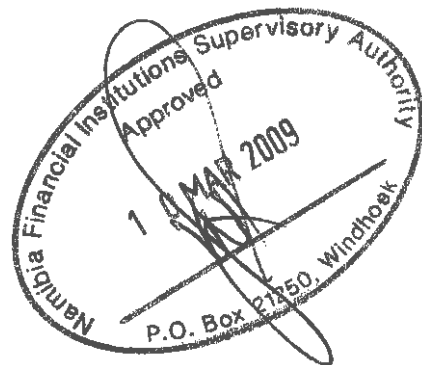


# NAMIBIA BUILDING WORKERS PENSION FUND



Extracts from the minutes of a meeting of the Trustees of the NAMIBIA BUILDING WORKERS PENSION FUND held at Windhoek on 20 November 2008

Resolved that with effect from 1 March 2006 (which is the effective date of Amendment No. 1) the Rules of the above Fund be consolidated to incorporate the provisions of Amendment No. 1.

Certified that

(a) the only change to the text of the Rules and Amendment is in Rule 1.5 in order to indicate the date of this consolidation;

and

(b) the Resolution in terms of which these Rules have been accepted has been adopted in accordance with the Rules of the Fund.

SIBUKU RAPHAEL

Chairman of Trustees

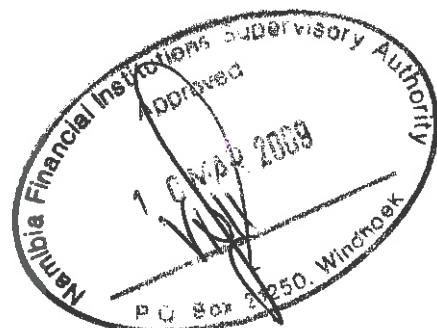
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Trustee

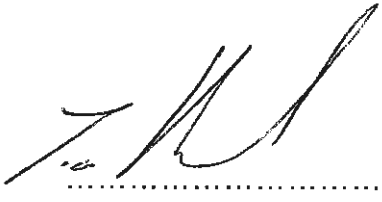
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Acting Principal Officer

**NAMIBIA BUILDING WORKERS PENSION FUND**



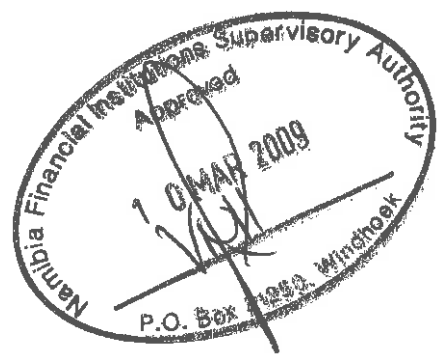
I hereby certify that the Revised Rules of the Fund are financially sound in terms of the Act.



A handwritten signature in black ink, consisting of stylized initials and a surname, positioned above a horizontal dotted line.

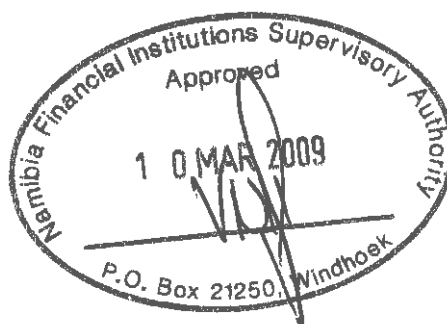
**Actuary to the Fund**

**NAMIBIA BUILDING WORKERS PENSION FUND**



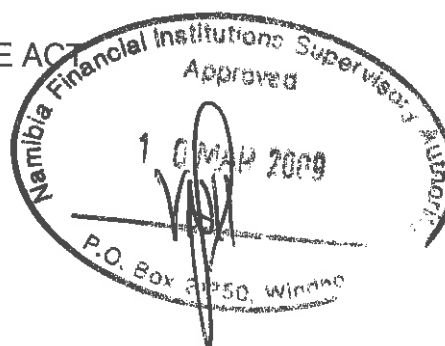
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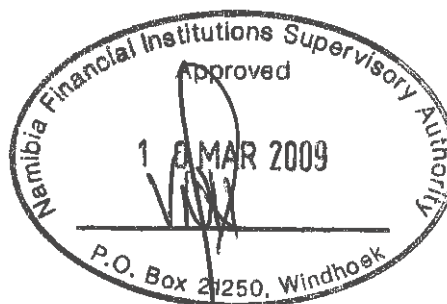
ANNEXURE : EXTRACTS FROM THE ACT

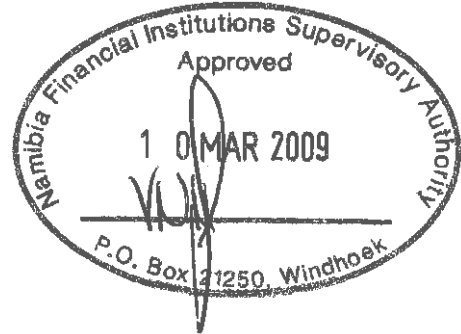


## 1. GENERAL

- 1.1 The fund known as Namibia Building Workers Pension Fund was established with effect from 1 May 1990.
- 1.2 The registered office of the Fund is at Alexander Forbes House, Dr. W.-Külz Street, Windhoek.
- 1.3 The object of the Fund is, in terms of these Rules, to provide retirement and other benefits for employees and former employees of the Employers, and benefits in the event of their death.
- 1.4 The Fund, in its own name, shall be capable in law of suing and of being sued and of acquiring, holding and alienating property, movable and immovable.
- 1.5 These Rules include all amendments up to and including 1 July 2004. If the registration of these Rules in terms of the Act is effected later than 1 July 2004, the Rules shall nevertheless take effect from 1 July 2004.

These rules are the consolidated Rules of the Fund, which incorporate all amendments up to and including 1 March 2006.





## 2. DEFINITIONS

In these Rules words defined in the Act and not in the Rules shall have the meanings assigned to them in the Act and, unless inconsistent with the context, all words and expressions signifying the singular shall include the plural and vice versa, words and expressions implying the masculine gender shall include the feminine, and the following words and expressions shall have the following meanings:

"Act" shall mean the Pension Funds Act, 1956, together with amendments up to and including Act 54 of 1989.

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

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

"Approved Pension Fund" shall mean a pension fund, other than a Pension Preservation Fund, registered by the Registrar and approved as such by the Revenue Authorities for the purposes of these Rules.

