OLD MUTUAL SUPERFUND

PENSION FUND

(Fund Registration No: 12/8/20237/1 and SARS Approval No: 18/20/4/20740)
PREAMBLE

OLD MUTUAL has and continues to play a major role in providing retirement fund structures and retirement solutions appropriate to all South Africans. It aspires through its sponsorship of the FUND to enrich the lives of South Africans, many of whom are not able to adequately accumulate savings for retirement. Whilst the focus of much of the retirement planning in the past has been founded on supporting employers in their provision of employee benefits to their employees, OLD MUTUAL, as an extension of its desire to enrich the lives of South Africans and help them prepare better for retirement, sponsors the FUND on the basis that it is a fund which is aimed foremost at meeting the needs of the MEMBERS and their DEPENDANTS and that the FUND will be

- transparent in its functioning, including in relation to its fees and expenses;
- competitive;
- characterised by good governance, integrity, responsibility and accountability.

Many PARTICIPATING EMPLOYERS have and will in future participate in the FUND on the basis that the FUND is sponsored by OLD MUTUAL. In applying for membership of the FUND, they envisage an enduring sponsorship of the FUND by OLD MUTUAL.

The MANAGEMENT BOARD is responsible for the proper and efficient management of the FUND and must exercise the powers, perform the functions and carry out the duties assigned to it or imposed on it in terms of the RULES and by law, including the exercising of its fiduciary duties towards the FUND and its MEMBERS. It is acknowledged that all dealings between the FUND and OLD MUTUAL should at all times be conducted at arms-length and the independence of the MANAGEMENT BOARD be maintained.

The FUND and OLD MUTUAL have therefore entered into a Governance Agreement, the purpose of which is to -

1. govern the relationship between OLD MUTUAL and the FUND;
2. protect the interests of all parties;
3. ensure the effective, efficient and accountable management of the FUND;
4. co-operate towards the continued success of the FUND for the ultimate benefit of the MEMBERS of the FUND.
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PART 1

DEFINITIONS, ESTABLISHMENT AND MANAGEMENT OF THE FUND
RULE 1: DEFINITIONS AND INTERPRETATIONS

In these RULES, unless the context indicates otherwise:

• The defined words and expressions are indicated by capital letters throughout.

• If a word appears in the singular, it must be read to include the plural; and likewise, if a word appears in the plural, it must be read to include the singular.

• If a pronoun or word refers to one gender it must be read to include the other genders.

• All the terms defined in the ACT which are not defined in the RULES, will bear the same meanings as are ascribed to them in the ACT.

• If reference is made to any statutory provision that has been repealed, the reference will be construed as a reference to the statutory provision, which substituted the provision referred to (if any).

ACT means the Pension Funds Act, 1956, as amended and the regulations and any board notice published under the Act, or, if repealed, the substituting Act of Parliament and any regulations regulating pension funds in South Africa.

ACTUARY means the person appointed by the MANAGEMENT BOARD in terms of MASTER RULE 3.11(2)(c) and whom the REGISTRAR has approved as the valuator of the FUND.

ADJUDICATOR means the Pension Funds Adjudicator or Deputy Pension Funds Adjudicator and any acting Pension Funds Adjudicator appointed in terms of the ACT.

ADMINISTRATOR means the administrator appointed in terms of MASTER RULE 3.11(2)(a) by the MANAGEMENT BOARD to administer the benefits of the FUND and provide such additional services as may be agreed to by the FUND and the ADMINISTRATOR.

APPROVED PENSION FUND means a fund approved as a pension fund by the REVENUE AUTHORITY.
**APPROVED PRESERVATION PENSION FUND** means a fund which provides for the preservation of pension benefits and which has been approved as a preservation pension fund by the REVENUE AUTHORITY.

**APPROVED PRESERVATION PROVIDENT FUND** means a fund which provides for the preservation of pension benefits and which has been approved as a preservation provident fund by the REVENUE AUTHORITY.

**APPROVED PROVIDENT FUND** means a fund approved as a provident fund by the REVENUE AUTHORITY.

**APPROVED RETIREMENT ANNUITY FUND** means a fund approved as a retirement annuity fund by the REVENUE AUTHORITY.

**AUDITOR** means an auditor engaged in public practice and registered under the Auditing Professions Act, 2005, appointed by the MANAGEMENT BOARD as the auditor of the FUND in terms of MASTER RULE 3.11(2)(b) and whose appointment has been approved by the REGISTRAR.

**BANK ACCOUNT** means an account opened and operated by the FUND with a bank as defined in the Banks Act, 1990, or a mutual bank as defined in the Mutual Banks Act, 1993.

**BANK INTEREST** means interest at the same rate applicable to the FUND'S BANK ACCOUNT.

**BENEFICIARY** means a beneficiary as defined in the ACT and any MEMBER or other person entitled to receive a benefit from the FUND.

**BOARD MEMBER** means a natural person who is a member of the MANAGEMENT BOARD.

**BUSINESS DAY** means every day except a Saturday, Sunday and any public holiday recognised as such in the Republic of South Africa.

**DATE OF COMMENCEMENT** means 1 May 1985.

**DATE OF PAYMENT** means the date on which the final benefit is paid to or in respect of a MEMBER or BENEFICIARY.
DEPendant means a dependant as defined in the ACT.

Disability Benefit means, if applicable in terms of the SPECIAL RULES, the benefit payable in the event of the DISABLEMENT of a MEMBER, as provided under the RISK POLICY.

For the purposes of this definition, MEMBER shall exclude a PRESERVER MEMBER.

Disability Income Plan means a separate group disability income benefit policy issued by an INSURER in terms of the Long Term Insurance Act No 52 of 1998 in which a PARTICIPATING EMPLOYER participates for the benefit of its employees.

Disability means the condition categorised as such in respect of a MEMBER, in terms of the RISK POLICY providing the Disability Benefit.

For the purposes of this definition, MEMBER shall exclude a PRESERVER MEMBER.

Eligible Employee means an employee, or a person who is deemed to be an employee in terms of the application of the Labour Relations Act 66 of 1995, of a PARTICIPATING EMPLOYER in possession of a valid South African identity number, passport number, asylum seeker permit number, refugee permit number or an immigration permit number and for whom membership of the FUND is a condition of employment.

For the purposes of this definition, an employee who is in receipt of a benefit under the Disability Income Plan, provided such employee’s service has not been terminated for whatever reason, shall be deemed to be an Eligible Employee.

The definition of Eligible Employee was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015

The definition of Eligible Employee was replaced in its entirety in terms of rule amendment no 6 registered 21 November 2014

Exit Notification means the notification to be given to the ADMINISTRATOR including any elections, documentation and information required by the ADMINISTRATOR.

Expense Reserve Account means the account kept by the FUND in terms of MASTER RULE 10.3(1).
FINANCIAL YEAR means a period of twelve months commencing 1 July in a year and ending 30 June in the next year.

FINANCIAL YEAR END means the end of the FINANCIAL YEAR in question.

FUND means the Old Mutual SuperFund Pension Fund.

INDEPENDENT BOARD MEMBER means a natural person who is not and who has not been within the previous 24 (twenty-four) months:

(a) an employee of OLD MUTUAL or a natural person directly or indirectly employed by OLD MUTUAL;

(b) an employee of a PARTICIPATING EMPLOYER;

(c) a natural person rendering any other service to the FUND or OLD MUTUAL other than as a BOARD MEMBER.


INVESTMENT PORTFOLIO means an investment in an INVESTMENT POLICY, a security as defined in the Securities Services Act, 36 of 2004, as amended from time to time, a registered collective investment scheme, or a BANK ACCOUNT, in each case approved by the MANAGEMENT BOARD for investment of the assets of the FUND in terms of the RULES and the INVESTMENT POLICY STATEMENT.

INVESTMENT CONSULTANT means a person registered to give investment advice in terms of the Financial Advisory and Intermediary Services Act, and who has been accredited by OLD MUTUAL to provide advice to PARTICIPATING EMPLOYERS and MEMBERS of the FUND under such terms and conditions as approved by the MANAGEMENT BOARD.

INVESTMENT POLICY means a policy of insurance issued by an INSURER in terms of the Long-Term Insurance Act 52 of 1998, in terms of which the INSURER provides one or more INVESTMENT PORTFOLIOS approved by the MANAGEMENT BOARD.

INVESTMENT POLICY STATEMENT means the document which sets out the investment strategy of the MANAGEMENT BOARD and the matters referred to in MASTER RULE 13.1(3) and any other RULE relating to investments from time to time.
INVESTMENT PROVIDER means a person registered as an asset manager, INSURER or investment provider with the REGISTRAR, appointed by the MANAGEMENT BOARD under a written mandate to invest and administer any assets of the FUND in an INVESTMENT PORTFOLIO.

INVESTMENT RESERVE ACCOUNT means an account kept by the FUND in terms of MASTER RULE 10.3(4).

The definition of INVESTMENT RESERVE ACCOUNT was deleted in terms of rule amendment no 4 registered 28 July 2014

INVESTMENT RETURN means the:

(a) interest on so much of the credit balance in the BANK ACCOUNT as corresponds to any amount to the credit of an account kept by the FUND in terms of MASTER RULE 10; or

(b) dividends, interest, bonuses or other income received or accrued from, and realised or unrealised capital gains or losses in respect of each UNIT, expressed as a change to the UNIT price, where the investment is a UNITISED INVESTMENT; or

(c) in relation to an INVESTMENT PORTFOLIO which is a NON-UNITISED INVESTMENT, in which a MEMBER is invested, such bonuses, positive or negative, as are declared by the MANAGEMENT BOARD;

less any management charges and any other expenses deductible from or attributable to the BANK ACCOUNT, or UNIT or INVESTMENT POLICY concerned, by the MANAGEMENT BOARD or the INVESTMENT PROVIDER providing the INVESTMENT PORTFOLIO relating to that UNIT.

INVESTMENT TERMS means any terms and conditions relating to investment in, or disinvestment from, an INVESTMENT PORTFOLIO.

MANAGEMENT BOARD means the MANAGEMENT BOARD constituted in terms of MASTER RULE 3.

MANAGEMENT COMMITTEE means a committee established in terms of MASTER RULE 14.1 in respect of a particular SUB-FUND.
MASTER RULES means the rules set out in this document and all subsequent amendments thereto.

MEMBER means an ELIGIBLE EMPLOYEE whose membership of the FUND has been recorded by the FUND in terms of MASTER RULE 4.2. Unless specifically stated otherwise, “MEMBER” shall include a PRESERVER MEMBER.

MEMBER ACCOUNT means the account maintained in respect of each MEMBER in terms of MASTER RULE 10.2(1).
MEMBER SURPLUS ACCOUNT means the account, if any, maintained in respect of a SUB-FUND in terms of MASTER RULE 10.2(3).

NON-UNITISED INVESTMENTS means an INVESTMENT PORTFOLIO where the INVESTMENT PROVIDER does not notionally allocate UNITS and a UNIT price from time to time in respect of the INVESTMENT PORTFOLIO. However where the ADMINISTRATOR creates a notional UNIT price and administers the INVESTMENT PORTFOLIO in exactly the same way as UNITISED INVESTMENTS, such an INVESTMENT PORTFOLIO will not be considered as a non-unitised investment but as UNITISED INVESTMENTS.

NORMAL RETIREMENT AGE means,

(a) in respect of a MEMBER other than a PRESERVER MEMBER, the normal retirement age selected by the PARTICIPATING EMPLOYER as set out in the SPECIAL RULES applicable to such MEMBER; and

(b) in respect of a PRESERVER MEMBER, the age selected by the PRESERVER MEMBER which may not be earlier than 55 (fifty-five) years of age.

NORMAL RETIREMENT DATE means midnight on the last day of the month during which the MEMBER attains the NORMAL RETIREMENT AGE.

OLD MUTUAL means Old Mutual Life Assurance Company (South Africa) Limited.

PARTICIPATION DATE means the date as determined by the PARTICIPATING EMPLOYER and notified to the FUND from which contributions are accepted by the FUND by and on behalf of the MEMBERS of the SUB-FUND.

PARTICIPATING EMPLOYER means an employer, either whose application to participate in the FUND has been accepted by the FUND or whose participation in a PREVIOUS FUND has been transferred to the FUND, on the terms and conditions of participation as issued by the MANAGEMENT BOARD from time to time.

Any reference to a PARTICIPATING EMPLOYER in these MASTER RULES shall not apply to a PRESERVER MEMBER.

The definition of PARTICIPATING EMPLOYER was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014
PARTICIPATING EMPLOYER SURPLUS ACCOUNT means the account, if any, maintained in respect of a PARTICIPATING EMPLOYER in terms of MASTER RULE 10.2(2).

PENSIONABLE SALARY means such sum notified to the FUND by the PARTICIPATING EMPLOYER to be treated as the pensionable salary of a MEMBER for all purposes of the FUND except the provision of RISK BENEFITS.

PRESERVER MEMBER means a MEMBER

(a) who in terms of MASTER RULE 7.3(1)(a), MASTER RULE 7.3(2)(b) or MASTER RULE 12.1(2) becomes such a member, or

(b) who was regarded as such a member by the PREVIOUS FUND and has been recorded by the FUND in terms of MASTER RULE 4.1(3).

The definition of PRESERVER MEMBER was replaced in its entirety in terms of rule amendment no 6 registered 21 November 2014.

PRESERVER MEMBERS’ ACCOUNT means the account maintained in respect of each PRESERVER MEMBER in terms of MASTER RULE 10.3(8)

PREVIOUS FUND means the fund identified in the application in terms of section 14 of the ACT in which a MEMBER or PRESERVER MEMBER participated prior to participation in this FUND (if any) and where the assets and liabilities in respect of such MEMBER or PRESERVER MEMBER in the PREVIOUS FUND will be transferred to the FUND in terms of Section 14 of the ACT.

PRINCIPAL OFFICER means the person appointed by the MANAGEMENT BOARD in terms of MASTER RULE 3.11(1)(a).

PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS) means the account kept by the FUND in terms of MASTER RULE 10.3(5).

PROCESSING RESERVE ACCOUNT means the account kept by the FUND in terms of MASTER RULE 10.3(6).

The definition of PROCESSING RESERVE ACCOUNT (NON-UNITISED INVESTMENTS) was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015.
The definition of PROCESSING RESERVE ACCOUNT (NON-UNITISED INVESTMENTS) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014

PUBLISH means the communication by means of the FUND’S WEBSITE of any information or notification that the FUND wishes to bring to the attention of a MEMBER or PARTICIPATING EMPLOYER.

REGISTRAR means the Registrar as defined in the ACT.

RESERVE ACCOUNT means each of the following accounts kept by the FUND in terms of MASTER RULE 10:

• SUB-FUND EXPENSE RESERVE ACCOUNT
• EXPENSE RESERVE ACCOUNT;
• RISK RESERVE ACCOUNT;
• PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS);
• PROCESSING RESERVE ACCOUNT;
• SURPLUS APPORTIONMENT EXPENSE RESERVE ACCOUNT.

The definition of RESERVE ACCOUNT shown above was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014

REVENUE AUTHORITY means the South African Revenue Service and, where applicable, the Swaziland Revenue Authority or the Lesotho Revenue Authority.

RISK BENEFIT means the amount payable in terms of the RISK POLICY in the event of the death or DISABLEMENT of a MEMBER, if applicable, in terms of the SPECIAL RULES.

For the purpose of this definition, MEMBER shall exclude a PRESERVER MEMBER.
RISK BENEFIT POLICY STATEMENT means the document which sets out the strategy of the MANAGEMENT BOARD for RISK BENEFITS in terms of MASTER RULE 6.6(1).

RISK POLICY means a policy of insurance issued by a RISK PROVIDER in terms of the Long Term Insurance Act No 52 of 1998 to the FUND in respect of MEMBERS in terms of these RULES.

RISK PROVIDER means, subject to the approval of the MANAGEMENT BOARD, an INSURER with whom the FUND effected a RISK POLICY.

RISK RESERVE ACCOUNT means the account kept by the FUND in terms of MASTER RULE 10.3(2).

RISK SALARY means such sum notified to the FUND by the PARTICIPATING EMPLOYER to be used for the determination of RISK BENEFITS for a MEMBER, subject to any limitations set by the RISK PROVIDER in terms of the RISK POLICY.

The definition of RISK SALARY was replaced in its entirety in terms of rule amendment no 1 registered 02 February 2015

RULES mean the MASTER RULES and the SPECIAL RULES collectively.

SMOOTH BONUS PRODUCT means an investment product provided by an INSURER where returns are added in the form of bonuses declared by the INSURER with the intention of reducing the volatility of the INVESTMENT RETURN on the underlying assets.

