

# THE NAMIBIA BUILDING WORKERS PENSION FUND

## Amendment No. 6

The Trustees of The Namibia Building Workers Pension Fund resolved at Windhoek on the 10<sup>th</sup> October 2022 that with effect from 01<sup>st</sup> November 2022 or such other date as amendment is approved by the Registrar of Pension Funds. The Rules of the Namibia Building Workers Pension Fund shall be amended to align membership, contributions and benefits with the umbrella nature of the fund.

*Specifically the amendment seeks to effect the following changes:*

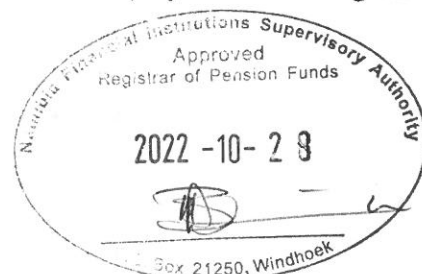
### Rule 1: DEFINITION

The following definitions are amended as follows:

"Employer" shall mean an employer who has been admitted to the Fund as a participating Employer with the consent of the Trustees and includes those employers specified in the Special Rules; provided that:

- a) In relation to any particular employee or Member, "Employer" shall mean the Employer by whom that person is, or was last, employed; and
- b) if the business of an Employer is wound up for the purpose of reconstruction in a similar or amended form, the reconstructed organisation shall (subject to the approval of the Trustees) take the place of that Employer and the term "Employer" in such case shall mean the Employer as reconstructed; and
- c) any Employer who withdraws from the Fund under these Rules shall simultaneously cease to be an Employer for the purposes hereof.

"Employer Application" shall mean a written application of an Employer to participate in the Fund. The application shall stipulate the eligibility conditions, the contribution rates, the benefit structure in respect of the employees in the service of the Employer who are eligible for membership of the Fund.



"Participation Date" shall mean the date on which participation by an Employer in the Fund commences as specified in the Special Rules where applicable;

"Rules" shall mean these General Rules and the Special Rules as they may be amended from time to time;

"Special Rules" shall mean the rules, as approved by the Registrar, applicable to each participating Employer and its qualifying employees who are Members of the Fund;

### **Rule 3 MEMBERSHIP**

Rule 3 is amended by addition of 3.6 and 3.7 as follows:

3.6 Each Employer shall participate in the Fund from the Participation Date. Thereafter, any continued participation of the Employer in the Fund shall be subject to these Rules and the Act.

3.7 Any employer may apply to become a participating Employer in the Fund. Such application shall be made in writing to the Trustees by means of an Employer Application. The Trustees may approve such employer application to participate in the Fund. Subsequent to the admission of the Employer, the Trustees shall apply the Special Rules applicable to such Employer in respect of the employees employed by that Employer.

### **Rule 4 CONTRIBUTION**

Rule 4.1 is amended as follows:

4.1.1 The Member shall contribute monthly to the Fund at a minimum flat rate of 4 per cent of his Fund Salary or such higher specified rate as set out in the Special Rules.

Rule 4.2 is amended as follows:

4.2.1 The Employer shall make a minimum monthly contribution in respect of each Member equal to 4 per cent of the Member's Fund Salary or such higher specified rate as set out in the Special Rules.



4.2.2 Out of the amount contributed in terms of Rule 4.2.1 maximum of 2 percent of the Member's Fund Salary or such specified per cent as set out in the Special Rules shall be allocated to the Reserve Account to be applied to meet the reasonable 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.

## **Rule 6 DEATH AND DISABILITY BENEFITS**

Rule 6.1.1 is amended by insertion of the underlined wording at the bottom of rule 6.1.1 and inclusion of 6.1.4 as follows:

If a member dies while in Service of an Employer whose participation in the Fund is governed by the Special Rules, the death benefit payable shall be as defined therein.

6.1.4 The death benefits shall be payable in accordance with the Income Tax Practice Note (PN No. 5 of 2003), which provides that in respect of a death benefit, more than 50% of the death benefit payable by a pension fund to the dependants or nominees of a deceased member must be paid in annuities and the rest can be paid as a lump sum.

## **Rule 12 MANAGEMENT OF THE FUND**

Rule 12 is amended by addition of Rule 12.9 as follows:

### **12.9 Management Committees**

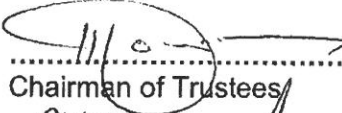
- a) Each participating Employer may establish a Management Committee consisting of an equal number of Members' and Employer's representatives as set out in the Special Rules. The Management Committee shall advise and assist the Trustees in all matters relating to the operation of the Fund.
- b) In particular, the Management Committee shall be entitled to make

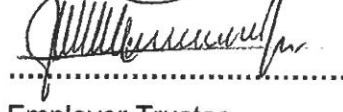


recommendations to the Trustees regarding communication to Members and payment of death benefits referred to in Rule 6.1.

- c) The Trustees at their sole discretion may decide that any power of decision on any matter that is vested in them shall be delegated to the Management Committee. Any decision of Management Committee on such delegated matters shall be referred to the Trustees for ratification.
- d) The Constitution of the Management Committee, the conditions applicable to the appointment and election of the members of the Management Committee, including the term of office and removal from office shall be set out in the Special Rules applicable to each Employer.
- e) The constitution of the meetings of the Management Committee, the frequency thereof and the decision-making process in those meetings shall be set out in the Special Rules.
- f) Disqualification for holding office as member of the Management Committee shall be subject to the provisions of Rule 12.4.

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


  
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Chairman of Trustees

  
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Employer Trustee

  
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Principal Officer

  
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Employee Trustee

Certified that the amendment is financially sound.

  
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Estienne Du Toit, FIA  
Actuary to the Fund