"Approved Provident Fund" shall mean a provident fund, other than a Provident Preservation Fund, registered by the Registrar and approved as such by the Revenue Authorities for the purposes of these Rules.

"Approved Retirement Annuity Fund" shall mean a retirement annuity fund registered by the Registrar and approved as such by the Revenue Authorities for the purposes of these Rules.

"Building Industry" shall mean, without in any way limiting the generally accepted meaning of the expression, the industry in which Employers and employees are associated for the purpose of constructing, altering, renovating, repairing or demolishing any building, bridge, road, irrigation work or similar work in the course of construction, alteration, renovation, repair or demolition and shall include all work incidental thereto or consequent thereon.

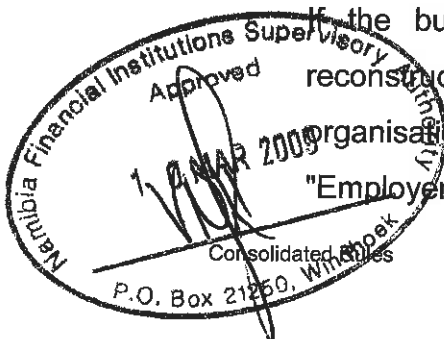
"Calculation Date" shall mean the date on which the Administrators, acting in terms of the agreed practice of the Fund, calculate the Member's benefit on the Member's retirement, death or his leaving Service in terms of Rule 7 or in order to transfer the Member's benefit from the Fund in any of the circumstances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

"Eligible Employee" shall mean an employee who

- (a) is employed on the full-time permanent staff of the Employer;
- (b) has not permanently emigrated or been permanently repatriated from the Republic of Namibia if he was previously a Member of the Fund; and
- (c) has not reached the Normal Retirement Date.

"Employer" shall mean any person or organisation in the Building Industry who employs persons to assist in the conducting and carrying on of its business as may be admitted to the Fund from time to time.

If the business of an Employer is wound up for the purpose of reconstruction in a similar or amended form, the reconstructed organisation shall take the place of that Employer and the term "Employer" in such case shall then mean the Employer as reconstructed.





In relation to any particular employee or Member "Employer" shall mean the Employer by whom that person is, or was last, employed.

"Fund" shall mean Namibia Building Workers Pension Fund.

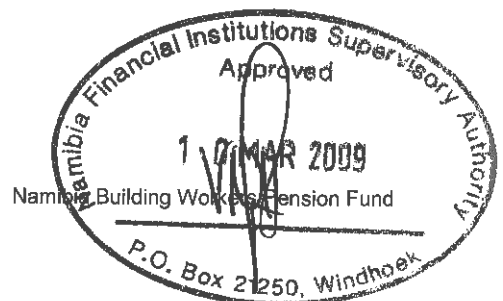
"Fund Credit" shall mean for each Member at any particular date the accumulated value of:

- (a) the contributions made by the Member and by the Employer in respect of him which were applied towards retirement funding in terms of the rules in force immediately prior to 1 July 2004
- (b) any contributions made by the Member in terms of Rule 4.1.1;
- (c) that part of the contributions made by the Employer in terms of Rule 4.2.1 that is applied towards the Member's retirement benefit in terms of Rule 4.2.2(b);
- (d) any amount transferred in terms of Rule 9.1.1; and
- (e) in the case of to a Member who was a member of a Previous Fund, any amount credited in terms of Rule 9.1.2;

increased or decreased by the Investment Return until the Calculation Date.

"Fund Salary" shall mean the Member's basic annual salary or wages plus such other emoluments as the Employer directs;

provided that:



- (a) for the purpose of the Fund, Fund Salary shall be determined on the first day of each month of membership of the Fund;
- (b) if the amount on which a Member's Fund Salary is based is reduced at any time then, subject to the agreement of the Member, his Employer may direct that, for the purposes of the Fund, the reduction shall not be applied in the calculation of the Member's Fund Salary or shall be applied only partially.

"Insured Portion" shall mean an amount calculated in terms of Rule 6.1.2(b).

"Investment Return" shall mean:

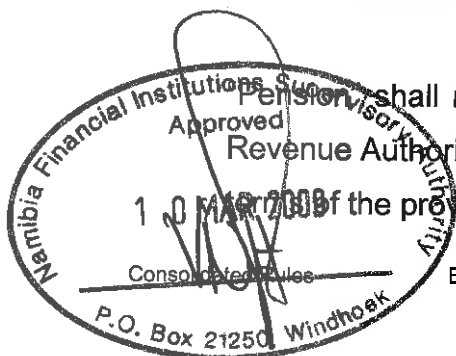
- (a) any investment income (received and accrued) less an allowance for any tax and if applicable, part or all of any expenses (paid and accrued); and
- (b) any capital appreciation or depreciation (realised and unrealised);

provided that the Investment Return may be positive or negative.

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

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

"Annuity" shall mean the annuity or, subject to the requirements of the Revenue Authorities, the annuities purchased from a Registered Insurer in accordance with the provisions of these Rules.



Effective Date 1 March 2006

Namibia Building Workers Pension Fund

"Pension Preservation Fund" shall mean a permanent pension preservation fund registered by the Registrar and recognised in terms of the Income Tax Second Amendment Act No. 21 of 1999.

"Previous Fund" shall mean an Approved Pension Fund or an Approved Provident Fund in which the Employer participated.

"Principal Officer" shall mean the Principal Officer of the Fund appointed in accordance with these Rules.

"Provident Preservation Fund" shall mean a permanent provident preservation fund registered by the Registrar and recognised in terms of the Income Tax Second Amendment Act No. 21 of 1999.

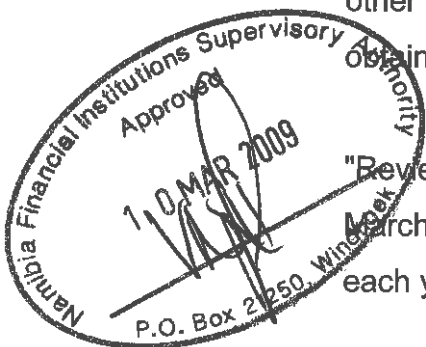
"Registered Insurer" shall mean an insurer registered in terms of the Long-term Insurance Act, Act No. 5 of 1998.

"Registrar" shall mean the Namibia Financial Institutions Supervisory Authority appointed in terms of the Namibia Financial Institutions Supervisory Authority Act, Act No. 3 of 2001.

"Revenue Authorities" shall mean the Namibian Revenue Service and any other statutory revenue authority whose approval of the Fund has been obtained.