SPECIAL RULES means the rules in terms of MASTER RULE 2.6 in respect of each SUB-FUND.

SUB-FUND means, in respect of each PARTICIPATING EMPLOYER and its employees, who are MEMBERS, the liability of the FUND in respect of such MEMBERS, the balance in the relevant SUB-FUND EXPENSE RESERVE ACCOUNT, MEMBER SURPLUS ACCOUNT and PARTICIPATING EMPLOYER SURPLUS ACCOUNT, if any, and depending on the context, the corresponding assets;

SUB-FUND EXPENSE RESERVE ACCOUNT means an account, if any, maintained in respect of a SUB-FUND in terms of MASTER RULE 10.2(4).
SURPLUS APPORTIONMENT EXPENSE RESERVE ACCOUNT means the account kept by the FUND in terms of MASTER RULE 10.3(7).

TERMINATION DATE means, as the case may be,

(a) when the FUND is liquidated in terms of MASTER RULE 11.1, the liquidation date in terms of MASTER RULE 11.1(3);

(b) when a SUB-FUND is liquidated in terms of MASTER RULE 11.2, the liquidation date in terms of MASTER RULE 11.2(2);

(c) when a SUB-FUND transfers to another fund in terms of MASTER RULES 11.4 or 12.4, the date on which the transfer has been approved by the REGISTRAR.

TOTAL TRANSFER CREDIT means the amount transferred to the FUND from a PREVIOUS FUND as approved in terms of Sections 14, 15B or 15E of the ACT.

UNCLAIMED BENEFIT means an unclaimed benefit as defined in the ACT.

UNCLAIMED BENEFITS ACCOUNT means the account kept by the FUND, in terms of MASTER RULE 10.3(3).

UNIT means a unit in a UNITISED INVESTMENT.

UNITISED INVESTMENT means an INVESTMENT PORTFOLIO where the INVESTMENT PROVIDER notionally allocates UNITS and a UNIT price from time to time in respect of the INVESTMENT PORTFOLIO or an INVESTMENT PORTFOLIO where the ADMINISTRATOR creates a notional UNIT price and administers the INVESTMENT PORTFOLIO in exactly the same way as other unitised investments.

For the purposes of the PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS), unitised investments includes all INVESTMENT PORTFOLIOS in which there are regular direct transaction flows triggered by the administration system and are classified by the MANAGEMENT BOARD as unitised investments.

WEBSITE means a website, as defined in the Electronic Communications and Transactions Act, 2002, set up by the FUND.
RULE 2: ESTABLISHMENT

2.1 ESTABLISHMENT AND TYPE OF FUND

(1) The FUND was established on the DATE OF COMMENCEMENT and was known as The Orion Money Purchase Pension Fund (SA). With effect from 1 October 2008 the FUND'S name changed to Old Mutual SuperFund Pension Fund.

(2) The FUND is a defined contribution pension fund.

2.2 OBJECT OF THE FUND

The object of the FUND is

(1) to provide a benefit to a MEMBER on retirement or withdrawal;

(2) to provide a benefit to the DEPENDANTS and nominees of a MEMBER in the event of the death of the MEMBER; and

(3) to provide a benefit in the event of the DISABLEMENT of a MEMBER, where applicable.

2.3 REGISTERED OFFICE OF THE FUND

The registered office of the FUND is

Mutualpark

Jan Smuts Drive

PINELANDS

7405

2.4 LEGAL STATUS AND POWERS OF THE FUND

The FUND is a juristic person and as such has the capacity and powers of a natural person with full legal capacity insofar as a juristic person is capable of having such capacity or exercising such powers.
This capacity and powers include the capacity and power to:

(1) sue and be sued in its own name;

(2) conclude agreements and perform juristic acts;

(3) acquire, own, hypothecate, hire, let and dispose of property, whether movable or immovable, and whether the property is physical property or intellectual property;

(4) amend the RULES; and

(5) do all things that in the opinion of the MANAGEMENT BOARD are necessary or desirable to be done to achieve its object and to carry out its functions and duties.

2.5 RULES

(1) The RULES are binding on the FUND, its MEMBERS and their DEPENDANTS, the PRINCIPAL OFFICER, the MANAGEMENT BOARD, the AUDITOR, ACTUARY and each PARTICIPATING EMPLOYER.

(2) The MANAGEMENT BOARD may, subject to MASTER RULE 2.5(3) below amend the RULES in accordance with the ACT.

(3) No amendment, including an amendment to this MASTER RULE 2.5, that affects the rights and obligations of OLD MUTUAL will be of any force or effect without the written approval of OLD MUTUAL obtained prior to submission of the amendment to the REGISTRAR.

(4) If an amendment to the RULES is registered by the REGISTRAR after the effective date of the amendment set out in the relevant resolution of the MANAGEMENT BOARD, such amendment is deemed to take effect on the effective date of the amendment.
2.6 SPECIAL RULES

(1) The FUND shall in respect of each SUB-FUND formulate SPECIAL RULES detailing the benefits and special conditions which shall apply to each MEMBER in the employ of the PARTICIPATING EMPLOYER as specified in such SPECIAL RULES.

(2) It is specifically provided that all registered SPECIAL RULES as at 1 October 2008 will continue to be regarded as the SPECIAL RULES of the PARTICIPATING EMPLOYER specified therein.

(3) In the event that a provision in the SPECIAL RULES is in conflict with a provision of the MASTER RULES, then the provision of the MASTER RULES shall prevail.

(4) The SPECIAL RULES shall set out *inter alia* the following:

   (a) the categories of ELIGIBLE EMPLOYEES who will join the FUND, if applicable;

   (b) the contribution rates; and must specify:

      (i) whether the total contribution in terms of MASTER RULE 9.2(1) includes, or excludes

         • the cost of any premium necessary to provide the RISK BENEFITS, if applicable, in respect of each MEMBER; or

         • the amount, determined from time to time by the MANAGEMENT BOARD, to cover the fees and expenses of the FUND;
(ii) where the total contribution includes the cost of any premium necessary to provide the RISK BENEFITS and/or such contribution towards fees and expenses, the amount to be applied towards retirement funding is the balance after the cost of the premium and/or the contribution towards fees and expenses has been deducted from the total contribution;

(c) if applicable, the cover for RISK BENEFITS, except where the RISK BENEFITS on death and on DISABLEMENT in respect of the MEMBER are set out in MASTER RULE 6.1(2) and MASTER RULE 6.5(2), respectively;

(d) NORMAL RETIREMENT AGE;

(e) any other information that may be required from time to time by the MANAGEMENT BOARD.

(5) The MANAGEMENT BOARD may amend the SPECIAL RULES. The written consent of the PARTICIPATING EMPLOYER will be required where the amendment affects the rights and obligations of the PARTICIPATING EMPLOYER.

(6) The provisions of the SPECIAL RULES and all references thereto will cease to apply to a MEMBER who is no longer an ELIGIBLE EMPLOYEE.

(7) With effect from 1 October 2013 any reference to Annual Review Month, PREVIOUS FUND and RISK PROVIDER in the SPECIAL RULES shall no longer be specified in the SPECIAL RULES and reference thereto in the SPECIAL RULES shall be deleted.

Rules 2.6(3), 2.6(4)(c) & 2.6(7) were replaced in their entirety in terms of rule amendment no 1 registered 02 February 2015.
3.1 OBJECT OF THE MANAGEMENT BOARD

The MANAGEMENT BOARD must direct, control and oversee the operation of the FUND in accordance with the applicable laws and the provisions of these RULES.

3.2 COMPOSITION OF THE MANAGEMENT BOARD

(1) Number and appointment of BOARD MEMBERS

The MANAGEMENT BOARD must consist of 8 (eight) BOARD MEMBERS appointed by OLD MUTUAL. At least 50% (fifty per cent) of the BOARD MEMBERS must be INDEPENDENT BOARD MEMBERS. The MANAGEMENT BOARD shall be entitled to validly act on behalf of the FUND notwithstanding any temporary vacancy in their number.

(2) Selection criteria for BOARD MEMBERS

(a) The MANAGEMENT BOARD may with the concurrence of OLD MUTUAL afford MEMBERS the opportunity to make recommendations to OLD MUTUAL concerning the appointment of INDEPENDENT BOARD MEMBERS.

(b) The process for making such recommendations, which can take the form of nominating candidates, and electing the persons to be recommended to OLD MUTUAL for appointment shall be determined by the MANAGEMENT BOARD with the concurrence of OLD MUTUAL.

(c) The MANAGEMENT BOARD and OLD MUTUAL shall determine appropriate criteria for a natural person to serve as a BOARD MEMBER, and may nominate suitable candidates and invite nominations from PARTICIPATING EMPLOYERS and MEMBERS who satisfy those criteria, provided that:

(i) any person nominated must not be disqualified in accordance with the ACT, and
(ii) the decision as to whether a nominee satisfies the criteria shall be made by the MANAGEMENT BOARD and OLD MUTUAL.

(d) The MANAGEMENT BOARD and OLD MUTUAL shall, in determining the suitability and competence of a person to serve as a BOARD MEMBER, \textit{inter alia} have regard to the following factors:

(i) appropriate cultural and gender representation;

(ii) representation of legal, accounting and actuarial expertise; and

(iii) experience in retirement fund management.

(e) The BOARD MEMBERS shall appoint:

(i) one of their number as the Chair, and

(ii) a further BOARD MEMBER as the Deputy Chair.

3.3 TERM OF OFFICE

(1) BOARD MEMBER

(a) Subject to the provisions of MASTER RULE 3.5 and MASTER RULE 12.6(3)(b), a BOARD MEMBER shall hold office for a period of 3 (three) years.

(b) On expiry of the 3 (three)-year period, further elections or appointments must take place.

(c) A BOARD MEMBER may make himself available for re-appointment.

(2) Chair

(a) The Chair shall hold office for a period of 1 (one) year, unless otherwise decided by the MANAGEMENT BOARD.

(b) The Chair may, on the expiry of his term, make himself available for re-election.
(c) Should the position of Chair become vacant before the expiry of his term of office, the MANAGEMENT BOARD must appoint another Chair for the unexpired portion of the term of office.

(d) The Chair may be removed from such office in the event of a majority vote by the MANAGEMENT BOARD to this effect.

(3) Deputy Chair and Acting Chair

(a) If the Chair is temporarily unable to discharge his duties, the Deputy Chair shall take up the position of Chair. If the Deputy Chair is also not available, the MANAGEMENT BOARD may resolve that one of their number be appointed as Acting Chair. Such appointment shall be for such period and for such purpose as resolved by the MANAGEMENT BOARD.

(b) The provisions in these RULES regarding the Chair, shall mutatis mutandis apply to the position of the Deputy Chair and the Acting Chair.

3.4 POWERS OF THE MANAGEMENT BOARD

(1) Exercising of powers

The MANAGEMENT BOARD may exercise all the powers of the FUND.

(2) Delegation of powers to sub-committees or persons

(a) The MANAGEMENT BOARD may delegate any of its powers and duties in terms of the RULES or the ACT to a sub-committee or another person or group of persons or MANAGEMENT COMMITTEE on such terms and conditions as it may think fit, including the power to sub-delegate.

(b) These terms may include the purpose, powers, authorities and discretion of the sub-committee or the person.

(c) The MANAGEMENT BOARD can decide on the duration of such delegation.
(d) The MANAGEMENT BOARD may notwithstanding any delegation of its powers, continue to exercise the powers delegated.

(e) The MANAGEMENT BOARD may terminate the delegation of its powers to any sub-committee or person or may vary the terms of the appointment.

(f) A sub-committee or a person acting under delegated powers is *mutatis mutandis* subject to the provisions of the RULES and the ACT.

(g) A sub-committee may consist of any number of BOARD MEMBERS together with such other persons as the MANAGEMENT BOARD may appoint.

(h) A decision taken by a sub-committee must be referred to the MANAGEMENT BOARD to be noted at the next meeting of the MANAGEMENT BOARD unless specifically decided otherwise by the MANAGEMENT BOARD.

(3) Duties of the MANAGEMENT BOARD

(a) In pursuing the objects of the FUND, the MANAGEMENT BOARD must ensure that the duties specified in the ACT are exercised.

(b) The MANAGEMENT BOARD must adopt and implement a code of conduct in consultation with OLD MUTUAL.

3.5 TERMINATION OF OFFICE

(1) A BOARD MEMBER may resign from office at any time by giving written notice to the Chair, or, if it is the Chair who is resigning, by giving written notice to the PRINCIPAL OFFICER.

(2) The appointment of a BOARD MEMBER may be terminated by the MANAGEMENT BOARD or OLD MUTUAL, provided that OLD MUTUAL shall only terminate the appointment of an INDEPENDENT BOARD MEMBER on good cause shown.

(3) A BOARD MEMBER shall also cease to hold office if
(a) his term expires; or

(b) he no longer meets the criteria referred to in MASTER RULE 3.2(2)(c).

3.6 MEETINGS OF THE MANAGEMENT BOARD

(1) Number and frequency

(a) The MANAGEMENT BOARD must meet from time to time to conduct the business of the FUND.

(b) Meetings of the MANAGEMENT BOARD must take place as often as resolved by the MANAGEMENT BOARD, but at least 4 (four) meetings must be held in each FINANCIAL YEAR.

(c) Nothing in these MASTER RULES shall be construed as obliging the MANAGEMENT BOARD to meet in person or preventing the MANAGEMENT BOARD to hold meetings by way of video or telephone conference or any other means.

(2) Chair

(a) The Chair must preside over and maintain order at meetings to ensure that meetings are conducted in a proper manner.

(b) If the Chair is absent from any meeting the Deputy Chair shall preside over that meeting. The Deputy Chair shall have the same powers and duties in relation to the conduct of the meeting as the Chair.

(c) If the Deputy Chair is also absent from the meeting, the BOARD MEMBERS present must appoint an acting Chair for that particular meeting.

(3) Notice of meetings

The Chair must ensure that at least 15 (fifteen) BUSINESS DAYS’ prior written notice of a meeting of the MANAGEMENT BOARD is given to all BOARD MEMBERS, the PRINCIPAL OFFICER of the FUND and OLD MUTUAL.
A shorter period of notice of a meeting may be given, provided the majority of the BOARD MEMBERS, the PRINCIPAL OFFICER and OLD MUTUAL consent thereto.

(4) Voting rights

(a) The PRINCIPAL OFFICER or Deputy Principal Officer of the FUND must attend all meetings of the MANAGEMENT BOARD but will not have a vote.

Rule 3.6(4)(a) was replaced in its entirety in terms of rule amendment 2 registered 24 March 2014

(b) The MANAGEMENT BOARD may not transact any business unless 4 (four) BOARD MEMBERS, at least 2 (two) of whom shall be INDEPENDENT BOARD MEMBERS, for a meeting are present. Provided there is a quorum, the BOARD MEMBERS present shall be entitled to validly act on behalf of the FUND notwithstanding any temporary vacancy in their number.

(c) At a meeting of the MANAGEMENT BOARD each BOARD MEMBER has 1 (one) vote.

(d) The MANAGEMENT BOARD must make a reasonable effort to reach consensus but a decision favoured by the majority of the BOARD MEMBERS must be carried. If the MANAGEMENT BOARD cannot reach a decision, the matter must be referred to the next meeting. Subject to MASTER RULE 3.6(4)(c), a decision favoured by the majority of the BOARD MEMBERS at such meeting shall be a decision of the MANAGEMENT BOARD.

(e) If a majority vote cannot be reached on a specific matter that requires a resolution the matter will be resolved in terms of the Dispute Resolution Practice Note adopted by the MANAGEMENT BOARD.

(f) Any decision of the MANAGEMENT BOARD affecting the rights and obligations of OLD MUTUAL must in all instances be approved by at least 75% (seventy-five per cent) of the MANAGEMENT BOARD.
(5) Adoption of resolutions

(a) At a meeting of the MANAGEMENT BOARD motions must be proposed and accepted by consensus or voted upon, in either case under MASTER RULE 3.6(4).

(b) Round robin resolutions

(i) Written resolutions other than in (ii) below:

A resolution in writing sent to all the BOARD MEMBERS shall, provided that the number of individually signed copies amount to the number required for a quorum, be as valid and effective as if it was passed at a meeting of the MANAGEMENT BOARD duly convened and held.

(ii) Electronic resolutions

A resolution circulated to all the BOARD MEMBERS via e-mail shall, provided that the number of the BOARD MEMBERS, who signify their approval by return of e-mail is no less than the number required for a quorum, be as valid and effective as if it was passed at a meeting of the MANAGEMENT BOARD duly convened and held.

