If a C-MEMBER has retired from SERVICE as a result of disability, and subsequently rejoins the SERVICE of the EMPLOYER and again qualifies for membership of the FUND, he shall cease to be a PENSIONER and shall become a C-MEMBER of the FUND. On such rejoining, the MEMBER shall become entitled to benefits applicable to C-MEMBERS; provided that any subsequent annuity be based on his full period of PENSIONABLE SERVICE in the FUND with exclusion of the period during which he was disabled. If the MEMBER had converted a portion of his annuity to a gratuity in terms of clause 6.3, the period of his PENSIONABLE SERVICE shall be reduced in consideration thereof on a basis as determined by the ACTUARY.
- (4) If a C-MEMBER who has retired from SERVICE as a result of disability subsequently recovers to such an extent that

he no longer qualifies for an annuity, but he does not rejoin the SERVICE of the EMPLOYER, he shall become entitled to a benefit as set out in clause 5.8.

(xxxi) *replacing clause 5.5(2) of Annex A with the following:*

- (2) If a C-MEMBER dies after reaching his STATUTORY RETIREMENT AGE, but before he retires from SERVICE in terms of clause 5.2, the benefits shall be paid as though the MEMBER had retired from SERVICE in terms of clause 5.2 and his RETIREMENT FROM THE FUND had taken place on the day before his death. For this purpose, the greatest permissible portion of the C-MEMBER'S annuity shall be deemed to have been converted into a gratuity in terms of clause 7.

(xxxii) *replacing clause 7.1 of Annex A with the following:*

- 7.1 If a B-MEMBER'S SERVICE is terminated in terms of clauses 4.1 to 4.4 or 4.7(1)(ii), or if a C-MEMBER'S SERVICE is terminated in terms of clauses 5.1 to 5.4 or 5.7(1)(ii) or (iii), the TRUSTEES may, at the request of the B-MEMBER or C-MEMBER, convert up to one third of the annuity payable to the B-MEMBER or C-MEMBER into a gratuity, payable on the first day of the month immediately following the B-MEMBER'S or C-MEMBER'S RETIREMENT FROM THE FUND or termination of SERVICE. The amount of the gratuity shall be determined by the TRUSTEES after consultation with the ACTUARY. The amount of the gratuity payable to the B-MEMBER or C-MEMBER shall thereafter be reduced proportionately on a basis determined by the ACTUARY.

(xxxiii) *adding the following clause 11 to Annex A:*

11. PROVISIONS APPLICABLE TO A DEFERRED RETIREE

The following special provisions shall apply to a DEFERRED RETIREE who has retired from SERVICE in terms of clause 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3 or 5.4 of ANNEX A :

- (1) After the date on which the DEFERRED RETIREE retires from SERVICE with the EMPLOYER no further contributions shall be payable by or in respect of the DEFERRED RETIREE.
- (2) On RETIREMENT FROM THE FUND, the DEFERRED RETIREE shall become entitled to the PENSION BENEFITS set out in clause 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3 or 5.4 of ANNEX A, as applicable, increased at a rate decided by the TRUSTEES acting on the advice of the ACTUARY, from the date of the DEFERRED RETIREE'S retirement from SERVICE until his RETIREMENT FROM THE FUND.
- (3) If the DEFERRED RETIREE dies before RETIREMENT FROM THE FUND, such benefits shall be payable as would have been paid if the DEFERRED RETIREE'S RETIREMENT FROM THE FUND had taken place on the day before his death. For this purpose, in the case of a DEFERRED RETIREE who was a B-MEMBER or a C-MEMBER on retirement from SERVICE, the greatest permissible portion of such person's annuity shall be deemed to have been converted into a gratuity in terms of clause 7.

Certified that the above resolution has been adopted in accordance with the provisions of the Rules of the Fund.


.....
Chairman of Trustees
.....
Trustee
.....
Principal Officer

Certified that the above amendments are financially sound.


.....
Actuary to the Fund
.....
Signature
.....
Qualifications