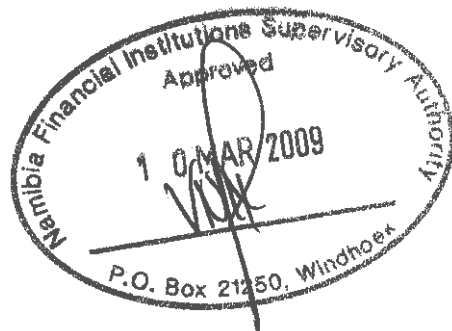
"Review Date" shall mean the first day of March each year until March 2004, where after it will be amended to the first day of September each year, commencing September 2005.

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



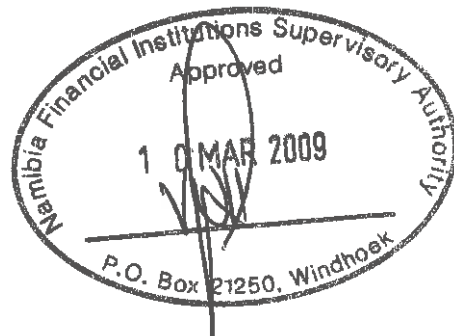
"Service" shall mean employment with any of the Employers.

"Trustees" shall mean the Trustees or their alternates appointed or elected in terms of these Rules.



### 3. MEMBERSHIP

- 3.1 Each person who is a Member of the Fund immediately prior to 1 July 2004 shall remain a Member of the Fund.
- 3.2 Each Eligible Employee who enters Service after 1 July 2004 shall join the Fund as a condition of employment on the first day of the month coincident with or next following the date of joining Service.
- 3.3 A Member shall not be permitted to withdraw from membership while he remains in Service.
- 3.4 Each Member must produce evidence of age acceptable to the Trustees and must also give such other information as the Trustees may reasonably require for the purposes of the Fund.
- 3.5 A Member who has left Service for any reason and has received all the benefits which may be due to him in terms of these Rules shall cease to be a Member.



## 4. CONTRIBUTIONS

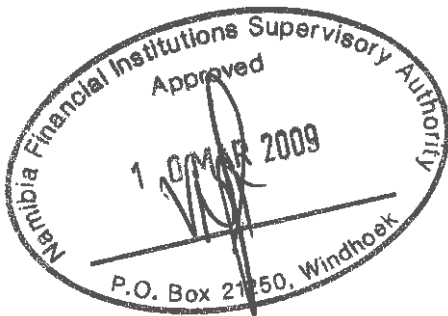
### 4.1 Contributions by the Member

- 4.1.1 The Member shall contribute monthly to the Fund at a rate of 4 per cent of his Fund Salary.
- 4.1.2 Each Member's contributions shall be deducted by his Employer from his salary or wages and paid to the Fund.
- 4.1.3 Contributions shall be paid to the Fund within seven days after the end of the month in respect of which the contributions were made.

### 4.2 Contributions by the Employer

- 4.2.1 The Employer shall make a monthly contribution in respect of each Member equal to 4 per cent of the Member's Fund Salary.
- 4.2.2 Out of the amount contributed in terms of Rule 4.2.1 maximum amount of 2 per cent of the Member's Fund Salary shall be allocated to the Reserve Account to be applied to meet the cost of

- (a) the Fund's expenses for the month concerned; and
- (b) the Insured Portion;



the balance shall be applied towards the Member's retirement benefit under the Member's Fund Credit.

4.2.3 Should the amount referred to in Rule 4.2.2 be at any time insufficient to meet the cost of the Insured Portion, the Trustees may decide that the benefits shall be reduced to the proportion for which the cost has been paid; provided that any such reduction shall be communicated to the Member writing.

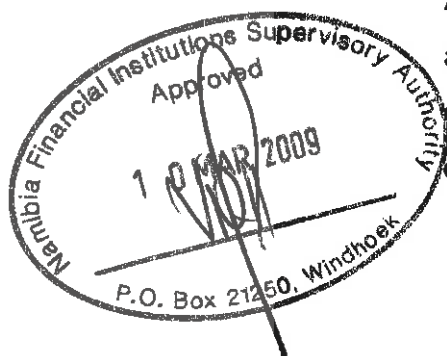
4.2.4 Contributions by the Employer must be paid to the Fund within seven days after the end of the month to which they relate.

#### 4.3 Reserve Account

4.3.1 A Reserve Account shall be maintained to which shall be credited with the amount referred to in Rule 4.2.2.

4.3.2 The amount standing to the credit of the Reserve Account shall be increased or decreased by a pro-rata share of the Investment Return earned by the Fund.

4.3.3 The amount standing to the credit of the Reserve Account shall be used to meet all or part of the administration expenses of the Fund for the month concerned, the Insured Portion and any other expenses which may arise from time to time.



## 5. RETIREMENT BENEFITS

### 5.1 Amount of Pension

The Pension payable to a Member on his retirement shall be of such amount as can be purchased by his Fund Credit after the exercising of any option in terms of Rule 5.4. The Pension shall be purchased from a Registered Insurer in accordance with Rule 5.3.

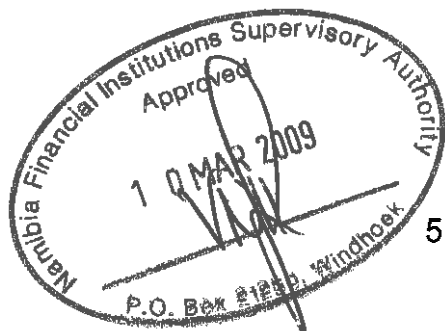
### 5.2 Retirement

5.2.1 A Member who has reached age 55 years may retire on the last day of any month occurring before he reaches his Normal Retirement Date.

5.2.2 A Member who has not retired in terms of Rule 5.2.1 must retire on reaching his Normal Retirement Date unless his Employer agrees to his remaining in Service after that date.

5.2.3 If the Trustees, after considering medical evidence acceptable to them, are satisfied that a Member has become totally and permanently incapable of efficiently carrying out his duties, they may agree to his retirement at any time before he reaches Normal Retirement Date.

5.2.4 A Member who is allowed to remain in Service after his Normal Retirement Date shall retire on such later date as he agrees with his Employer, but no later than reaching age 65.