(c) The provisions of sub-rule (a) and (b) above shall mutatis mutandis apply to a sub-committee of the MANAGEMENT BOARD, provided that

(i) a reference to “BOARD MEMBERS” shall be interpreted as “BOARD MEMBERS of a sub-committee”;

(ii) the reference to MASTER RULE 3.6(4) in sub-rule (a) above shall be interpreted as a reference to the constitution of the sub-committee as determined by the MANAGEMENT BOARD.

Rule 3.6(5)(c) was added in terms of rule amendment 6 registered 21 November 2014
(6) Recording of resolutions

Any resolution passed under MASTER RULE 3.6(5)(b) must, as a matter of good governance, be recorded in the minutes at a subsequent meeting of the MANAGEMENT BOARD held after the resolution was passed. Failure to so record the resolution shall however not affect the validity of the resolution.

(7) Record of proceedings of meetings

(a) A record must be kept of the proceedings of meetings of the MANAGEMENT BOARD. These records must be approved at a subsequent meeting of the MANAGEMENT BOARD and then signed by the Chair and kept in the manner prescribed in the ACT.

(b) The record of the proceedings of each meeting must be distributed to all BOARD MEMBERS and the PRINCIPAL OFFICER.

(8) Policies and Practice Notes

The MANAGEMENT BOARD may adopt a general policy to govern any aspect of the business of the FUND. In addition, where the RULES require the MANAGEMENT BOARD to exercise its discretion, the MANAGEMENT BOARD may adopt guidelines to facilitate a consistent approach to exercising that discretion but without fettering its discretion. Such policies and guidelines may be documented in policy statements or practice notes. The MANAGEMENT BOARD must review and may change its policy statements and practice notes from time to time. Such policy statements and practice notes shall include, amongst others, a Housing Surety Policy, a Cash Management Policy, a Remuneration Policy, a Travel Policy, an Income and Expense Policy, Guidelines on the Allocation of Death Benefits, an INVESTMENT POLICY STATEMENT, a RISK BENEFIT POLICY STATEMENT, a Risk Management Policy and a Communication Policy.

Where the policy statements or practice notes are inconsistent with the RULES, the RULES will prevail.
Where the SUB-FUND establishes a SUB-FUND EXPENSE RESERVE ACCOUNT, the MANAGEMENT COMMITTEE shall adopt an Income and Expense Policy governing:

- the manner in which the RESERVE ACCOUNT shall be funded,
- the payment of any delictual claim or other liability of the FUND arising from the functioning, including any decision, of the MANAGEMENT COMMITTEE in terms of the RULES.
- the payment of expenses which are appropriate for the proper functioning of the SUB-FUND, including such expenses relating to consultants and service providers to the SUB-FUND, appointed by the MANAGEMENT COMMITTEE under powers delegated to the MANAGEMENT COMMITTEE by the PARTICIPATING EMPLOYER or the MANAGEMENT BOARD, and
- the procedures and governances around the approval and payment of expenses from that RESERVE ACCOUNT.

Paragraph 3 of Rule 3.6(8) was replaced in its entirety in terms of rule amendment 8 registered 15 July 2015.
3.7 SIGNING OF DOCUMENTS

(1) The MANAGEMENT BOARD may authorise any person to sign documents in writing or digitally, or enter into and sign contracts binding the FUND. However, any documents that must be submitted to the REGISTRAR must be signed by the persons specified in the ACT.

(2) Where the ACT prescribes specific formalities for the signature of documents, such documents are only binding upon the FUND if these requirements are complied with.

3.8 REMUNERATION OF BOARD MEMBERS

(1) The MANAGEMENT BOARD, in consultation with OLD MUTUAL, must determine the rate and basis of remuneration payable to BOARD MEMBERS for their services as set out in the FUND'S Remuneration Policy.

(2) The FUND must bear the cost of any travel costs and incidental expenses incurred by BOARD MEMBERS in the performance of their duties in terms of the Travel and Expense Policy.

3.9 INDEMNIFICATION AND FIDELITY GUARANTEE

(1) Any BOARD MEMBER and any officer of the FUND shall be indemnified by the FUND against any claim for damages arising from the management and administration of the FUND where such BOARD MEMBER or officer acted in good faith.

(2) Notwithstanding the above the BOARD MEMBERS shall be indemnified by OLD MUTUAL in terms of MASTER RULE 3.10.

(3) The FUND must obtain insurance, as it deems sufficient to indemnify the FUND against losses owing to the dishonesty or fraud of any of its officers (including the BOARD MEMBERS).
3.10 INDEMNITY BY OLD MUTUAL

OLD MUTUAL will indemnify each BOARD MEMBER and the PRINCIPAL OFFICER to a maximum amount as advised by the regulatory authorities from time to time to OLD MUTUAL, for any act or omission by him whilst in office for which such BOARD MEMBER or PRINCIPAL OFFICER may be liable to a claim for damages to the FUND, a MEMBER, a DEPENDANT, a PARTICIPATING EMPLOYER or any 3rd (third) party (referred to in this MASTER RULE 3.10 as "the claim"); provided that –

(1) this indemnity does not apply to the extent that a BOARD MEMBER or PRINCIPAL OFFICER is indemnified by any insurance cover taken out by the FUND or OLD MUTUAL for such loss referred to above for which he may be liable;

(2) this indemnity cover does not apply in respect of any loss caused by such BOARD MEMBER or PRINCIPAL OFFICER as a result of the gross negligence or dishonesty of such BOARD MEMBER or PRINCIPAL OFFICER;

(3) this indemnity applies after withdrawal of OLD MUTUAL in respect of any act or omission for which any BOARD MEMBER or PRINCIPAL OFFICER may be liable which took place prior to such withdrawal;

(4) this indemnity includes, without limiting the generality of the indemnity, all legal expenses incurred by any BOARD MEMBER or PRINCIPAL OFFICER in defending himself against any claim, provided OLD MUTUAL approves such legal expenses, which approval shall not unreasonably be withheld, or the BOARD MEMBER or PRINCIPAL OFFICER was successful in such defence;

(5) the BOARD MEMBER or PRINCIPAL OFFICER notifies OLD MUTUAL in writing of the claim within 3 (three) BUSINESS DAYS of receipt of a letter of demand or the service upon him of any summons, notice of application to a court or any other document whereby legal proceedings are instituted against the BOARD MEMBER or PRINCIPAL OFFICER for damages falling within the scope of the above indemnity;
(6) once the indemnity is given, the BOARD MEMBER or PRINCIPAL OFFICER gives OLD MUTUAL the sole control over the defence of the claim (including the right to lodge an appeal to the highest court having jurisdiction to adjudicate in the matter) as well as any negotiation, settlement and compromise of the claim; and

(7) the BOARD MEMBER or PRINCIPAL OFFICER provides reasonable assistance, in good faith, in the defence of the claim.

3.11 APPOINTMENTS

(1) PRINCIPAL OFFICER

(a) The MANAGEMENT BOARD shall appoint a PRINCIPAL OFFICER. The MANAGEMENT BOARD in concurrence with the PRINCIPAL OFFICER may appoint a Deputy Principal Officer as deemed appropriate. Appointments are on such terms and conditions as the MANAGEMENT BOARD and the PRINCIPAL OFFICER may determine.

(b) The PRINCIPAL OFFICER may, in writing and in accordance with a system of delegation as agreed to with the MANAGEMENT BOARD, delegate any of his powers or duties in terms of the RULES or under the ACT to the Deputy Principal Officer on such terms and conditions as he may think fit, including the power to sub-delegate. The PRINCIPAL OFFICER can decide on the duration of such delegation.

(c) The PRINCIPAL OFFICER may notwithstanding any delegation of his powers, continue to exercise the powers delegated.

(d) The PRINCIPAL OFFICER may withdraw the delegation of his powers to the Deputy Principal Officer at any time or may vary the terms of the delegation.

(e) The Deputy Principal Officer acting under delegated powers is *mutatis mutandis* subject to the provisions of the RULES and the ACT.
(f) The PRINCIPAL OFFICER is not divested or relieved of a function so delegated.

(g) If the PRINCIPAL OFFICER is unable for any reason to discharge any of his duties, the Deputy Principal Officer must discharge those duties. If the PRINCIPAL OFFICER and the Deputy Principal Officer are unable for any reason to discharge their duties the MANAGEMENT BOARD may appoint another person as PRINCIPAL OFFICER. If however, the PRINCIPAL OFFICER will be absent for more than the period as prescribed by the REGISTRAR and no Deputy Principal Officer is available during this period, the MANAGEMENT BOARD must inform the REGISTRAR of the appointment of another PRINCIPAL OFFICER in writing within the prescribed period.

(h) The MANAGEMENT BOARD and the PRINCIPAL OFFICER may appoint such further persons as they deem fit to assist the PRINCIPAL OFFICER with the execution of his functions.

Rule 3.11(1) was replaced in its entirety in terms of rule amendment 2 registered 24 March 2014

(2) Other Appointments

The MANAGEMENT BOARD shall make the following appointments:

(a) ADMINISTRATOR;

(b) an AUDITOR;

(c) an ACTUARY;

(d) one or more INVESTMENT PROVIDERS;

(e) one or more RISK PROVIDERS; and

(f) such other service providers as required from time to time.

All such appointments shall be subject to the conclusion of an appropriate written agreement between the FUND and the appointed person.
3.12 GENERAL MEETINGS

(1) The MANAGEMENT BOARD may resolve that annual general meetings of MEMBERS be held on a basis as determined and agreed by the MANAGEMENT BOARD from time to time.

(2) A PARTICIPATING EMPLOYER is entitled to require that the MANAGEMENT BOARD shall call a meeting to be attended by an appointed representative of the MANAGEMENT BOARD, the PARTICIPATING EMPLOYER and the employees of the PARTICIPATING EMPLOYER, who are MEMBERS. The costs of such meeting shall be borne by the PARTICIPATING EMPLOYER and not by the FUND.

(3) No resolutions may be passed at any annual general meeting of the FUND or any PARTICIPATING EMPLOYER meeting; although minutes of each meeting must be kept.

3.13 ROLE OF OLD MUTUAL AS SPONSOR OF THE FUND

OLD MUTUAL is obliged to enter into an agreement with the MANAGEMENT BOARD which governs the relationship between OLD MUTUAL and the FUND. Such agreement shall, amongst others, include:-

(a) that OLD MUTUAL has a right to make representations to the MANAGEMENT BOARD regarding any matter relating to the FUND;

(d) that OLD MUTUAL has access to all MANAGEMENT BOARD resolutions, MASTER RULE amendments and such other information as OLD MUTUAL may reasonably require pursuant to its objectives as sponsor of the FUND;

(c) the process to be followed in the event of the withdrawal of OLD MUTUAL as sponsor of the FUND;

(d) the mechanism for resolution of disputes in the event that a dispute arises between the FUND and OLD MUTUAL;

(e) that OLD MUTUAL has a right to market and distribute the FUND and its financial services and products;
(f) in order to help improve the financial wellbeing of MEMBERS, OLD MUTUAL has a right to provide financial advice, education and support tools, as well as other financial products and services directly to MEMBERS provided that these are in the interests of the MEMBERS and the MANAGEMENT BOARD has been consulted.

The FUND is not liable for any damages suffered by any person as a result of any advice given in terms of this RULE, or for the failure by any MEMBER or DEPENDANT to seek or follow any advice in terms of this RULE.
PART 2

PARTICIPATION AND BENEFITS
RULE 4: PARTICIPATION

4.1 PARTICIPATING EMPLOYERS

(1) Any employer may apply to the MANAGEMENT BOARD to participate in the FUND on the basis that all ELIGIBLE EMPLOYEES become MEMBERS, subject to MASTER RULE 4.2(1).

(2) The participation of a PARTICIPATING EMPLOYER in the FUND commences on the PARTICIPATION DATE.

(3) A PARTICIPATING EMPLOYER and any associated PRESERVER MEMBERS may be admitted to participate in the FUND.

(4) If the PARTICIPATING EMPLOYER in the FUND also participates in the Old Mutual SuperFund Provident Fund for the benefit of the MEMBERS of the FUND, the following additional terms and conditions apply to its participation in the FUND –

(a) The PARTICIPATING EMPLOYER must commence and terminate its participation in the FUND at the same time it commences and terminates its participation in the Old Mutual SuperFund Provident Fund.

(b) The MEMBER’S period of membership of this SUB-FUND as well as, if applicable, the INVESTMENT PORTFOLIOS must be the same as that in the sub-fund corresponding to the PARTICIPATING EMPLOYER in the Old Mutual SuperFund Provident Fund.

4.2 MEMBERS

(1) An ELIGIBLE EMPLOYEE on the PARTICIPATION DATE, who was in the service of the PARTICIPATING EMPLOYER, but was not a member of the PREVIOUS FUND may within 12 (twelve) months from that date, apply to become a MEMBER of the FUND.
(2) Membership of the FUND is subject to the following –

(a) receipt by the FUND of the notification (in such form specified by the MANAGEMENT BOARD), together with such details as may be required by the MANAGEMENT BOARD, is accepted by the FUND;

(b) the membership of a MEMBER may not be back-dated in respect of RISK BENEFITS unless agreed to in writing by the RISK PROVIDER underwriting the benefit;

(c) subject to MASTER RULE 4.2(2)(d) below, the membership of a MEMBER in respect of any benefit other than RISK BENEFITS may only be backdated to such date, and on such financial basis, as may be agreed by the MEMBER, his PARTICIPATING EMPLOYER, the MANAGEMENT BOARD, and then only subject to such conditions as may be determined by the MANAGEMENT BOARD;

(d) the membership of a MEMBER may only be backdated in terms of MASTER RULE 4.2(2)(c) above to ensure that the period of membership matches the contributions paid in terms of MASTER RULE 9.1 and MASTER RULE 9.2;

(e) if, upon joining the FUND and at any review date thereafter, the PARTICIPATING EMPLOYER permits an ELIGIBLE EMPLOYEE to elect the category of membership to join within the SUB-FUND of the PARTICIPATING EMPLOYER, the PARTICIPATING EMPLOYER must notify the FUND of such election in writing or electronically. Where no such election is made by the ELIGIBLE EMPLOYEE, the PARTICIPATING EMPLOYER shall determine the category of membership that the ELIGIBLE EMPLOYEE shall join and shall notify the FUND of such decision. The review date shall be the date during each FINANCIAL YEAR as determined by the PARTICIPATING EMPLOYER as the date on which the MEMBERS of that SUB-FUND may review the category of membership in which to participate. As at every review date, the PARTICIPATING EMPLOYER shall notify the FUND in writing or electronically of any changes in the categories of membership to be applied to the MEMBERS of the SUB-FUND.
Should no such notification be received, the categories of membership shall remain unchanged.

4.3 CONTINUATION OF PARTICIPATION

(1) Save for (2) below, all MEMBERS shall remain MEMBERS until all the benefits in respect of retirement, withdrawal from service, death, DISABLEMENT, payable to or in respect of a MEMBER in terms of the RULES, have been paid by the FUND. A PRESERVER MEMBER shall remain a MEMBER until all benefits in respect of retirement, withdrawal or death to or in respect of a PRESERVER MEMBER in terms of the RULES have been paid by the FUND.

(2) Notwithstanding MASTER RULE 12.5, where a MEMBER elects to transfer from one PARTICIPATING EMPLOYER to another PARTICIPATING EMPLOYER, the provisions in (1) above will not apply.

Rule 4.3(2) was replaced in its entirety in terms of rule amendment 6 registered 21 November 2014

4.4 TEMPORARY ABSENCE OF MEMBERS

The membership of a MEMBER continues if the MEMBER is absent from service and such absence is authorised by the PARTICIPATING EMPLOYER concerned; provided that -

(1) the entitlement of such MEMBER to any RISK BENEFIT is subject to the provisions of these RULES and the terms and conditions of the RISK POLICY concerned;

(2) the contributions payable by the MEMBER (if any) and the PARTICIPATING EMPLOYER immediately before such absence shall continue to be paid unless the PARTICIPATING EMPLOYER decides otherwise and notifies the FUND in writing.
4.5 MEMBERS IN RECEIPT OF DISABILITY INCOME BENEFITS UNDER THE DISABILITY INCOME PLAN

(1) An employee, who is in receipt of a benefit under the DISABILITY INCOME PLAN on the PARTICIPATION DATE, will be regarded as an ELIGIBLE EMPLOYEE, provided the PARTICIPATING EMPLOYER provides the FUND with details of such employee and provided contributions for such employee are paid to the FUND.

(2) A MEMBER who becomes disabled and qualifies for a benefit under the DISABILITY INCOME PLAN, will not be regarded as being absent from service under MASTER RULE 4.4 above and will continue to be a MEMBER until his retirement or earlier death, provided that where such MEMBER'S service with his PARTICIPATING EMPLOYER is terminated for whatever reason other than death before the MEMBER'S retirement, membership of the FUND shall cease and a withdrawal benefit shall be payable.
RULE 5: RETIREMENT BENEFIT

5.1 RETIREMENT

(1) A MEMBER, other than a PRESERVER MEMBER, shall be entitled to a retirement benefit on whichever of the following events first occurs -

(a) his NORMAL RETIREMENT DATE, unless the NORMAL RETIREMENT DATE has been deferred in terms of (e) below;

(b) the approval by the PARTICIPATING EMPLOYER of an application by the MEMBER to receive a retirement benefit before the NORMAL RETIREMENT DATE in circumstances other than those in terms of (c) and (d) below provided that the MEMBER is not more than 10 (ten) years younger than the NORMAL RETIREMENT AGE, and the PARTICIPATING EMPLOYER notifies the FUND in writing of such approval;

(c) the application by the MEMBER to receive a retirement benefit before the NORMAL RETIREMENT DATE due to the ill health of the MEMBER provided that the PARTICIPATING EMPLOYER is satisfied that as a result of such ill health the MEMBER is incapable, as a result of infirmity of body or mind, of performing the duties required of a person in the occupation or post in which the MEMBER was employed by his PARTICIPATING EMPLOYER on the last day on which he was present at work;

(d) the application by the MEMBER to receive a retirement benefit as a result of the termination of his employment for operational reasons prior to his NORMAL RETIREMENT DATE, as certified by the PARTICIPATING EMPLOYER, provided that the MEMBER is not more than 10 (ten) years younger than the NORMAL RETIREMENT AGE;

(e) such date after the NORMAL RETIREMENT DATE elected by the MEMBER provided:
(i) this is permitted in terms of the SPECIAL RULES and the PARTICIPATING EMPLOYER agrees thereto; and

(ii) the contributions that would otherwise be payable must continue to be payable until retirement;

(f) the MEMBER’S DISABLEMENT if the RISK POLICY providing the DISABILITY BENEFIT is applicable to the MEMBER.

(2) A PRESERVER MEMBER may apply to receive a retirement benefit at any time on or after age 55 (fifty-five) provided he may on application to the FUND retire before age 55 (fifty-five) due to ill-health if, in the opinion of the MANAGEMENT BOARD and subject to such medical evidence as the MANAGEMENT BOARD may require, the PRESERVER MEMBER is permanently incapacitated due to sickness, accident, injury or infirmity of mind or body.

(3) A MEMBER or PRESERVER MEMBER will be required to submit an EXIT NOTIFICATION.

5.2 BENEFIT ON RETIREMENT

A MEMBER receives a pension on retirement. The amount of the pension is that which can be purchased with the balance of the MEMBER’S ACCOUNT, PRESERVER MEMBERS’ ACCOUNT or UNCLAIMED BENEFITS ACCOUNT, as applicable, at the DATE OF PAYMENT, after allowing for any amounts commuted for cash in terms of Rule 5.3.

5.3 COMMUTATION

(1) On retirement a MEMBER may commute for cash so much of the pension secured by the balance of the MEMBER’S ACCOUNT, PRESERVER MEMBERS’ ACCOUNT or UNCLAIMED BENEFITS ACCOUNT, as applicable and as is permitted by the REVENUE AUTHORITY, at the DATE OF PAYMENT.
(2) If the REVENUE AUTHORITY permits the entire pension secured as referred to in (1) above be paid in cash and the MEMBER elects to receive the entire amount on retirement in cash. The MEMBER upon such payment to him ceases to be a MEMBER and the FUND no longer has any liability to the MEMBER or any person enjoying rights in succession to such MEMBER.

5.4 PURCHASE OF PENSIONS

(1) Any pension purchased in terms of these RULES must be purchased by the FUND from an INSURER chosen by the MEMBER. Where the MEMBER has not chosen an INSURER within such period as specified by the MANAGEMENT BOARD or where the MEMBER notifies the FUND that he wishes to purchase the default annuity as specified by the MANAGEMENT BOARD, the FUND shall purchase a pension from an INSURER selected by and on such basis as determined by the MANAGEMENT BOARD. It is expressly recorded that upon purchase of such pension, the MEMBER shall have no claim of whatsoever nature against the FUND, its service providers, OLD MUTUAL and the MANAGEMENT BOARD for payment of the pension or any other amount arising from the pension purchased and the choice made by the MEMBER in respect of the INSURER.

(2) The pension so purchased constitutes a benefit payment from the FUND and must,

(a) be in the name of the MEMBER;

(b) be compulsory, non-commutable and non-assignable;

(c) be payable at least for the lifetime of the MEMBER;

(d) be in full and final settlement of the benefit due and payable to the MEMBER in terms of the RULES.
(3) Once the pension is purchased, the liability of the FUND in respect of the MEMBER is transferred to the INSURER with the result that the MEMBER thereupon ceases to be a MEMBER of the FUND and the FUND no longer has any liability to the MEMBER or any person enjoying rights in succession to such MEMBER.
6.1 DEATH BEFORE RETIREMENT

(1) If a MEMBER dies before retirement, a death benefit is payable. The death benefit comprises the balance in the MEMBER ACCOUNT, PRESERVER MEMBER’S ACCOUNT or UNCLAIMED BENEFITS ACCOUNT, as applicable, at the DATE OF PAYMENT, which includes the amount paid in terms of the RISK POLICY if the RISK BENEFIT applies in terms of the SPECIAL RULES, or if the RISK BENEFIT has been determined by the MANAGEMENT BOARD in terms of MASTER RULE 6.1(2).

(2) The RISK BENEFIT on death in terms of (1) above in respect of a MEMBER for whom the RISK BENEFITS are determined by the MANAGEMENT BOARD is as follows:

<table>
<thead>
<tr>
<th>Category of MEMBER</th>
<th>Death Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age less than 50</td>
<td>1.2 times the MEMBER’S annual RISK SALARY</td>
</tr>
<tr>
<td>Age 50 or older</td>
<td>0.8 times the MEMBER’S annual RISK SALARY</td>
</tr>
</tbody>
</table>

With effect from 1 January 2014, the RISK BENEFIT on death referred to above shall no longer be specified in the SPECIAL RULES and reference to this benefit in the SPECIAL RULES shall be deleted.

Rules 6.1(1) & 6.1(2) were replaced in their entirety in terms of rule amendment no 1 registered 02 February 2015
6.2 PAYMENT OF DEATH BENEFIT

(1) Cash

The MANAGEMENT BOARD may direct that all or part of the death benefit capital set out in MASTER RULE 6.1 above be paid in cash to the MEMBER’S DEPENDANTS and/or nominated BENEFICIARIES in such manner as directed by the MANAGEMENT BOARD in accordance with the ACT,

and/or

(2) Pension

The MANAGEMENT BOARD may direct that a pension or pensions be purchased from an INSURER on the same terms as set out in the MASTER RULE 5.4, in the names of the MEMBER’S DEPENDANTS and/or nominated BENEFICIARIES with all or part of the MEMBER’S death benefit. A major DEPENDANT or major nominated BENEFICIARY must consent, in writing, to such purchase.

Thereafter, the FUND will have no further liability in respect of the MEMBER’S estate, his DEPENDANTS and/or nominated BENEFICIARIES.

6.3 ALLOCATION OF BENEFITS ON DEATH

Death benefits are allocated in accordance with the ACT.

6.4 RIGHT TO A BENEFIT ON DISABLEMENT

If the SPECIAL RULES provide for a DISABILITY BENEFIT then such DISABILITY BENEFIT is payable to a MEMBER on his DISABLEMENT provided the claim under the RISK POLICY is accepted by the INSURER.

6.5 PAYMENT OF THE BENEFIT ON DISABLEMENT

(1) The benefit on DISABLEMENT comprises the balance in the MEMBER ACCOUNT at the DATE OF PAYMENT, which includes the DISABILITY BENEFIT paid in terms of the RISK POLICY if the RISK BENEFIT applies
in terms of the SPECIAL RULES, or if the RISK BENEFIT is determined by the MANAGEMENT BOARD in terms of MASTER RULE 6.5(2).

(2) The RISK BENEFIT on DISABLEMENT in terms of (1) above in respect of a MEMBER for whom the RISK BENEFIT is determined by the MANAGEMENT BOARD is as follows:

<table>
<thead>
<tr>
<th>Category of MEMBER</th>
<th>DISABILITY BENEFIT Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age less than 50</td>
<td>1.2 times the MEMBER'S annual RISK SALARY.</td>
</tr>
<tr>
<td>Age 50 or older</td>
<td>0.8 times the MEMBER'S annual RISK SALARY.</td>
</tr>
</tbody>
</table>

With effect from 1 January 2014, the RISK BENEFIT on DISABLEMENT referred to above shall no longer be specified in the SPECIAL RULES and reference to this benefit in the SPECIAL RULES shall be deleted.

Rules 6.5(1) & 6.5(2) were replaced in their entirety in terms of rule amendment no 1 registered on 02 February 2015

6.6 INSURANCE OF RISK BENEFIT AND LIMITATION OF FUND’S LIABILITY

(1) The MANAGEMENT BOARD must describe its strategy with regard to the provision of RISK BENEFITS in a RISK BENEFIT POLICY STATEMENT which is properly documented and kept up to date.

(2) The liability of the FUND to any MEMBER in respect of any RISK BENEFIT shall be limited to the amount which is paid in respect of such benefit by the RISK PROVIDER with whom such benefit is insured, provided that any non-payment by the RISK PROVIDER is not caused by the negligence of the FUND.
(3) Where the PARTICIPATING EMPLOYER is given the option of selecting the RISK PROVIDER, the MANAGEMENT BOARD may determine from which RISK PROVIDERS the PARTICIPATING EMPLOYER may select in order for the FUND to secure the RISK BENEFITS for the MEMBERS who are employees of that PARTICIPATING EMPLOYER. The PARTICIPATING EMPLOYER must notify the FUND in writing of its selection of RISK PROVIDER and any subsequent changes thereto. Where such PARTICIPATING EMPLOYER fails to select a RISK PROVIDER, no RISK BENEFITS will be secured for the MEMBERS who are employees of that PARTICIPATING EMPLOYER.

(4) Where the PARTICIPATING EMPLOYER does not have the option of selecting the RISK PROVIDER, and if the SPECIAL RULES provide for RISK BENEFITS, the MANAGEMENT BOARD will determine which RISK PROVIDER will be used to secure the RISK BENEFITS for the MEMBERS, who are employees of that PARTICIPATING EMPLOYER.

(5) A MEMBER’S participation in respect of any RISK BENEFIT is conditional on the MEMBER meeting the insurability requirements of the RISK PROVIDER and such limitations and conditions as may be laid down by the RISK PROVIDER in respect of such benefit from time to time and as provided for in the RISK POLICY. The BENEFICIARY must ensure any required medical evidence or other information required by the RISK PROVIDER is submitted to and received by the RISK PROVIDER. The FUND shall not be liable for the cost of providing such medical evidence or other information.

(6) If the RISK BENEFIT applicable to a MEMBER is subject to a health exclusion or health loading in respect of the premium, the MEMBER may at any time provide evidence to the satisfaction of the RISK PROVIDER at the MEMBER’S own expense regarding the MEMBER’S risk profile, subject to the terms and conditions of the RISK POLICY.

(7) In the event that a DISABILITY BENEFIT becomes payable, the MEMBER shall be responsible to notify the RISK PROVIDER in writing of any amounts payable in respect of that MEMBER under other disability insurance policies within the timeframe specified in the RISK POLICY.
(8) The PARTICIPATING EMPLOYER must ensure that the full premiums in respect of the RISK BENEFIT are paid to the FUND timeously to enable the FUND to pay the premium to the RISK PROVIDER. The RISK PROVIDER may suspend or terminate insurance for the MEMBERS who are employees of a PARTICIPATING EMPLOYER under the RISK POLICY as from the due date on which the FUND fails to pay the full premium payable within the timeframe as specified in the RISK POLICY.
RULE 7: WITHDRAWAL BENEFIT

7.1 RIGHT TO A WITHDRAWAL BENEFIT

(1) In the case of a MEMBER who is not a PRESERVER MEMBER, such MEMBER is entitled to receive a withdrawal benefit -

(a) when he ceases to be an ELIGIBLE EMPLOYEE for reasons which are not elsewhere dealt with in these MASTER RULES, the PARTICIPATING EMPLOYER notifies the FUND that he is no longer eligible and the FUND receives an EXIT NOTIFICATION; and

(b) when he is not eligible for any other benefit as described in the RULES.

(2) A PRESERVER MEMBER may, at any time before NORMAL RETIREMENT AGE, elect to withdraw and receive a withdrawal benefit from the FUND, provided that an EXIT NOTIFICATION is submitted.

7.2 AMOUNT OF WITHDRAWAL BENEFIT

The withdrawal benefit of a MEMBER is the balance in the MEMBER’S ACCOUNT, PRESERVER MEMBERS’ ACCOUNT or UNCLAIMED BENEFITS ACCOUNT at the DATE OF PAYMENT.

7.3 PAYMENT OF WITHDRAWAL BENEFIT

(1) A MEMBER may elect:

(a) provided the FUND is not required to make any deduction from the MEMBER’S benefit in terms of MASTER RULE 8.2 or MASTER RULE 8.4, to continue membership of the FUND and become a PRESERVER MEMBER; or

(b) to receive the entire withdrawal benefit as cash; or

(c) to request the FUND to transfer the entire benefit to -

(i) an APPROVED PENSION FUND; or

(ii) an APPROVED PROVIDENT FUND; or
(iii) an APPROVED RETIREMENT ANNUITY FUND; or

(iv) an APPROVED PRESERVATION PENSION FUND.

(d) subject to the requirements of the REVENUE AUTHORITY, to receive part of the withdrawal benefit in cash and request the FUND to transfer the balance in accordance with (c) above.

(2) A MEMBER must notify the FUND of the choice elected in terms of MASTER RULE 7.3(1) within 60 (sixty) days after receipt of notification by the PARTICIPATING EMPLOYER or of ceasing to be an ELIGIBLE EMPLOYEE, whichever is the later. Where the MEMBER fails to notify the FUND within such period of the choice elected in terms of MASTER RULE 7.3(1) or the details of the specific fund,

(a) if the FUND is required to make a deduction from the MEMBER’S benefit in terms of MASTER RULE 8.2 or MASTER RULE 8.4, the entire benefit (after the deduction in terms of MASTER RULE 8.2 or MASTER RULE 8.4) must be transferred to an APPROVED PRESERVATION PENSION FUND chosen by the MANAGEMENT BOARD,

(b) if the FUND is not required to make any deduction from the MEMBER’S benefit in terms of MASTER RULE 8.2 or MASTER RULE 8.4, the MEMBER will be deemed to have elected to continue membership of the FUND and become a PRESERVER MEMBER.

(3) The choice elected by the MEMBER in terms hereof is irrevocable and the MEMBER is not entitled to any other benefits in terms of the RULES.

(4) The payment or transfer of the withdrawal benefit is subject to tax and any other requirements of the REVENUE AUTHORITY.

Rule 7.3(2) was replaced in its entirety in terms of rule amendment 3 registered 17 July 2014
RULE 8: GENERAL PROVISIONS RELATING TO BENEFITS

8.1 PAYMENT OF BENEFITS

(1) Benefits are to be paid by means of an electronic funds transfer to the BENEFICIARY’S bank account with a bank as defined in the Banks Act, No. 94 of 1990, or a mutual bank as defined in the Mutual Banks Act, No. 124 of 1993.

(2) In the case of a benefit which is partly payable and where the application to transfer in terms of Section 14 if the ACT has not yet been approved by the REGISTRAR, the payment of the benefit will be dealt with in terms of an agreement between the FUND and the transferor or transferee fund, as the case may be, subject to the provisions of the ACT.

(3) The payment or transfer of any benefit in terms of these MASTER RULES is subject to tax and any other requirements of the REVENUE AUTHORITY.

8.2 DEDUCTIONS FROM BENEFITS

(1) The FUND may make any deduction from a benefit or the value of the MEMBER ACCOUNT or PRESERVER MEMBERS’ ACCOUNT, as the case may be, as are allowed in terms of the ACT and other acts that it refers to in this regard.