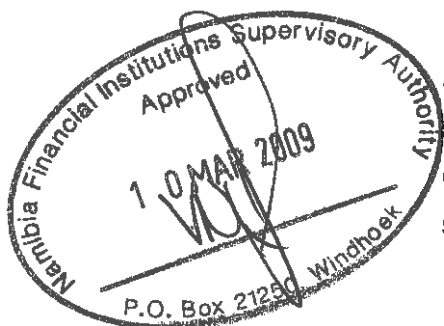
### 5.3 Payment of Pension

The Pension payable on a Member's retirement shall be purchased as an annuity or annuities from a Registered Insurer in the name of the Member or of the Fund. The terms and conditions applicable to such Pension, including the options elected by the Member and the determination of any benefits arising on his death, shall be subject to the provisions of the Act and shall be set out in writing by the Registered Insurer. If the Pension is purchased in the name of the Member, the following shall apply:

- (a) subject to the approval of the Trustees, the Member may choose a Registered Insurer from whom the annuity or annuities are to be purchased;
- (b) on purchase of the annuity or annuities from the Registered Insurer, the Fund shall have no further liability in respect of the Member, such liability resting with the Registered Insurer from whom such annuities can be purchased; and
- (c) the annuity or annuities so purchased shall be compulsory, non-commutable and non-assignable, payable for life and the purchase shall be subject to any further requirements of the Revenue Authorities, if more than one annuity is purchased.

### 5.4 Commutation

At the commencement date of his retirement, prior to the purchase of his Pension in terms of Rule 5.3, a Member may elect to commute for a lump sum the whole of his Pension or such portion of his Pension as the Trustees may allow.



## 6. DEATH AND DISABILITY BENEFITS

### 6.1 Death in Service

#### 6.1.1 Benefit Paid from the Fund

If a Member dies while in Service his Fund Credit shall be payable as a lump sum benefit.

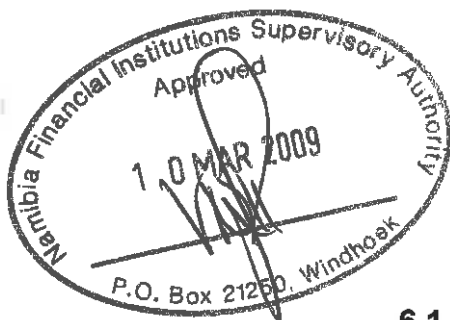
#### 6.1.2 Minimum Benefit Payable

If, on the death of a Member while in Service, the benefit under Rule 6.1.1 is less than N\$10 000, then:

(a) the benefit payable shall be increased to N\$10 000,

and

(b) the amount which represents the difference between N\$10 000 and his Fund Credit (the Insured Portion) shall be insured with a Registered Insurer and the provisions of Rule 6.1.3 shall apply.



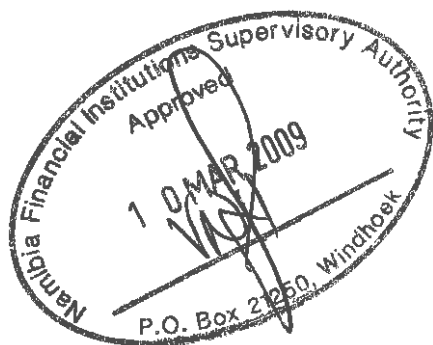
#### 6.1.3 Restrictions

6.1.3.1 The Trustees have power, where so required by the Registered Insurer, to require a Member to be examined at the Registered Insurer's expense by a medical practitioner appointed by the Registered Insurer.

- 6.1.3.2 Acting on the results of this examination, the Trustees may decide that the Insured Portion shall be restricted in such manner as they decide in consultation with the Actuary and Registered Insurer, but will not be less than the benefit paid to the Fund by the Registered Insurer.
- 6.1.3.3 The Trustees must inform the Member in writing of the terms of any restriction imposed in terms of this Rule.
- 6.1.3.4 Payment of the Insured Portion is dependent on the claim for the benefit being admitted by the Registered Insurer.
- 6.1.3.5 No increase in Fund Salary during a period in which the Member is disabled in terms of the provisions of the Disability Arrangement shall apply for the purposes of the Insured Portion without the prior agreement of the Registered Insurer.

#### 6.1.4 Payment of Benefit

Payment of the death benefit shall be made in terms of Section 37C of the Act. (The contents of Section 37C of the Act are contained in the Annexure to the Rules).



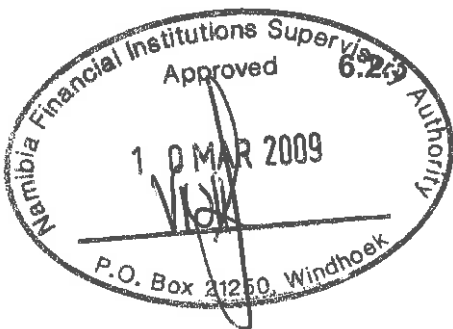
## 6.2 Disability Benefit

### 6.2.1 Definition

A Member will be classified as Disabled in terms of this Rule if his condition is such as to satisfy the provisions governing disablement which are set out in the policy issued by the Registered Insurer. "Disablement" has a corresponding meaning.

### 6.2.2 Benefit

A Member who has retired in terms of Rule 5.2.3 and was accepted as being Disabled in terms of Rule 6.2.1 shall, be entitled to a benefit calculated in accordance with Rule 6.1.1 and Rule 6.1.2 (if applicable), subject to a maximum benefit of such amount as may be specified from time to time by the Registered Insurer. If the Member's Disablement occurs after he has reached such age as may be set out in the policy issued by the Registered Insurer the Insured Portion of the benefit will be reduced in accordance with the provisions of that policy. The benefit will be payable after a waiting period specified in the policy issued by the Registered Insurer.



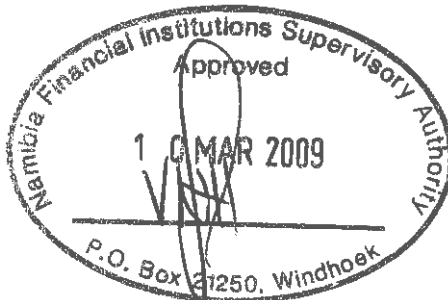
### Restrictions and Exclusions

6.2.3.1 A benefit payable in terms of Rule 6.2.2 will be subject to any restrictions which may have been imposed in terms of Rule 6.1.3 on the Insured Portion and to such exclusions and further restrictions (if any) as may apply in terms of the policy issued by the Registered Insurer.

6.2.3.2 The Insured Portion (if any) will be insured with a Registered Insurer and no such benefit will be paid unless the claim for the benefit has been admitted by the Registered Insurer.