(2) The FUND may also reasonably withhold payment of a portion or the whole of any benefit payable in respect of a MEMBER or a BENEFICIARY provided that:

(a) the amount of benefit so withheld does not exceed the amount that may be deducted in terms of the ACT;

(b) the FUND is satisfied that the PARTICIPATING EMPLOYER has made out a prima facie case against the MEMBER concerned and that either the PARTICIPATING EMPLOYER or, in criminal proceedings, the State, has a reasonable chance of success in the proceedings that have been or are in the process of being instituted.
(c) the FUND is satisfied that the PARTICIPATING EMPLOYER is not at any stage responsible for any undue delay in the prosecution of the proceedings;

(d) once the proceedings have been finally determined by a competent court of law, or settled or withdrawn, any benefit amount to which the MEMBER or BENEFICIARY is entitled, and which was withheld, is paid immediately.

### 8.3 UNCLAIMED BENEFITS

1. The MANAGEMENT BOARD must take such steps, as it considers appropriate to trace the person entitled to any benefit, the costs of which may be deducted from the benefit payable to the recipient.

2. Any unpaid benefit, which despite such steps is not paid out within such period considered appropriate by the MANAGEMENT BOARD, must be transferred to the UNCLAIMED BENEFITS ACCOUNT. Any benefit credited to the UNCLAIMED BENEFITS ACCOUNT must be retained in the UNCLAIMED BENEFITS ACCOUNT until it becomes payable in terms of (4) below.

3. Amounts in the UNCLAIMED BENEFITS ACCOUNT must be invested by the MANAGEMENT BOARD in an INVESTMENT PORTFOLIO which preserves capital as determined by the MANAGEMENT BOARD.

4. A benefit shall only become payable from the UNCLAIMED BENEFITS ACCOUNT to any BENEFICIARY if the MANAGEMENT BOARD is satisfied that a valid claim has been submitted and that any additional information required by the FUND has been provided. However, where a benefit which has not been paid from the FUND within a period of 24 (twenty-four) months, the MANAGEMENT BOARD may arrange for the assets and liabilities in respect of the benefit to be transferred to any fund legally entitled to hold unclaimed benefits in accordance with the provisions of the ACT and the requirements of the REVENUE AUTHORITY. Upon completion of the transfer, the FUND shall have no further liability in respect of the benefit and any subsequent claim lodged by a MEMBER or any person alleging an entitlement to the benefit shall be dealt with in terms
of the rules of the fund to which the assets and liabilities in respect of the
benefit were transferred.

Rule 8.3(4) was replaced in its entirety in terms of rule amendment no 6
registered 21 November 2014

8.4 HOUSING LOAN GUARANTEE

The FUND may furnish a limited guarantee in respect of a loan by a financial
institution to a MEMBER, other than a PRESERVER MEMBER, in respect of a
dwelling occupied or to be occupied by the MEMBER or a DEPENDANT or
DEPENDANTS of the MEMBER. Such guarantee shall be in accordance with the
ACT and shall be subject to the requirements of the REGISTRAR and the
principles approved by the MANAGEMENT BOARD.

8.5 COST OF TRACING BENEFICIARIES

Any costs incurred as a consequence of tracing may, at the MANAGEMENT
BOARD'S discretion, be taken into account when determining the benefit payable
at the DATE OF PAYMENT.

8.6 CESSATION OF RISK BENEFIT

In the event of the MEMBER'S retirement or withdrawal from service a
MEMBER’S RISK BENEFIT will cease in terms of the RISK POLICY.

8.7 OPTION TO EFFECT INDIVIDUAL POLICY ON CESSATION OF COVER

(1) If the RISK POLICY so provides, a MEMBER whose RISK BENEFIT has
ceased under these RULES may convert any portion of his RISK BENEFIT
to an individual policy with the RISK PROVIDER.

(2) Such individual policy will be issued on such terms and conditions as the
RISK PROVIDER may impose.

8.8 BENEFIT AT DATE OF APPLICATION TO THE REVENUE AUTHORITY

For the purposes of application to the REVENUE AUTHORITY for a tax directive
the application will be for the balance in the MEMBER’S ACCOUNT,
PRESERVER MEMBER’S ACCOUNT or UNCLAIMED BENEFITS ACCOUNT,
as applicable, at date of application. That portion of the INVESTMENT RETURN added after the date of application to the REVENUE AUTHORITY will be reflected as income due to the BENEFICIARY and may be subject to taxation in the hands of the recipient of the benefit.

8.9. PROVISIONS RELATING TO SWAZILAND MEMBERS

(1) All benefits payable in terms of the RULES applicable to MEMBERS who reside in Swaziland will be subject to the conditions set out by the Office of the Registrar of Insurance and Retirement Funds in Swaziland from time to time and advised to the FUND.

(2) Benefits are to be paid to a bank that is registered in terms of the Swaziland Financial Institutions Act, 2005 and is subject to any requirements of the REVENUE AUTHORITY.
PART 3

CONTRIBUTIONS AND FINANCIAL PROVISIONS
RULE 9: CONTRIBUTIONS

The provisions of this MASTER RULE 9 do not apply to a PRESERVER MEMBER.

9.1 MEMBER'S CONTRIBUTIONS

(1) Each MEMBER must contribute in respect of each calendar month of membership of the FUND at the rate specified in the SPECIAL RULES. The contribution payable by the MEMBER is calculated as the specified rate multiplied by the MEMBER'S PENSIONABLE SALARY. The contribution must be credited to the MEMBER ACCOUNT when it is received by the FUND.

(2) A MEMBER may contribute such additional voluntary amounts as he may decide to be applied towards retirement funding.

(3) Provided that it is specified in the SPECIAL RULES,

(a) a MEMBER or group of MEMBERS' contribution rate to the FUND may be 0% (zero per cent);

(b) a MEMBER may be allowed to increase or decrease the current contribution rate at such intervals and in such a manner as the MANAGEMENT BOARD may determine.

9.2 CONTRIBUTIONS BY PARTICIPATING EMPLOYER

(1) Unless MASTER RULE 9.2(9) applies, the PARTICIPATING EMPLOYER must contribute to the FUND in respect of each month of membership of each MEMBER at the rates specified in the SPECIAL RULES. The total contribution payable by the PARTICIPATING EMPLOYER in respect of each MEMBER is calculated as the specified rate multiplied by the MEMBER'S PENSIONABLE SALARY. The total contribution must be credited to the MEMBER ACCOUNT when the contribution is received by the FUND.

(2) Notwithstanding the SPECIAL RULES, the MANAGEMENT BOARD may, as part of an investigation into a failure by or inability of a PARTICIPATING EMPLOYER to pay the said contributions and for reasons it considers appropriate under the circumstances, temporarily suspend the retirement Contributions
funding portion of the PARTICIPATING EMPLOYER’S contributions payable to the FUND by that PARTICIPATING EMPLOYER. Such suspension will be subject to such conditions and for such period, not exceeding 12 (twelve) months, as is agreed to by the MANAGEMENT BOARD.

(3) The FUND may from time to time lay down a minimum contribution rate to be applied to retirement funding in respect of MEMBERS. If at any time the PARTICIPATING EMPLOYER’S contribution rate is insufficient to provide the minimum contribution rate, the shortfall will be dealt with by the ADMINISTRATOR in terms of a policy approved by the MANAGEMENT BOARD.

(4) If there is a PARTICIPATING EMPLOYER SURPLUS ACCOUNT, then the PARTICIPATING EMPLOYER may request the MANAGEMENT BOARD to debit the PARTICIPATING EMPLOYER SURPLUS ACCOUNT in respect of any amount which the PARTICIPATING EMPLOYER is in terms of this MASTER RULE 9.2 required to pay to the FUND as a contribution or otherwise, for any period of time fixed by the PARTICIPATING EMPLOYER or, if earlier, until the amount to the credit of such PARTICIPATING EMPLOYER SURPLUS ACCOUNT has been exhausted, subject to Section 15E of the ACT. Such amount must be credited to the relevant MEMBER ACCOUNTS.

(5) A PARTICIPATING EMPLOYER may make any additional contributions to be credited to the PARTICIPATING EMPLOYER SURPLUS ACCOUNT on the understanding that this may or may not be tax deductible in its hands depending on any requirement of the REVENUE AUTHORITY.

(6) Any contribution made in terms of MASTER RULE 9.2(5) may be made with the express purpose of augmenting the benefits payable in terms of MASTER RULES 5, 6, and 7 to a particular MEMBER or group of MEMBERS, subject to the approval of the REVENUE AUTHORITY before such augmentation takes place.
(7) A PARTICIPATING EMPLOYER may make any additional contribution to be credited to the MEMBER ACCOUNT of the MEMBER on the understanding that this may or may not be tax deductible in the hands of the PARTICIPATING EMPLOYER depending on any requirement of the REVENUE AUTHORITY.

(8) It is specifically provided that the terms and conditions relating to the premiums and the payment of benefits provided in terms of the DISABILITY INCOME PLAN and any unapproved risk benefits (not FUND benefits but benefits which are promised to each MEMBER by the PARTICIPATING EMPLOYER), are set out in the policy issued by the INSURER with whom such benefits have been insured. Accordingly the FUND is not liable for payment of any unapproved risk benefits or benefits provided by the DISABILITY INCOME PLAN.

(9) Where the PARTICIPATING EMPLOYER also participates in the Old Mutual SuperFund Provident Fund for the benefit of the MEMBERS of the FUND in terms of MASTER RULE 4.1(3), the PARTICIPATING EMPLOYER will not be required to contribute to the FUND and the amount determined by the MANAGEMENT BOARD that is applied to cover fees and expenses must be paid into the MEMBER ACCOUNT by the ADMINISTRATOR.

9.3 PAYMENT OF CONTRIBUTIONS

The PARTICIPATING EMPLOYER must pay contributions to the FUND within a period of 7 (seven) days from the end of the calendar month to which such contributions relate.

9.4 RECONCILIATION OF DATA AND CONTRIBUTIONS

The actual contributions received from the MEMBER and the PARTICIPATING EMPLOYER will be credited to the relevant account when they are received by the FUND provided the data submitted by the PARTICIPATING EMPLOYER and the contributions can be reconciled. Subject to the provision of the ACT, where the data cannot be reconciled with the contributions as required by the ACT, the discrepancy will be dealt with by the ADMINISTRATOR in terms of a policy approved by the MANAGEMENT BOARD.
9.5 FAILURE TO SUBMIT RECONCILED DATA AND CONTRIBUTIONS WITHIN THE LEGISLATED TIMEFRAME

(1) If a PARTICIPATING EMPLOYER fails to meet its obligation to pay any required contribution timeously, the PARTICIPATING EMPLOYER shall in addition to meeting such obligation, be liable to pay such interest or penalties, or both, to the FUND in accordance with the ACT.

(2) The RISK BENEFIT cover will be terminated in accordance with the provisions of the RISK POLICY.

(3) Where correct membership data is not submitted within the timeline specified in the ACT, the contributions cannot be credited to the MEMBER ACCOUNT and therefore invested in the INVESTMENT PORTFOLIO.

(4) The MANAGEMENT BOARD has the right to terminate the participation of the PARTICIPATING EMPLOYER in the FUND in terms of MASTER RULE 11.3.
RULE 10: FINANCIAL PROVISIONS

10.1 ACCOUNTS

(1) The FUND must keep the accounts as set out in MASTER RULES 10.2 and 10.3 for the administration of the FUND. The MANAGEMENT BOARD may establish any other account as it deems appropriate from time to time provided that any account established at FUND level need not be established at SUB-FUND level unless the MANAGEMENT BOARD considers it necessary or desirable.

(2) The following accounts are kept at a FUND level;

   (a) EXPENSE RESERVE ACCOUNT;

   (b) RISK RESERVE ACCOUNT;

   (c) UNCLAIMED BENEFITS ACCOUNT;

   (d) PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS);

   (e) PROCESSING RESERVE ACCOUNT;

   (f) SURPLUS APPORTIONMENT EXPENSE RESERVE ACCOUNT;

and

   (g) PRESERVER MEMBERS’ ACCOUNT.

Rule 10.1(2) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.

(3) The following accounts are kept at SUB-FUND level;

   (a) MEMBER ACCOUNT; except that when a MEMBER becomes a PRESERVER MEMBER, the MEMBER ACCOUNT in respect of the PRESERVER MEMBER will be transferred to the PRESERVER MEMBERS’ ACCOUNT and be kept at FUND level;

   (b) PARTICIPATING EMPLOYER SURPLUS ACCOUNT;
(c) MEMBER SURPLUS ACCOUNT; and

(d) SUB-FUND EXPENSE RESERVE ACCOUNT.

(4) The MANAGEMENT BOARD may establish any other account as it considers appropriate from time to time.

(5) The MANAGEMENT BOARD may establish any FUND level account at SUB-FUND level.

10.2 SUB-FUND LEVEL ACCOUNTS

(1) MEMBER ACCOUNT

The following debits and credits are recorded in the MEMBER ACCOUNT established for each MEMBER:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any amount commuted on retirement and paid either to the member in cash or to the REVENUE AUTHORITY.</td>
<td>(i) Contributions in terms of MASTER RULE 9.1(1), 9.1(2), 9.2(1) or 9.2(7).</td>
</tr>
<tr>
<td>(ii) The cost of any pension purchased on retirement.</td>
<td>(ii) Amounts transferred in terms of MASTER RULES 12.2(1) and 12.2(2) if applicable.</td>
</tr>
<tr>
<td>(iii) Any withdrawal payment under MASTER RULE 7.</td>
<td>(iii) Amounts received from the RISK RESERVE ACCOUNT in respect of a claim for a RISK BENEFIT.</td>
</tr>
<tr>
<td>(iv) The benefit payable on the death or DISABLEMENT of a MEMBER under MASTER RULE 6.</td>
<td>(iv) Any amounts transferred from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT in terms of MASTER RULES 9.2(4) or 9.2(6).</td>
</tr>
<tr>
<td>(v)</td>
<td>Risk contributions payable to the RISK RESERVE ACCOUNT.</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>(vi)</td>
<td>Any amount payable to the UNCLAIMED BENEFITS ACCOUNT.</td>
</tr>
<tr>
<td>(vii)</td>
<td>Any amount payable to the PRESERVER MEMBER’S ACCOUNT</td>
</tr>
<tr>
<td>(viii)</td>
<td>Contributions towards expenses in terms of the SPECIAL RULES, or that portion of the total contribution determined by the MANAGEMENT BOARD if it is not specified, payable to the EXPENSE RESERVE ACCOUNT.</td>
</tr>
<tr>
<td>(ix)</td>
<td>Any partial benefit payment as allowed by the ACT.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(x)</td>
<td>Any cost involved in tracing the MEMBER or, on his death, his DEPENDANTS.</td>
</tr>
<tr>
<td>(x)</td>
<td>Any amounts transferred from the MEMBER SURPLUS ACCOUNT in terms of MASTER RULE 10.2(3)(a)(i).</td>
</tr>
<tr>
<td>(xi)</td>
<td>Any costs associated with the exercise of any election or switching as determined by the MANAGEMENT BOARD.</td>
</tr>
<tr>
<td>(xi)</td>
<td>Amounts transferred in terms of MASTER RULE 12.2(3).</td>
</tr>
<tr>
<td>(xii)</td>
<td>Negative INVESTMENT RETURN.</td>
</tr>
<tr>
<td>(xiii)</td>
<td>Such portion of any asset management fees that the INVESTMENT PORTFOLIO in which a MEMBER ACCOUNT may be invested does not permit the INVESTMENT PROVIDER to deduct from the assets constituting such INVESTMENT PORTFOLIO or the income there from prior to determining the unit price, as is determined by the MANAGEMENT BOARD. Once debited, the amount must be paid to the EXPENSE RESERVE ACCOUNT.</td>
</tr>
<tr>
<td>Rule 10.2(1)(b)(xi)</td>
<td>Replacement Details</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>(xiv) Any amount to be deducted from the benefit of the MEMBER and/or to be paid out to another person in terms of any legislation or any court order or any order of a tribunal or similar body that is binding on the FUND in terms of any law.</td>
<td>Rule 10.2(1)(b)(xi) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.</td>
</tr>
<tr>
<td>(xv) Any amounts payable in terms of the INVESTMENT TERMS of the INVESTMENT PORTFOLIO to or from which such amounts are switched.</td>
<td></td>
</tr>
<tr>
<td>(xvi) Any fees payable in respect of the advice given to a MEMBER or DEPENDANT.</td>
<td></td>
</tr>
<tr>
<td>(xvii) Administration fees, expenses and costs incurred in the administration of benefits between the date of termination of service and the date on which the benefit is paid or transferred to the UNCLAIMED BENEFITS ACCOUNT, PRESERVER MEMBER ACCOUNT or payable to the EXPENSE RESERVE ACCOUNT.</td>
<td></td>
</tr>
</tbody>
</table>
(2) PARTICIPATING EMPLOYER SURPLUS ACCOUNT

The following debits and credits are recorded in the PARTICIPATING EMPLOYER SURPLUS ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any payments, transfers to any other account in the FUND, or transfer to another fund, at the request of the PARTICIPATING EMPLOYER, as determined by the MANAGEMENT BOARD from time to time subject to Section 15E of the ACT.</td>
<td>(i) Any amount transferred in terms of MASTER RULE 12.2(1)(a).</td>
</tr>
<tr>
<td>(ii) Any amounts transferred to the MEMBER ACCOUNT in terms of MASTER RULES 9.2(4) or 9.2(6).</td>
<td>(ii) Any amount transferred into this FUND from an employer surplus account in another fund in which the PARTICIPATING EMPLOYER participates in terms of Section 15E of the ACT.</td>
</tr>
<tr>
<td>(iii) Negative INVESTMENT RETURN.</td>
<td>(iii) Positive INVESTMENT RETURN.</td>
</tr>
<tr>
<td>(iv) Any amount transferred to a MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(iv) Any contribution to the FUND made by the PARTICIPATING EMPLOYER in terms of MASTER RULE 9.2(5).</td>
</tr>
</tbody>
</table>
(3) MEMBER SURPLUS ACCOUNT

The following debits and credits are recorded in the MEMBER SURPLUS ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any amount allocated to a MEMBER ACCOUNT.</td>
<td>(i) Any amounts apportioned to the MEMBER SURPLUS ACCOUNT as determined by the MANAGEMENT BOARD for use in respect of the MEMBERS.</td>
</tr>
<tr>
<td>(ii) The cost of improving benefits previously paid to MEMBERS or the amounts previously transferred in respect of MEMBERS.</td>
<td>(ii) Positive INVESTMENT RETURN.</td>
</tr>
<tr>
<td>(iii) Any amount required to reduce current contributions due from MEMBERS.</td>
<td></td>
</tr>
<tr>
<td>(iv) The cost, in full or in part, of FUND expenses which would otherwise reduce the proportion of the MEMBERS' contributions that are invested for retirement.</td>
<td></td>
</tr>
<tr>
<td>(v) Any amount required to fund a deficit arising under the FUND in accordance with the provisions of Section 15H of the ACT.</td>
<td></td>
</tr>
</tbody>
</table>
(4)  **SUB-FUND EXPENSE RESERVE ACCOUNT**

The FUND will operate a SUB-FUND EXPENSE RESERVE ACCOUNT, as requested by the PARTICIPATING EMPLOYER, in respect of a SUB-FUND for expenses relating to the MANAGEMENT COMMITTEE in fulfilling its mandate and any delegation of duties as provided for in MASTER RULES 3.4(2)(a) and 14.1 including any liability incurred by the FUND arising from the fulfilment of such mandate and duties. The operation of this RESERVE ACCOUNT shall be governed by:

- the policy adopted by the MANAGEMENT COMMITTEE in terms of MASTER RULE 3.6(8), and

- if applicable, the basis laid down by the PARTICIPATING EMPLOYER in terms of MASTER RULE 14.1(4).

The following debits and credits are recorded in the SUB-FUND EXPENSE RESERVE ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any fees, expenses and costs incurred by the SUB-FUND.</td>
<td>(i) Any amount transferred in terms of MASTER RULE 12.2(1)(a).</td>
</tr>
<tr>
<td></td>
<td>Expenses transferred to the EXPENSE RESERVE ACCOUNT not provided for in the normal operation of the FUND in respect of the SUB-FUND, as deemed equitable by the MANAGEMENT BOARD.</td>
</tr>
<tr>
<td></td>
<td>Any additional amounts as determined by the PARTICIPATING EMPLOYER to augment this RESERVE ACCOUNT.</td>
</tr>
<tr>
<td></td>
<td>Any reasonable expenses incurred by the MANAGEMENT COMMITTEE of a SUB-FUND, as governed by its Income and Expense Policy.</td>
</tr>
<tr>
<td></td>
<td>Any amount transferred into the account from another SUB-FUND EXPENSE RESERVE ACCOUNT within the FUND.</td>
</tr>
<tr>
<td></td>
<td>Where a group of associated PARTICIPATING EMPLOYERS appoints a single MANAGEMENT COMMITTEE to fulfil functions in relation to the SUB-FUNDS in which they participate in terms of Master Rule 14.1(11), any amount transferred to the SUB-FUND EXPENSE RESERVE ACCOUNT of another SUB-FUND within the FUND at the request of the PARTICIPATING EMPLOYER or the MANAGEMENT COMMITTEE authorised by</td>
</tr>
<tr>
<td></td>
<td>Any recovery received by the FUND in respect of a payment made in terms of MASTER RULE 10.2(4)(a)(vi).</td>
</tr>
</tbody>
</table>
the PARTICIPATING EMPLOYER.

(v) Any amount transferred to a MEMBER ACCOUNT.

(vi) Any delictual or other liability incurred by the FUND as a consequence of a delegation of powers to the MANAGEMENT COMMITTEE in terms of MASTER RULE 3.4(2)(a).

Rule 10.2(4) was replaced in its entirety in terms of rule amendment 8 registered 15 July 2015

### 10.3 FUND LEVEL ACCOUNTS

**EXPENSE RESERVE ACCOUNT**

The MANAGEMENT BOARD must review the balance in the EXPENSE RESERVE ACCOUNT at least once in each FINANCIAL YEAR to determine the amounts, if any, that will be required to be transferred from the other accounts to meet the FUND expenses for the next FINANCIAL YEAR.

The following debits and credits are recorded in the EXPENSE RESERVE ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any fees, disbursements, levies or expenses payable by the FUND in respect of an INVESTMENT PORTFOLIO which have not been deducted by the INVESTMENT PROVIDER</td>
<td>(i) Any amount transferred from the PROCESSING RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
</tr>
</tbody>
</table>
When determining the unit price or bonus rate in respect of an investment policy.

(ii) Any amount transferred to a member account or preserver members’ account as determined by the management board in consultation with the actuary.

(iii) Administration fees, expenses and costs incurred by the fund.

(iv) Any amount transferred to the surplus apportionment expense reserve account as the management board, in consultation with the actuary, decides is reasonable.

(v) Amounts received from the member account or financial provisions account as determined by the management board to fund the expenses of the fund.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PRESERVER MEMBERS’ ACCOUNT for asset management fees that have not been deducted by the INVESTMENT PROVIDER prior to the determination of the UNIT price or bonus rate.</td>
<td></td>
</tr>
<tr>
<td>(vi) Any payments or transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.</td>
<td></td>
</tr>
<tr>
<td>(vii) Any fees received in respect of the advice given to a MEMBER or DEPENDANT.</td>
<td></td>
</tr>
<tr>
<td>(viii) Any amounts received by the FUND from third parties to fund any negative balances in the EXPENSE RESERVE ACCOUNT.</td>
<td></td>
</tr>
<tr>
<td>(ix) Amounts transferred from the MEMBER ACCOUNT or PRESERVER MEMBERS’ ACCOUNT for administration fees, expenses and costs of the administration of benefits between the date of exit of the MEMBER and the date on which the benefit is paid or transferred to the UNCLAIMED BENEFITS ACCOUNT.</td>
<td></td>
</tr>
</tbody>
</table>
(2) RISK RESERVE ACCOUNT

The following debits and credits are recorded in the RISK RESERVE ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Premiums payable to the RISK PROVIDER for RISK BENEFIT cover, including, if applicable in terms of the RISK POLICY, any interest on such premiums.</td>
<td>(i) Contributions payable in terms of the SPECIAL RULES for RISK BENEFITS received from the MEMBER ACCOUNT.</td>
</tr>
<tr>
<td>(ii) Any amounts transferred to the MEMBER ACCOUNT in respect of a claim for a RISK BENEFIT.</td>
<td>(ii) Any RISK BENEFIT received from the RISK PROVIDER.</td>
</tr>
<tr>
<td>(iii) Any amount transferred to a MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(iii) Any amount transferred in terms of MASTER RULE 12.2(1)(a).</td>
</tr>
<tr>
<td>(iv) Negative INVESTMENT RETURN.</td>
<td>(iv) Any payments or transfers from the PARTICIPATING EMPLOYER SURPLUS</td>
</tr>
</tbody>
</table>
(v) Positive INVESTMENT RETURN.

(vi) Any transfers from the PROCESSING RESERVE ACCOUNT in respect of interest accruing on premiums payable in respect of the RISK BENEFIT in terms of the RISK POLICY.

Rule 10.3(2)(b)(vi) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.

(3) UNCLAIMED BENEFITS ACCOUNT

The following debits and credits are recorded in the UNCLAIMED BENEFITS ACCOUNT for each MEMBER whose benefits became unclaimed which will, in aggregate, comprise the UNCLAIMED BENEFITS ACCOUNT:

(a) DEBITS

(i) Any amount validly claimed in respect of a benefit credited to this account by any MEMBER or DEPENDANT or other person entitled to make any claim in respect of any benefit.

(ii) Reasonable costs to trace BENEFICIARIES, charged against the benefit due to the

(b) CREDITS

(i) Any amount transferred from the MEMBER ACCOUNT in respect of UNCLAIMED BENEFITS.

(ii) Positive INVESTMENT RETURN.
<table>
<thead>
<tr>
<th>BENEFICIARY.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(iii) Amounts transferred to the EXPENSE RESERVE ACCOUNT as determined by the MANAGEMENT BOARD to fund the expenses of the FUND.</td>
<td>(iii) Any amount transferred in terms of MASTER RULE 12.2(1)(a).</td>
</tr>
<tr>
<td>(iv) Any UNCLAIMED BENEFIT and the INVESTMENT RETURN thereon payable to any fund legally entitled to hold unclaimed benefits in accordance with the provisions of the ACT and the requirements of the REVENUE AUTHORITY</td>
<td>(iv) Any payments or transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.</td>
</tr>
<tr>
<td>(v) Negative INVESTMENT RETURN.</td>
<td></td>
</tr>
</tbody>
</table>

(4) **INVESTMENT RESERVE ACCOUNT**

The following debits and credits are recorded in the INVESTMENT RESERVE ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Amounts transferred to any RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY from time to time.</td>
<td>(i) INVESTMENT RETURN on INVESTMENT PORTFOLIOS that are not unitised (understanding that if the INVESTMENT RETURN is negative this will reduce the balance in the INVESTMENT</td>
</tr>
<tr>
<td></td>
<td>RESERVE ACCOUNT)</td>
</tr>
<tr>
<td>---</td>
<td>------------------</td>
</tr>
<tr>
<td>(ii)</td>
<td>Investment fees payable to the INVESTMENT PROVIDER.</td>
</tr>
<tr>
<td></td>
<td>(ii) Amounts received from UNITISED INVESTMENTS for the payment of investment fees and any other expenses related to the investments, either payable to the INVESTMENT PROVIDER or an external party, where applicable.</td>
</tr>
<tr>
<td>(iii)</td>
<td>Any amount transferred to a MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY, in terms of Section 15G of the ACT.</td>
</tr>
<tr>
<td></td>
<td>(iii) Any payments or transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.</td>
</tr>
<tr>
<td>(iv)</td>
<td>Any amount transferred to any other RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
</tr>
<tr>
<td></td>
<td>(iv) Amounts payable by a PARTICIPATING EMPLOYER in respect of penalties levied in accordance with Section 13A of the ACT on the late payment of contributions to the FUND.</td>
</tr>
<tr>
<td>(v)</td>
<td>Any amount levied in accordance with Section 13A of the ACT on the late payment of contributions to the FUND, and not received by the FUND, to be written off as an expense of the</td>
</tr>
<tr>
<td>(vi)</td>
<td>Any amount transferred to a MEMBER ACCOUNT in respect of penalties received in accordance with Section 13A of the ACT on the late payment of contributions to the FUND, for the MEMBER concerned.</td>
</tr>
<tr>
<td>(vii)</td>
<td>Any transfers to the RISK RESERVE ACCOUNT in respect of interest accruing to premiums payable to the RISK PROVIDER in terms of the RISK POLICY.</td>
</tr>
</tbody>
</table>

Rule 10.3(4) has been deleted in terms of rule amendment no 4 registered 28 July 2014

(5) PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS)

The following debits and credits are recorded in the PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS), which makes provision for mismatching and for timing differences in the actual investment or disinvestment of money in respect of UNITISED INVESTMENTS, as determined by the MANAGEMENT BOARD, in accordance with the policy adopted by the MANAGEMENT BOARD and documented in a practice note:
<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Amounts transferred to a MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(i) Amounts transferred from the PROCESSING RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
</tr>
<tr>
<td>(ii) Amounts transferred to the PROCESSING RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(ii) Any amount transferred in terms of MASTER RULE 12.2(1)(a), which relates to UNITISED INVESTMENTS.</td>
</tr>
<tr>
<td></td>
<td>(iii) Any transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.</td>
</tr>
<tr>
<td></td>
<td>(iv) Any amounts received by the FUND to fund any debits to or negative balance in the PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS).</td>
</tr>
</tbody>
</table>

Rule 10.3(5) was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015.

Rules 10.3(5)(a)(iii), 10.3(5)(b)(i) & 10.3(5)(b)(vi) were replaced in their entirety in terms of rule amendment no 4 registered 28 July 2014.
(6) PROCESSING RESERVE ACCOUNT

The following debits and credits are recorded in the PROCESSING RESERVE ACCOUNT, which makes provision for mismatching and for timing differences in the actual investment or disinvestment of money in respect of NON-UNITISED INVESTMENTS and amounts received or incurred by the FUND as a result of its normal operational activities from time to time, as determined by the MANAGEMENT BOARD in accordance with the policy adopted by the MANAGEMENT BOARD and documented in a practice note:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Amounts transferred to any RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(i) Amounts transferred from any RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
</tr>
<tr>
<td>(ii) Investment fees and bank charges payable to the INVESTMENT PROVIDER.</td>
<td>(ii) INVESTMENT RETURN on INVESTMENT PORTFOLIOS that are not unitised (understanding that if the INVESTMENT RETURN is negative this will reduce the balance in the PROCESSING RESERVE ACCOUNT).</td>
</tr>
<tr>
<td>(iii) Amounts transferred to a MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY. This can be done on a standardised regular</td>
<td>(iii) Amounts received for the payment of investment fees and any other expenses related to the investments, either payable to the INVESTMENT PROVIDER or an external party, where</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>basis agreed with the ACTUARY or alternatively on an annual basis as recommended by the ACTUARY.</td>
<td>applicable.</td>
</tr>
</tbody>
</table>

(iv) Any amount levied in accordance with Section 13A of the ACT on the late payment of contributions to the FUND, and not received by the FUND, as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.

(iv) Any transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.

(v) Any amount transferred to a MEMBER ACCOUNT in respect of penalties received in accordance with Section 13A of the ACT on the late payment of contributions to the FUND, for the MEMBER concerned.

(v) Amounts payable by a PARTICIPATING EMPLOYER in respect of penalties levied in accordance with Section 13A of the ACT on the late payment of contributions to the FUND.

(vi) Any transfers to the RISK RESERVE ACCOUNT in respect of interest accruing to premiums payable to the RISK PROVIDER in terms of the RISK POLICY.

(vi) Any amounts received by the FUND as a result of its normal operational activities from time to time, as determined by the MANAGEMENT BOARD.

(vii) Any amounts incurred by the FUND as a result of its normal operational activities from time

(vii) Any amounts received by the FUND to fund any debits to or negative balance in the

Financial Provisions
Version: 2013.12.11
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<table>
<thead>
<tr>
<th></th>
<th>PROCESSING RESERVE ACCOUNT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(vii) Amounts transferred to the PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS) as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>(vii) Amounts transferred from the PROCESSING ERROR RESERVE ACCOUNT (UNITISED INVESTMENTS) as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
</tr>
</tbody>
</table>

Rule 10.3(6) was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015.

Rule 10.3(6) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.