**6.2.4 Payment of Benefit**

Payment of the disability benefit will be made in a lump sum.



## 7. TERMINATION OF SERVICE

### 7.1 Benefit

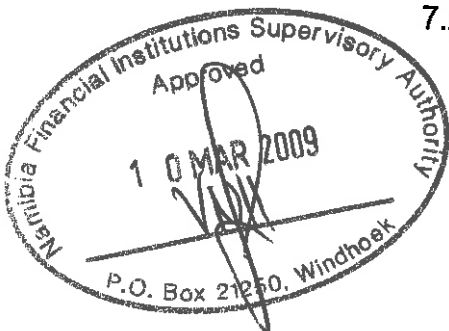
If a Member who has not reached Normal Retirement Date leaves Service in circumstances not provided for elsewhere in these Rules, he shall become entitled to a lump sum benefit equal to his Fund Credit.

### 7.2 Payment of Benefit

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

7.2.2 Instead of receiving the benefit entirely as a lump sum, the Member may transfer all or part of the benefit to another Approved Pension Fund, a Pension Preservation Fund, a Provident Preservation Fund, an Approved Provident Fund or an Approved Retirement Annuity Fund.

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



## 8. ABSENCE

- 8.1 When a Member is on leave with full pay or with pay less than full pay, he shall contribute to the Fund in accordance with Rule 4.1.1 and the Employer shall continue to contribute in respect of him in accordance with Rule 4.2 and all benefits under the Fund in respect of him shall be maintained.
- 8.2 If a Member is on leave without pay, no contributions shall be made by him in terms of Rule 4.1.1 and the contributions made by the Employer in respect of him shall be limited to those required to maintain the Insured Portion, if any, which benefit shall continue to be payable for such period as is set out by the Registered Insurer in the policy in terms of which the Insured Portion is insured.
- 8.3 It is specifically provided that if a Member's conditions of employment are changed so that his employment is suspended for a substantial period of time and such Member receives no Fund Salary from the Employer during this period, no contributions will be made by the Member in terms of Rule 4.1.1 or by the Employer in terms of Rule 4.2.1 and the Insured Portion and the disability benefit referred to in Rule 6.2.2 shall not be payable during the period in which he is regarded as suspended.

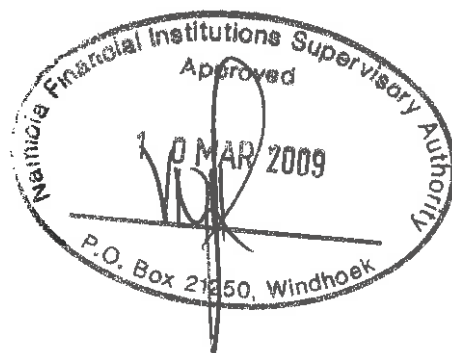


## 9. TRANSFERS

### 9.1 Transfers into the Fund

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

9.1.2 If a Member or a group of Members transfers to the Fund from a Previous Fund, the Fund shall receive the amount payable to the Fund in respect of each such Member. Such amount shall be the Member's full benefit entitlement as calculated in terms of the rules of such fund and shall be applied under the Member's Fund Credit.





## 10. TERMINATION OF THE FUND

10.1 The Trustees may terminate the Fund at any time by giving six months' written notice to the Employers and the Members.

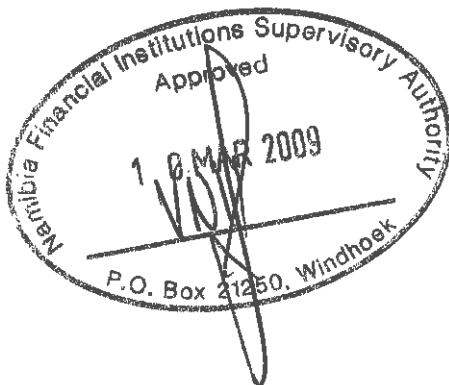
10.2 If the Fund is to be terminated, then the Trustees shall, subject to the approval of the Registrar appoint a liquidator who must liquidate the Fund with effect from the date of the Registrar's approval of his appointment.

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

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

10.4.1 The amount available for a Member under Rule 10.3 shall, as directed by the liquidator, either

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



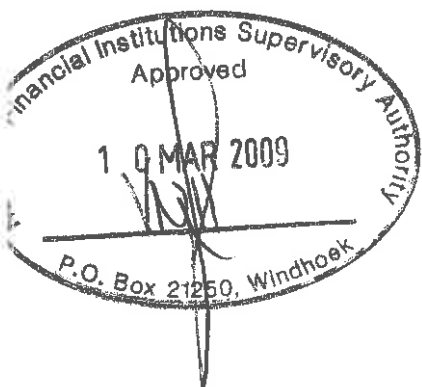
10.4.2 if a person to whom an amount is payable cannot be traced, the amount referred to in Rule 10.4.1 shall be disposed of in terms of Rule 17.4; and

10.4.3 in making an apportionment in terms of Rule 10.3 the liquidator shall take into consideration every former Member who, during the period of twelve months ending on the date of commencement of liquidation, left Service for reasons accepted by the liquidator as not being attributable to the former Member's fraud or misconduct. The former Member's apportionment shall be reduced by the amount of the benefit which he received on leaving Service.

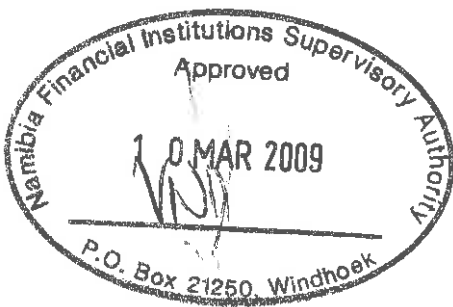
10.5 When all payments have been made by the Fund in terms of Rule 10.4, the Fund shall have no further liability to any person and its registration in terms of the Act shall be cancelled.

10.6 If any Employer participating in the Fund is, for any reason whatsoever, to cease its participation as an Employer in the Fund, then the Fund Credit of each Member in the Service of that Employer on a date determined by the Trustees shall, as directed by the Trustees, either

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



The Employer shall then cease to be an Employer and its Members shall cease to be Members and shall have no further claim on the Fund.



## 11. DEDUCTIONS FROM BENEFITS

The right of the Trustees to make deductions from the benefit to which a Member or other beneficiary is entitled in terms of the Rules is limited to such deductions as are permitted in terms of Section 37D of the Act and any subsequent amendments to Section 37D of the Act. (The contents of Section 37D of the Act are contained in the Annexure to these Rules).



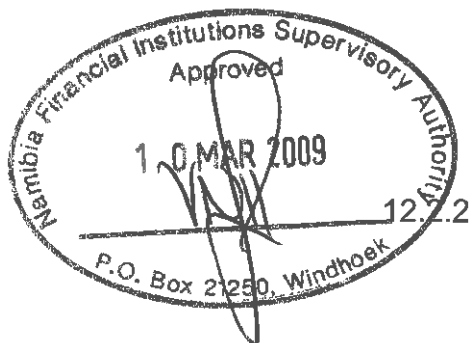
## 12. MANAGEMENT OF THE FUND

### 12.1 Trustees

- 12.1.1 Subject to the provisions of the Act and of these Rules, the sole responsibility for the management of the Fund shall be vested in the Trustees.
- 12.1.2 The Trustees and their alternates appointed or elected in terms of these Rules shall not be entitled to any remuneration for their services as such.
- 12.1.3 The Trustees shall have the power in the name of the Fund to enter into and sign any contracts or documents and to institute, conduct, defend, compound or abandon any legal proceedings by or against the Fund and to make bye-laws prescribing the form and the manner in which claims are to be lodged and dealt with by the Fund.

### 12.2 Employers' Trustees

- 12.2.1 The Employers shall appoint 3 Trustees (hereinafter referred to as "Employers' Trustees") and shall also appoint an alternate Trustee to replace an Employers' Trustee who is temporarily unable to act in that capacity.



12.2.2 An Employers' Trustee may at any time be removed from office by the Employers or may resign at any time on giving written notice to the Employers and the other Trustees.

### 12.3 Members' Trustees

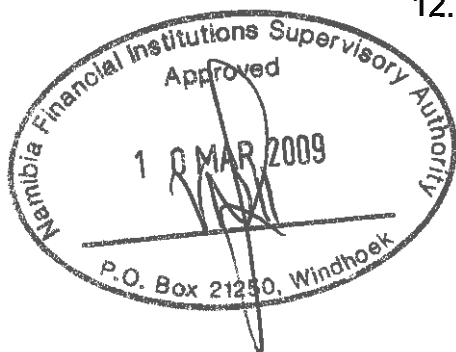
12.3.1 The Members shall elect 3 Trustees (hereinafter referred to as "Members' Trustees") and shall also elect an alternate Trustee to each such Trustee who shall act as a Members' Trustee if the Members' Trustee is temporarily unable to fulfil his obligations. The Members' Trustees and their alternates shall be Members of the Fund; provided that Members may elect trade union representatives as Members' Trustees.

12.3.2 Any vacancy on the board of Trustees arising by reason of the operation of Rule 12.3.4 or Rule 12.4 shall be filled by the alternate to the Members' Trustee and another alternate Members' Trustee shall be elected or appointed from among the Members of the Fund in accordance with such procedures as may be acceptable to the Trustees and the Employers.

12.3.3 All elections of Members' Trustees shall be by secret ballot or by show of hands and shall be held at such intervals as the Trustees may determine.

12.3.4 A Members' Trustee shall cease to hold office

- (a) if the Members resolve that he is to be removed from office;
- (b) if he has failed to attend three consecutive Trustees' meetings without leave from the other Members' Trustees; or



- (c) if appointed due to his being an employee, he ceases to be in Service.

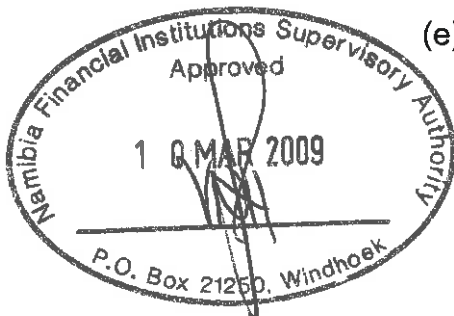
A Members' Trustee may also resign at any time on giving written notice to the Members and the other Trustees.

- 12.3.5 The Employers may appoint a Members' Trustee if the Members have not done so, until such time as the Members elect a Trustee, at which point the Trustee appointed by the Employers shall cease to hold office.

#### **12.4 Disqualification from holding office as Trustee**

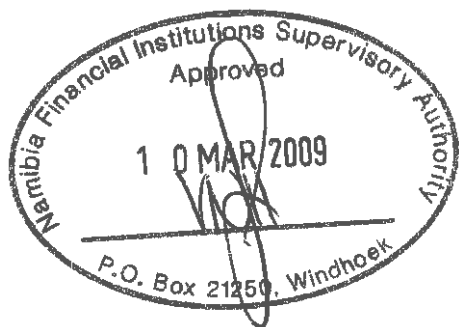
No person in any of the following categories shall be eligible for appointment or election as a Trustee and if a Trustee at any time falls into any such category he shall cease to hold office:

- (a) a minor or any person who is insane or otherwise incapable of acting;
- (b) any person who is disqualified from being a director in terms of an order under the Companies Act, 1973;
- (c) an unrehabilitated insolvent;
- (d) any person removed from an office of trust on account of misconduct;
- (e) any person who has been convicted of theft, fraud, forgery or uttering a forged document, perjury, an offence under the Prevention of Corruption Act, 1958, any offence involving dishonesty or any offence in connection with the promotion, formation or management of a company.



## 12.5 Meetings of Trustees

- 12.5.1 The Trustees shall meet from time to time but at least once in every twelve months to conduct the business of the Fund. Four Trustees shall constitute a quorum; provided that at least two of the Trustees present are Employers' Trustees and at least two of the Trustees present are Members' Trustees.
- 12.5.2 Minutes of all meetings must be kept and at least 15 days' notice of each ordinary meeting shall be given to each Trustee; provided that at the discretion of the Trustees this notice period may be waived or reduced.
- 12.5.3 The Trustees shall elect one of their number as chairperson of the Trustees. Each successive chairperson's tenure of office shall terminate after twelve months, when the Trustees shall elect a new chairperson from their number. The first chairperson shall be elected from among the Trustees appointed by the Employers, the second shall be elected from among the Members' Trustees and subsequent chairpersons shall alternate between chairpersons elected from among the Employers' Trustees and chairpersons elected from among the Members' Trustees. If the chairperson of the Trustees is absent from any meeting, the Trustees shall elect a chairperson for that meeting from their number.