(7) SURPLUS APPORTIONMENT EXPENSE RESERVE ACCOUNT

The following debits and credits are recorded in the SURPLUS APPORTIONMENT EXPENSE RESERVE ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Amounts as determined by the MANAGEMENT BOARD, to meet any costs and expenses specifically arising as a result of the FUND’S compliance with the Pension Funds Second Amendment Act No. 39 of 2001 and the regulations framed thereunder.</td>
<td>(i) Any amount transferred from the EXPENSE RESERVE ACCOUNT as the MANAGEMENT BOARD, in consultation with the ACTUARY, decides is reasonable.</td>
</tr>
<tr>
<td>(ii) Any amount transferred to</td>
<td>(ii) Amounts transferred from the</td>
</tr>
<tr>
<td>the MEMBER ACCOUNT as determined by the MANAGEMENT BOARD in consultation with the ACTUARY.</td>
<td>INVESTMENT RESERVE ACCOUNT.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(iii) Any additional amounts as determined by the MANAGEMENT BOARD on the advice of the ACTUARY to augment any anticipated shortfall.</td>
<td></td>
</tr>
<tr>
<td>(iv) Any payments or transfers from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT.</td>
<td></td>
</tr>
</tbody>
</table>

(8) PRESERVER MEMBERS’ ACCOUNT

The following debits and credits are recorded in a PRESERVER Financial Provisions

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MEMBERS’ ACCOUNT for each PRESERVER MEMBER which will, in aggregate, comprise the PRESERVER MEMBERS’ ACCOUNT:

<table>
<thead>
<tr>
<th>(a) DEBITS</th>
<th>(b) CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Any amount commuted on retirement and paid either to the PRESERVER MEMBER in cash or to the REVENUE AUTHORITY.</td>
<td>(i) The balance in the MEMBERS’ ACCOUNT on the MEMBER’S termination of service with a PARTICIPATING EMPLOYER where such termination results in the transfer of the MEMBER’S interest in the FUND to the PRESERVER MEMBERS’ ACCOUNT.</td>
</tr>
<tr>
<td>(ii) The cost of any pension purchased on retirement.</td>
<td>(ii) Amounts transferred in terms of MASTER RULES 12.2(1) and 12.2(2) if applicable.</td>
</tr>
<tr>
<td>(iii) Any withdrawal payment under MASTER RULE 7.</td>
<td>(iii) Any amounts transferred from the PARTICIPATING EMPLOYER SURPLUS ACCOUNT in terms of MASTER RULES 9.2(4) or 9.2(6).</td>
</tr>
<tr>
<td>(iv) The benefit payable on the death of a MEMBER under MASTER RULES 6.</td>
<td>(iv) Positive INVESTMENT RETURN.</td>
</tr>
<tr>
<td>(v) Any partial benefit payment as allowed by the ACT.</td>
<td>(v) Amounts transferred from any RESERVE ACCOUNT as determined by the MANAGEMENT BOARD in</td>
</tr>
<tr>
<td></td>
<td>Consultation with the Actuary.</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>(vi)</td>
<td>Any cost involved in tracing the Preserver Member or, on his death, his Dependants.</td>
</tr>
<tr>
<td>(vi)</td>
<td>Any amounts transferred from the Member Surplus Account in terms of Master Rule 10.2(3)(a)(i).</td>
</tr>
<tr>
<td>(vii)</td>
<td>Any costs associated with the exercise of any election or switching as determined by the Management Board.</td>
</tr>
<tr>
<td>(vii)</td>
<td>Amounts transferred in terms of Master Rule 12.2(3).</td>
</tr>
<tr>
<td>(viii)</td>
<td>Negative Investment Return.</td>
</tr>
</tbody>
</table>
(ix) Such portion of any asset management fees that the INVESTMENT PORTFOLIO in which a PRESERVER MEMBERS’ ACCOUNT may be invested does not permit the INVESTMENT PROVIDER to deduct from the assets constituting such INVESTMENT PORTFOLIO or the income there from prior to determining the unit price, as is determined by the MANAGEMENT BOARD. Once debited, the amount must be paid to the EXPENSE RESERVE ACCOUNT.

(x) Any amount to be deducted from the benefit of the PRESERVER MEMBER and/or to be paid out to another person in terms of any legislation or any court order or any order of a tribunal or similar body that is binding on the FUND in terms of any law

(xi) Any amounts payable in terms of the INVESTMENT TERMS of the INVESTMENT PORTFOLIO to or from
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(xii)</td>
<td>Any fees payable in respect of the advice given to a PRESERVER MEMBER or DEPENDANT.</td>
</tr>
<tr>
<td>xiii)</td>
<td>Administration fees, expenses and costs incurred in the administration of benefits between the date of termination of membership of the PRESERVER MEMBER and the date on which the benefit is paid or transferred to the UNCLAIMED BENEFITS ACCOUNT payable to the EXPENSE RESERVE ACCOUNT.</td>
</tr>
</tbody>
</table>

Rule 10.3(8)(b)(vii) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.

10.4 MANAGEMENT OF RESERVE ACCOUNTS

(1) The MANAGEMENT BOARD must review the balance in each RESERVE ACCOUNT at least once in each FINANCIAL YEAR and must, after such review apportion so much from each RESERVE ACCOUNT which the MANAGEMENT BOARD in consultation with the ACTUARY may decide is surplus to the requirement of each such RESERVE ACCOUNT either to the EXPENSE RESERVE ACCOUNT or amongst the MEMBERS to whom such RESERVE ACCOUNT relates in the proportion that the balance standing to the credit of the MEMBER ACCOUNT of each such MEMBER bears to the MEMBER ACCOUNT of all the other such MEMBERS.
(2) The MANAGEMENT BOARD has the power to invest any balance to the credit of any RESERVE ACCOUNT in one or more BANK ACCOUNTS or INVESTMENT PORTFOLIOS, as it considers appropriate.

10.5 CURRENCY

All benefits and contributions are payable in South African currency.

10.6 MONEYS OF THE FUND MAY NOT REVERT TO A PARTICIPATING EMPLOYER

Except as otherwise provided in the ACT, no money of the FUND may revert to or become the property of any PARTICIPATING EMPLOYER.
PART 4

TERMINATION PROVISIONS
RULE 11: LIQUIDATION PROVISIONS

11.1 LIQUIDATION OF THE FUND

(1) The MANAGEMENT BOARD may, by giving written notice to OLD MUTUAL, request that the FUND be discontinued. OLD MUTUAL must within 45 (forty-five) BUSINESS DAYS advise the MANAGEMENT BOARD of its decision to continue the FUND or consent to the discontinuance of the FUND. If no response is received by the MANAGEMENT BOARD within the 45 (forty-five) BUSINESS DAYS, OLD MUTUAL shall be deemed to have consented to the discontinuance of the FUND.

(2) If the FUND is to be discontinued, the MANAGEMENT BOARD must, subject to the approval of the REGISTRAR, appoint a liquidator.

(3) The liquidation date is the date on which the liquidator's appointment is approved.

(4) The assets of the FUND must be determined as at the date of liquidation.

11.2 LIQUIDATION OF A SUB-FUND

(1) If a PARTICIPATING EMPLOYER is liquidated, sequestrated, wound up or elects to cease participating in the FUND and requests that the SUB-FUND be liquidated, the SUB-FUND shall be liquidated.

(2) If a SUB-FUND is liquidated, the MANAGEMENT BOARD must, subject to the approval of the REGISTRAR, appoint a liquidator. The liquidation date of the SUB-FUND is the date on which the liquidator's appointment is approved.

(3) On the liquidation date and in accordance with the directives of the liquidator all accrued debits and credits in respect of the accounts of the SUB-FUND must be processed so that the balances in the SUB-FUND can be determined. The aggregate of all credit balances on the liquidation date in any of the accounts of the SUB-FUND, other than the PARTICIPATING EMPLOYER SURPLUS ACCOUNT, after the liquidator made provision for liquidation expenses and payment of any taxation due, must be allocated proportionately amongst the MEMBER ACCOUNTS, as recommended by
the ACTUARY and approved by the liquidator. The value of each MEMBER’S ACCOUNT must be determined, and thereafter, as elected by the MEMBER, the balance in such account must either be retained in the PRESERVER MEMBERS’ ACCOUNT or be paid in the same way as if the MEMBER exits the FUND as a result of withdrawal from the PARTICIPATING EMPLOYER’S service. The provisions of MASTER RULE 7.3 shall *mutatis mutandis* apply in this regard. Former members who were employed by that PARTICIPATING EMPLOYER and who left the FUND within the 12 (twelve) months preceding the liquidation date shall participate in the distribution. If the former MEMBERS who qualify to participate in this distribution cannot be traced, the corresponding amounts so distributed will be credited to the UNCLAIMED BENEFITS ACCOUNT.

Rule 11.2(3) was replaced in its entirety in terms of rule amendment no 6 registered 21 November 2014

(4) Any credit balance in the PARTICIPATING EMPLOYER SURPLUS ACCOUNT must be disposed of in terms of Section 151(c) of the ACT.

11.3 TERMINATION OF SUB-FUND BY MANAGEMENT BOARD

The MANAGEMENT BOARD has the right to terminate the participation of a PARTICIPATING EMPLOYER in the FUND provided that at least 20 (twenty) BUSINESS DAYS notice and no more than 60 (sixty) BUSINESS DAYS notice of such termination is given by the MANAGEMENT BOARD to the PARTICIPATING EMPLOYER. Upon such termination, the provisions of MASTER RULE 11.2 apply in the same way, provided that the provisions of MASTER RULE 11.4 must apply if the PARTICIPATING EMPLOYER notifies the FUND thereof within 20 (twenty) BUSINESS DAYS of the notice above. The MANAGEMENT BOARD may agree to any extension of these notice periods.

11.4 TRANSFER OF SUB-FUND BY PARTICIPATING EMPLOYER TO ANOTHER FUND

(1) If a PARTICIPATING EMPLOYER elects to cease participating in the FUND, and advises the FUND of another APPROVED PENSION FUND or APPROVED PROVIDENT FUND in which it will participate and to which
the SUB-FUND’S assets and liabilities shall be transferred in terms of the ACT, the provisions of MASTER RULE 12.1 shall apply.

(2) The assets and liabilities of that SUB-FUND shall be transferred to the other APPROVED PENSION FUND or APPROVED PROVIDENT FUND subject to the provisions of section 14 of the ACT and any requirements of the REVENUE AUTHORITY.

(3) If the REGISTRAR fails to approve the transfer application referred to in MASTER RULE 11.4(2) above, contributions by and in respect of the MEMBERS of that SUB-FUND shall cease from the effective date of the transfer as advised by the PARTICIPATING EMPLOYER. Thereafter no further RISK BENEFITS shall be paid, and the MEMBERS shall become PRESERVER MEMBERS as if they had all voluntarily withdrawn from the FUND at such date, and had elected to become PRESERVER MEMBERS.

11.5 NO MEMBERS REMAINING

If there should be no MEMBER remaining in a SUB-FUND who is an employee of the PARTICIPATING EMPLOYER then that SUB-FUND may be terminated and deregistered within the provisions of Section 27 of the ACT, in which case:-

(1) If the PARTICIPATING EMPLOYER is still in existence, any balance in the PARTICIPATING EMPLOYER SURPLUS ACCOUNT will be paid to the PARTICIPATING EMPLOYER in accordance with the provisions of the ACT.

(2) If any assets of that SUB-FUND remain after any payment in terms of 11.5.1, then such assets must be distributed, on such basis as the MANAGEMENT BOARD considers equitable, to those persons who withdrew from the PARTICIPATING EMPLOYER within the 12 (twelve) months preceding the date of termination. If such a distribution is made, and some of the former members cannot be traced to make payment, then the corresponding assets must be credited to the UNCLAIMED BENEFITS ACCOUNT.
11.6 NOTIFICATION TO AUTHORITIES

The MANAGEMENT BOARD must ensure that the REVENUE AUTHORITY and the REGISTRAR are notified of the cessation of participation of a PARTICIPATING EMPLOYER under the FUND.
12.1 TRANSFERS OUT OF THE FUND

(1) A MEMBER’S participation in the FUND shall cease if

(a) the MEMBER no longer qualifies as an ELIGIBLE EMPLOYEE, or

(b) the MEMBER is permitted to join another fund and the MEMBER elects that option rather than the option to participate in the FUND, or

(c) in the case of a PRESERVER MEMBER, the PRESERVER MEMBER informs the FUND in writing that he wishes to participate in another APPROVED PENSION FUND, APPROVED PROVIDENT FUND, APPROVED RETIREMENT ANNUITY FUND or APPROVED PRESERVATION PENSION FUND.

In the case of (a) and (b) above the PARTICIPATING EMPLOYER must forthwith notify the FUND in writing that the participation of the MEMBER in the FUND in terms of this MASTER RULE has ceased and in the notice state the date upon which the MEMBER’S participation ceased.

(2) If a MEMBER’S participation in the FUND ceased in terms of sub-rule (1) above, the following provisions shall apply:

(a) in the case of a MEMBER referred to in sub-rule (a) above, who do not elect in terms of MASTER RULE 7.3(1)(a) to become a PRESERVER MEMBER or who due to their contracts of employment being terminated as a result of a transfer in terms of section 197 of the Labour Relations Act, 1995, the MEMBER shall be permitted to withdraw from the FUND in terms of MASTER RULE 7;

(b) in the case of a MEMBER referred to in sub-rule (b) above, the assets and liabilities of the FUND relating to the MEMBER shall be transferred to the fund as elected by the MEMBER;

(c) in the case of a MEMBER referred to in sub-rule (c), the assets and liabilities of the FUND relating to the MEMBER, shall be transferred to another APPROVED PENSION FUND, APPROVED PROVIDENT FUND.
FUND, APPROVED PRESERVATION PENSION FUND or APPROVED RETIREMENT ANNUITY FUND in which the MEMBER wishes to participate.

Rule 12.1(2) was replaced in its entirety in terms of rule amendment 6 registered 21 November 2014
(3) Any PARTICIPATING EMPLOYER who operates a PARTICIPATING EMPLOYER SURPLUS ACCOUNT may apply to the MANAGEMENT BOARD in terms of section 15E of the ACT to transfer some or all of the credit balance held in that account to a comparable account under another fund in which the PARTICIPATING EMPLOYER participates. Once the approval of the REGISTRAR and the MANAGEMENT BOARD has been received, such amount may be transferred to the other fund with INVESTMENT RETURN as determined by the MANAGEMENT BOARD from date of application to the receipt of approval.

12.2 AMOUNTS TRANSFERRED TO THE FUND FROM OTHER FUNDS

(1) Any amount relating to the membership of a MEMBER or PRESERVER MEMBER in any APPROVED PENSION FUND or APPROVED PROVIDENT FUND may be paid to the FUND.

(a) In respect of a SUB-FUND

(i) Where such amount constitutes the SUB-FUND’S TOTAL TRANSFER CREDIT it must be allocated amongst such of the accounts of the FUND as specified in terms of the application in terms of Section 14 or Section 15B of the ACT as approved by the REGISTRAR, when it has been received by the FUND.

(ii) Where the Section 14 or Section 15B application referred to in (a) above does not make provision for the allocation of the MEMBER’S TOTAL TRANSFER CREDIT to be specifically allocated amongst any accounts, such amount must be credited to the MEMBER ACCOUNT of the MEMBER concerned when it has been received by the FUND.

(b) In respect of a PRESERVER MEMBER, the PRESERVER MEMBER’S TOTAL TRANSFER CREDIT must be credited to the PRESERVER MEMBERS’ ACCOUNT of the PRESERVER MEMBER concerned when it has been received by the FUND.
(2) Any amount in respect of unclaimed benefits relating to beneficiaries of a PARTICIPATING EMPLOYER, may, subject to the approval of the MANAGEMENT BOARD, be paid to the FUND in terms of Section 14 of the ACT. Any such amount must be credited to the UNCLAIMED BENEFITS ACCOUNT when it has been received by the FUND.

(3) Any amount relating to the membership of a MEMBER or PRESERVER MEMBER in any APPROVED PRESERVATION PENSION FUND, may, provided the MANAGEMENT BOARD agrees thereto and subject to any requirements of the REVENUE AUTHORITY, be paid to the FUND. Any such amount must be credited to the MEMBER ACCOUNT or PRESERVER MEMBERS' ACCOUNT of the MEMBER or PRESERVER MEMBER concerned when it has been received by the FUND.

(4) Where the MEMBER has a right in terms of the INVESTMENT POLICY STATEMENT to make a choice of an INVESTMENT PORTFOLIO in which his MEMBER ACCOUNT is to be invested, the choice of the INVESTMENT PORTFOLIO shall apply to all amounts that are credited to the MEMBER ACCOUNT.