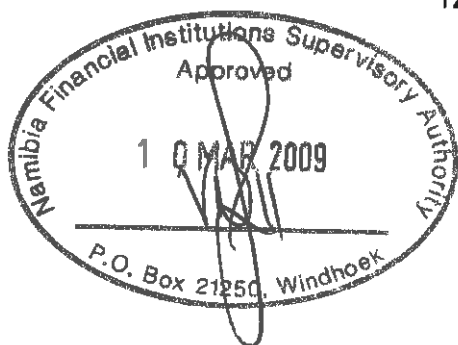




- 12.5.4 At all meetings of the Trustees the decision of the majority shall be binding and if the votes are equal the matter shall be referred to the next meeting of the Trustees. If the votes remain equal at that meeting, the matter shall be referred to a person qualified in the matter under dispute for a recommendation. If the matter cannot be settled based on this recommendation, the matter shall be referred to an arbitrator agreed by the Trustees and the arbitrator's decision on the matter shall be final. Any costs incurred in resolving disputes shall be met by the Fund.
- 12.5.5 A resolution in writing signed by all the Trustees (for which purpose the alternate who acts for the Employers' Trustees and the alternate who acts for the Members' Trustees may sign in the place of the applicable Trustee) shall be of the same force and effect as a resolution passed at a meeting of Trustees and must be recorded in the Fund's minute book.

## 12.6 Other Appointments

- 12.6.1 The Trustees shall appoint Administrators and an Actuary, and may withdraw any such appointment and make another appointment in its place at any time.
- 12.6.2 The Trustees shall appoint a Principal Officer in terms of the Act and may withdraw any such appointment and make another appointment in its place at any time. If the Principal Officer is absent from the Republic of Namibia or is otherwise unable to perform his duties, the Trustees shall within 30 days appoint another person to act as Principal Officer for the period of his absence or inability.



12.6.3 The Trustees may appoint consultants on such terms as they may determine and may withdraw any such appointment at any time.

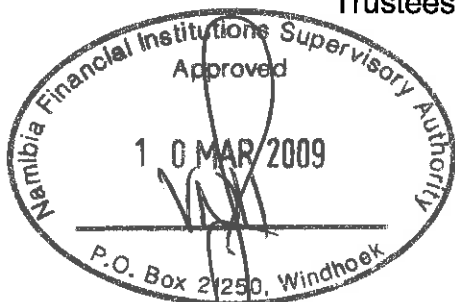
## 12.7 Indemnification of Officers of the Fund

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

12.7.2 The Trustees must ensure that the Fund is insured against any loss resulting from the dishonesty or fraud of any of its officers.

## 12.8 Sub-Committees

The Trustees may decide that any power of decision on any matter that is vested in them shall be delegated, on such terms and conditions as they may specify, to a sub-committee, or sub-committees, of such of their number as they nominate. The decision of a sub-committee to which a power is so delegated shall, unless the Trustees stipulate that it must be referred to them for ratification, be regarded as a decision made by the Trustees.



### 13. FINANCIAL PROVISIONS

#### 13.1 Investment of Assets

The assets of the Fund shall consist of one or more claims against a Registered Insurer.

#### 13.2 Investment Powers

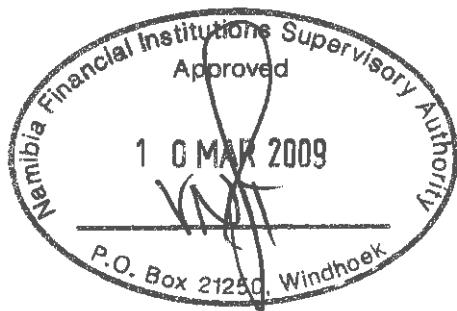
13.2.1 The Trustees shall have the power to invest in one or more policies of insurance and to determine the number range and composition of the investment portfolios.

13.2.2 The Trustees shall have the power to effect policies of insurance with a Registered Insurer for the purpose of insuring the Insured Portion.

#### 13.3 Guarantees on Housing Loans

The Trustees shall have the power to furnish a guarantee in favour of a person other than the Fund in respect of a loan granted by such other person to a Member for a purpose referred to in Section 19(5)(a) of the Act. Such guarantee shall be subject to the provisions set out in Section 19(5)(b), (c) and (d) of the Act and the requirements of the Registrar.

(The contents of Section 19(5) of the Act are contained in the Annexure to these Rules).

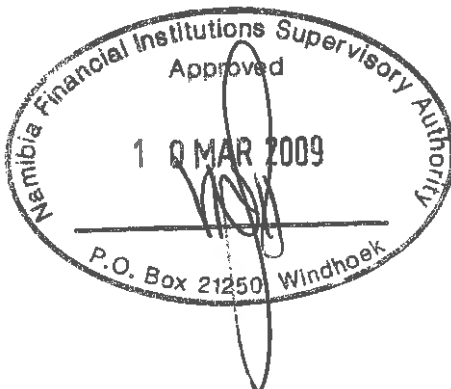


**13.4 Power to Transfer and to take Transfer**

The Trustees, after consultation with the participating Employer, shall have the power to transfer the assets and liabilities of the Fund, or a portion thereof, to another Approved Pension Fund or to an Approved Provident Fund or to take transfer of the assets and liabilities, or a portion thereof, of another Approved Pension Fund or Approved Provident Fund.

**13.5 Expenses**

The administration expenses and other general expenses in connection with or incidental to the management of the Fund of the Fund shall be paid by the Fund.



## 14. ADMINISTRATION OF THE FUND

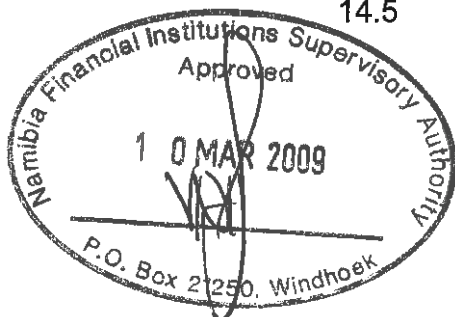
14.1 The Fund shall be administered by Administrators appointed by, and acting on the instructions of, the Trustees.

14.2 The Employers shall from time to time furnish to the Fund in respect of those employees who are Members all necessary particulars affecting their benefits or their entitlement to benefits. The Fund shall be entitled to act upon such particulars without further enquiry and shall not be responsible to any Member or to the Employer or to any other person or body whatsoever for any mis-statements or errors or omissions which may be contained in such particulars.

14.3 The Administrators shall keep a complete record of all necessary particulars of the Members of the Fund and of all persons entitled to benefits and of all other matters essential to the operation of the Fund.

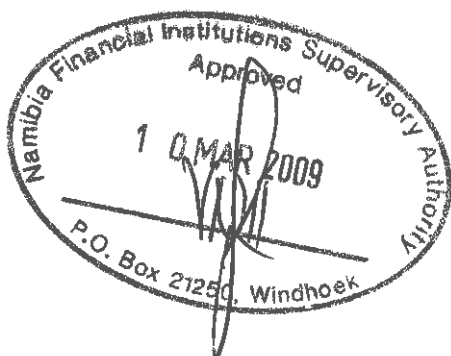
14.4 All cheques of the Fund shall be issued by the Administrators and all contracts and other documents pertaining to the Fund shall be signed by such persons as the Fund may appoint; provided that documents to be deposited with the Registrar must be signed in the manner set out in the Act.

14.5 The Administrators shall ensure the maintenance of fidelity cover to indemnify the Fund against any loss resulting from the dishonesty or fraud of any person dealing with the administration of the Fund.



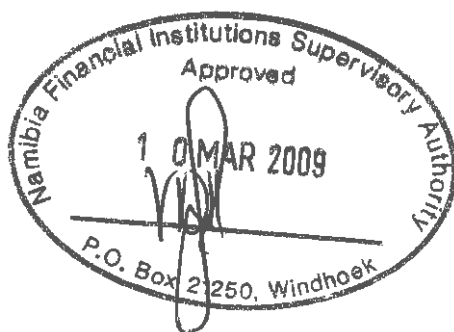
## 15. ALTERATIONS

- 15.1 The Trustees may alter these Rules at any time.
- 15.2 No alteration to the Rules which affects the terms on which the Employer's contributions are based or the Fund may be terminated may be made without the approval of the Employers.
- 15.3 No alteration to the Rules which affects the financial condition of the Fund may be made until it has been referred by the Trustees to the Actuary and the Employers.
- 15.4 All alterations to the Rules shall be submitted to the Registrar, the Revenue Authorities and any other statutory authority who so requires.
- 15.5 If the registration of any alteration to these Rules in terms of the Act is effected on a date after the effective date of the alteration, the alteration shall nevertheless take effect from the effective date as stated in the alteration.



## 16. INTERPRETATION OF RULES AND DISPUTES

- 16.1 The decision of the Trustees as to the meaning of or interpretation of these Rules or of any particular Rule or part of a Rule shall be final and binding on the Members and every person claiming to be entitled to a benefit under these Rules.
- 16.2 If any person affected by a decision of the Fund in terms of Rule 16.1 is dissatisfied with the decision, he shall have the right to submit a complaint to the Fund in writing. The Fund must respond within thirty days of receipt of the complaint. If the complainant is still dissatisfied with the Fund's response, the complainant shall have the right to refer the matter to the Registrar. Notice of intention to exercise such right must be given by the person concerned to the Fund not later than three months from the date of the Fund's decision.



## 17. MISCELLANEOUS PROVISIONS

- 17.1 (a) Subject to payment of such fee as the Trustees may require, a Member shall be entitled on application to a copy of any of the documents referred to in Section 35(1) of the Act.
- (b) A Member shall be entitled on application to inspect without charge a copy of any of the documents referred to in Section 35(2) of the Act and to make extracts therefrom.

(Section 35 of the Act is contained in the Annexure to these Rules).

- 17.2 (a) Payment of each benefit in terms of these Rules shall be made to the person entitled thereto at the registered office of the Fund.
- (b) Payment elsewhere than at the registered office of the Fund may be made at the request of the beneficiary in a manner agreed upon by the beneficiary and the Trustees, including
- (i) payment by means of electronic transfer into the bank account of the beneficiary to a registered bank; or
  - (ii) postage by ordinary mail of a cheque or cheques; provided that should a beneficiary request postage by ordinary mail of a cheque or cheques, the Fund shall explain in writing to him that in so doing he shall carry the risk of a cheque's being lost in the post or being stolen.





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

17.3 All benefits and rights to benefits in terms of these Rules shall be subject to the prohibitions as to reduction, cession, etc. contained in Sections 37A and 37B of the Act.

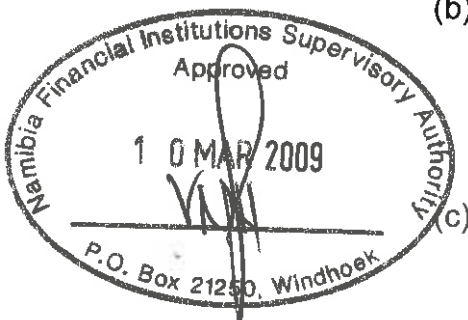
(The contents of these Sections are contained in the Annexure to these Rules).

17.4 If a benefit due under the Fund, other than a benefit payable in terms of Section 37C of the Act, is not claimed within six months after the date on which it became due for payment and after the Trustees have taken all reasonable steps to trace beneficiaries, the following shall apply:

- (a) the benefit, less any tax payable thereon, shall be held in an investment account established by the Administrators, and approved by the Trustees, for the purpose of housing such unclaimed benefits and shall be recorded in a register of unclaimed benefits maintained by the Administrators;

- (b) the benefit shall be increased by interest at the rate determined by the Trustees and debited with expenses payable to the Administrators;

(c) if a potential beneficiary approaches the Fund at any stage thereafter, the Trustees shall direct them to the Administrators for the payment of the benefit.



(The contents of Section 37C of the Act are contained in the Annexure to these Rules).

- 17.5 Nothing in these Rules shall in any way restrict the right of the Employer to terminate the employment of any Member or affect any agreement between the Employer and an employee in regard to conditions of Service.
- 17.6 No person shall have any claim concerning the Fund either upon the Fund or against the Employers, except in accordance with these Rules.
- 17.7 Admission to membership of the Fund shall be regarded as an acknowledgement by the Member that he agrees that these Rules, including any alteration to these Rules, shall be binding upon him and upon any person claiming to derive a benefit under the Fund by virtue of his membership.
- 17.8 Subject to the requirements of the Revenue Authorities as specified from time to time and to the payment by the Employer of such additional contribution, or contributions, as the Trustees after consulting the Actuary may decide to be necessary, the Trustees, with the agreement of the Employer, may direct that any benefit payable to or in respect of any Member be increased on such basis as shall be determined in consultation with the Actuary.