(5) Subject to the approval of the REGISTRAR in terms of section 15E of the ACT, any amount may be transferred into the PARTICIPATING EMPLOYER SURPLUS ACCOUNT from an employer surplus account in another fund in which the employer participates.

12.3 AMALGAMATION OF THE BUSINESS OF THE EVERGREEN PENSION FUND WITH THE BUSINESS OF THE FUND

(1) Subject to the approval of the REGISTRAR in terms of section 14 of the ACT, the business of the Evergreen Pension Fund will be amalgamated with the business of the FUND with effect from a date to be determined by the MANAGEMENT BOARD (“the amalgamation date”) and in terms of an amalgamation agreement between the Evergreen Pension Fund and the FUND. Once the REGISTRAR has approved the amalgamation all the assets and liabilities of the Evergreen Pension Fund as at the amalgamation date will vest in the FUND.

12.4 TRANSFER OR AMALGAMATION IN RESPECT OF A PARTICIPATING
If a PARTICIPATING EMPLOYER transfers to or amalgamates with some other organisation, the other organisation may either apply to join the FUND as a PARTICIPATING EMPLOYER or the PARTICIPATING EMPLOYER may terminate its participation as set out in MASTER RULE 11.2. If the other organisation is already a PARTICIPATING EMPLOYER, the SUB-FUND will be amalgamated with the SUB-FUND of the other organisation.

12.5 TRANSFER FROM ONE PARTICIPATING EMPLOYER TO ANOTHER PARTICIPATING EMPLOYER

Notwithstanding the provisions of MASTER RULE 7.1, a MEMBER, who withdraws from the service of the PARTICIPATING EMPLOYER and joins the service of another PARTICIPATING EMPLOYER in terms of his condition of service and the PARTICIPATING EMPLOYER'S are associated, will not be entitled to a withdrawal benefit. The MEMBER ACCOUNT corresponding to that MEMBER shall be transferred from the SUB-FUND corresponding to the PARTICIPATING EMPLOYER for whom the MEMBER previously worked to the SUB-FUND corresponding to his new PARTICIPATING EMPLOYER.

12.6 ADDITIONAL TRANSFER PROVISIONS

With effect from 1 January 2012, the FUND will make appropriate arrangements to comply with the provisions of the REGISTRAR’S Board Notice 208 of 2011. Notwithstanding any other provisions in these MASTER RULES, it is specifically provided that:

(1) in respect of a Section 14 transfer out of the FUND, until such time as the process has been completed, the FUND shall remain liable for benefits payable to MEMBERS in terms of these RULES on retirement, death or withdrawal, provided that such liability shall:

(a) not include RISK BENEFITS, and

(b) be limited to the value of the benefit as at the effective date of the transfer, accumulated with INVESTMENT RETURN until date of transfer.
in respect of a Section 14 transfer into the FUND, until such time as the
process has been completed,

(a) the transferor fund shall remain liable for benefits payable to
MEMBERS in respect of pensionable service prior to the effective
date of transfer in terms of the rules of the transferor fund on
retirement, death or withdrawal, provided that such liability shall be
limited to the value of the benefit as at the effective date of the
transfer, accumulated with investment return until date of transfer;
and

(b) the FUND shall be liable for benefits payable to MEMBERS in
respect of pensionable service after the effective date of transfer in
terms of the RULES.

in respect of a "FULL TRANSFER" (hereby defined as a transfer which will
result in the FUND having no remaining MEMBERS, assets or liabilities)

(a) the REGISTRAR must approve a surplus apportionment scheme or
note a nil return in terms of section 15B of the ACT,

(b) the MANAGEMENT BOARD'S term of office will be extended for a
period of at least three years from the effective date of the FULL
TRANSFER; or where the MANAGEMENT BOARD is no longer
properly constituted the REGISTRAR may appoint one or more
independent persons to the MANAGEMENT BOARD.

12.7 BENEFICIAL TRANSFER OF OWNERSHIP

(1) Unless a benefit is required to be paid in cash then, if such benefit is, in
respect of part or all of the amount to the credit of the MEMBER, expressed
in UNITS of a MEMBER then -

(a) if the BENEFICIARY so elects;

(b) the MANAGEMENT BOARD agrees thereto (subject to any terms or
conditions it may impose);
(c) and the person or institution holding the assets in which such MEMBER UNITS are invested agrees (subject to any terms or conditions it may impose),

the benefit may be paid by way of a transfer in specie of such assets in which the MEMBER UNITS are invested.

(2) Any such payment in specie is subject to the payment of such costs by the BENEFICIARY as the MANAGEMENT BOARD or the person or institution holding such assets may stipulate, as well as the requirements of the REVENUE AUTHORITY.

(3) If the payment of such benefit is to be made in specie to an APPROVED PRESERVATION PENSION FUND, an APPROVED PRESERVATION PROVIDENT FUND, an APPROVED PENSION FUND, an APPROVED PROVIDENT FUND or an APPROVED RETIREMENT ANNUITY FUND for the benefit of such BENEFICIARY then such payment in specie is subject to the agreement of such fund, as well as any terms or conditions it may impose and the payment of such costs by the BENEFICIARY as it may require.

(4) Any such election of a payment in specie by a BENEFICIARY is at the risk of such BENEFICIARY and the FUND will not be responsible for any loss which may arise as a result of any such election so made by the BENEFICIARY. The BENEFICIARY is entitled to INVESTMENT RETURN on the assets in respect of which the payment in specie is to be made.

(5) Where there is a beneficial transfer of ownership in terms of this MASTER RULE the value of the MEMBER ACCOUNT must be based on the proceeds that would be received were the UNITS comprising the MEMBER ACCOUNT to be realised on the effective date of the beneficial transfer of ownership thereof.
12.8 BENEFICIAL TRANSFER OF OWNERSHIP FROM ANOTHER FUND

Any benefit to be received by the FUND from any another fund in respect of a MEMBER, may be paid to the FUND in specie provided the MANAGEMENT BOARD agrees thereto. The MANAGEMENT BOARD may in giving such agreement require the payment of such costs, to be debited to the MEMBER ACCOUNT of the MEMBER concerned, or may impose such terms or conditions in respect of the transfer in specie, as it may require.

12.9 PARTIAL TRANSFER OR AMALGAMATION IN RESPECT OF A PARTICIPATING EMPLOYER

If a part of the business, a group or category of MEMBERS of a PARTICIPATING EMPLOYER transfers to or amalgamates with some other business, company or organisation, the provision of MASTER RULE 11.2, shall mutatis mutandis, apply in respect of such part of the PARTICIPATING EMPLOYER’S business or such group or category of MEMBERS of the PARTICIPATING EMPLOYER.

Rule 12.9 was added in terms of rule amendment 6 registered 21 November 2014
PART 5

INVESTMENTS
RULE 13: INVESTMENTS OF THE FUND

13.1 INVESTMENTS – GENERAL

(1) The FUND must pay all CONTRIBUTIONS into a BANK ACCOUNT and must administer and invest the assets of the FUND in accordance with the INVESTMENT POLICY STATEMENT.

(2) The FUND may obtain an overdraft from a bank or borrow from any other party such amount as it decides and on such terms as it thinks fit in order to complete any investment or meet any temporary or unforeseen cash shortage whether at a FUND or SUB-FUND level. For the purposes of this MASTER RULE, any security so given may not exceed ½ (one half) of the total income of the FUND during the previous FINANCIAL YEAR unless authorised by the REGISTRAR.

(3) The INVESTMENT POLICY STATEMENT shall set out the investment strategy of the MANAGEMENT BOARD for the FUND and shall, in concurrence with OLD MUTUAL and subject to the MASTER RULES, from time to time provide for any matter the MANAGEMENT BOARD regards appropriate in relation to the investment of the assets of the FUND, including the following:

(a) The selection by the MANAGEMENT BOARD of INVESTMENT PORTFOLIOS which will be made available for the investment of the balances in the various accounts.

(b) Prescribe guidelines, terms and conditions that will apply to any right given to a PARTICIPATING EMPLOYER and/or MEMBER to choose an INVESTMENT PORTFOLIO as well as any related matter; provided that -

(i) different guidelines, terms and conditions may be prescribed for different INVESTMENT PORTFOLIOS or combinations of INVESTMENT PORTFOLIOS;
(ii) the INVESTMENT POLICY STATEMENT will set out the choices of INVESTMENT PORTFOLIOS that are available to MEMBERS and the right of the MANAGEMENT BOARD to move the investment to another INVESTMENT PORTFOLIO;

(c) Provide for the determination and discretionary declaration by the MANAGEMENT BOARD of bonuses in respect of any SMOOTH BONUS PRODUCT taking account of the recommendation of the ACTUARY.

(d) Provide for the unitisation of INVESTMENT PORTFOLIOS as is regarded appropriate, including –

(i) the guidelines that will apply in determining the value of UNITS;

(ii) provisions that will facilitate proof of the value a UNIT at a particular date;

(iii) the process and manner in which the sale and purchase of UNITS in a UNITISED INVESTMENT will take place;

(e) Investment rules that will apply in relation to the switching of balances in accounts between INVESTMENT PORTFOLIOS and to disinvestments of all or some of the balances in those accounts.

(f) The functions, powers and duties of any MANAGEMENT COMMITTEE in relation to the selection of INVESTMENT PORTFOLIOS in respect of a SUB-FUND, as well as the guidelines that will apply to such MANAGEMENT COMMITTEE

(4) Where a PARTICIPATING EMPLOYER or MEMBER has the right to make a choice of INVESTMENT PORTFOLIOS in which an account balance is to be invested, in terms of the INVESTMENT POLICY STATEMENT;
(a) the PARTICIPATING EMPLOYER or MEMBER shall assume full responsibility for that choice and continuous review of that choice (including when the PARTICIPATING EMPLOYER or MEMBER is defaulted into an INVESTMENT PORTFOLIO, hereinafter referred to as a “DEFAULT CHOICE”, chosen by the MANAGEMENT BOARD or the PARTICIPATING EMPLOYER due to the MEMBER not exercising the right to make such choice within the time period specified in the MASTER RULES and the INVESTMENT POLICY STATEMENT); and

(b) the FUND, MANAGEMENT BOARD and any other officials, employees or consultants of the FUND shall not carry any responsibility in respect of any such choice made and shall not be liable for any damages suffered arising from such choice or any advice provided by an INVESTMENT CONSULTANT appointed by the PARTICIPATING EMPLOYER and/or MEMBER.

(c) the onus of communicating any choice made (including any switching of an INVESTMENT PORTFOLIO) shall be on the PARTICIPATING EMPLOYER and/or MEMBER (as the case may be) and for this purpose no choice or election has been communicated, unless the PARTICIPATING EMPLOYER and/or MEMBER can produce proof of receipt thereof by the FUND represented by the PRINCIPAL OFFICER or other person duly authorised by the MANAGEMENT BOARD to receive such communication on behalf of the FUND.

(5) The FUND must enter into an investment agreement (such as an INVESTMENT POLICY or investment mandate) with an INVESTMENT PROVIDER in respect of each INVESTMENT PORTFOLIO. In the case of an INVESTMENT PORTFOLIO which is a collective investment scheme or an INVESTMENT POLICY, the mandate may be determined by the INVESTMENT PROVIDER rather than the MANAGEMENT BOARD, provided the key features of that mandate are provided to the FUND in such a way that a MEMBER or PARTICIPATING EMPLOYER is able to make an informed decision as to whether to participate in the INVESTMENT PORTFOLIO.
With effect from 1 December 2011, where an INVESTMENT PORTFOLIO available to a PARTICIPATING EMPLOYER for selection is still referred to by name in any SPECIAL RULES, such reference shall no longer apply.

In approving the INVESTMENT POLICY STATEMENT from time to time the MANAGEMENT BOARD must consider,

(a) what is in the best interests of the FUND and its MEMBERS;

(b) the investment objectives and appropriateness of each INVESTMENT PORTFOLIO; and

(c) the types of investments which the FUND is prepared to make and those which it is not prepared to make.

The MANAGEMENT BOARD must:-

(a) determine 1 (one) or more appropriate benchmarks of performance for each INVESTMENT PORTFOLIO, noting that one or more inflation-related index or peer-related benchmark may be relevant for the assessment of performance of that INVESTMENT PORTFOLIO;

(b) measure the performance of each INVESTMENT PORTFOLIO in terms of those benchmarks over periods described in the INVESTMENT POLICY STATEMENT;

(c) review the appropriateness of the INVESTMENT PORTFOLIO with reference to their objectives in the light of their performance, new product offerings available to the FUND and continued compliance with the criteria set down in the INVESTMENT POLICY STATEMENT;

(d) review from time to time the appropriateness of the benchmarks.

Where the assets are owned by the FUND or the FUND has rights in respect of the investments underlying an INVESTMENT POLICY, the MANAGEMENT BOARD must exercise any rights attaching to those investments of the FUND, in particular any voting rights, on the basis that the exercise of such rights is for the benefit of the MEMBERS of the FUND who participate in the corresponding INVESTMENT PORTFOLIO.
The MANAGEMENT BOARD:–

(a) may withdraw any INVESTMENT PORTFOLIO available for investment of assets of the FUND or may close an INVESTMENT PORTFOLIO to new investments. This withdrawal or closure of an INVESTMENT PORTFOLIO may be for any reason determined by the MANAGEMENT BOARD to be in the best interests of the FUND or the MEMBERS;

(b) must withdraw an INVESTMENT PORTFOLIO if that INVESTMENT PORTFOLIO does not comply with the requirements of any law applicable to the FUND, including any Reserve Bank requirement or any requirements stipulated by the REGISTRAR;

(c) may require any MEMBER to withdraw so much from an INVESTMENT PORTFOLIO as is necessary in order to ensure that the FUND is compliant with the requirements of any law; provided that such compliance requirements are applicable to every MEMBER;

(d) must, where the MANAGEMENT BOARD has changed or withdrawn investments made for the benefit of a MEMBER in terms of this MASTER RULE, invest these amounts in an INVESTMENT PORTFOLIO that the MANAGEMENT BOARD considers as appropriate under the circumstances, if the MEMBER has not elected another INVESTMENT or advised the FUND where the amounts should be invested in terms of the INVESTMENT POLICY STATEMENT.

In consultation with OLD MUTUAL, the MANAGEMENT BOARD may introduce new INVESTMENT PORTFOLIOS, in which case the MEMBERS who qualify in terms of the INVESTMENT POLICY STATEMENT to invest in those INVESTMENT PORTFOLIOS must be notified via the WEBSITE of the new opportunity available to them for selection.

On receipt of an EXIT NOTIFICATION, or on the TERMINATION DATE of the FUND or SUB-FUND, the amount in the MEMBER ACCOUNT or PRESERVER MEMBERS' ACCOUNT whichever is applicable, or after receipt of any RISK BENEFIT or DISABILITY BENEFIT if it applies in terms...
of MASTER RULE 6, must be disinvested from the INVESTMENT PORTFOLIO and be invested in an INVESTMENT PORTFOLIO which preserves capital as determined by the MANAGEMENT BOARD until it is paid to the MEMBER or his BENEFICIARY or it is credited to the UNCLAIMED BENEFITS ACCOUNT in terms of MASTER RULE 8.3.

For the purposes of this MASTER RULE, disinvestment and investment shall take place on the later of

(a) the effective date when the benefit becomes payable, and

(b) in the case of EXIT NOTIFICATIONS, 6 (six) BUSINESS DAYS following receipt of all the requirements or such other period specified by the MANAGEMENT BOARD after the FUND becomes aware that the benefit is payable;

(c) in the case of transfer values for which approval is required in terms of Section14 of the ACT, 6 (six) BUSINESS DAYS after receipt by the FUND of approval by the REGISTRAR of the transfer of business relating to the members concerned.

Rule 13.1(12)(b) was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015.

13.2 INFORMATION REGARDING INVESTMENTS

(1) The MANAGEMENT BOARD must take reasonable steps to provide information relating to the INVESTMENT PORTFOLIO applicable to each MEMBER, and any changes to such INVESTMENT PORTFOLIO to the MEMBERS themselves, or through the relevant PARTICIPATING EMPLOYER, or its representative, who must take reasonable steps to make this information available to the MEMBERS employed by that PARTICIPATING EMPLOYER.

(2) The PARTICIPATING EMPLOYER must take reasonable steps to inform each MEMBER of the choices that the MEMBER has, if any, in terms of the PARTICIPATING EMPLOYER’S, or MANAGEMENT COMMITTEE’S, selection of investment options as defined in the INVESTMENT POLICY.
STATEMENT.
14.1 ESTABLISHMENT OF THE MANAGEMENT COMMITTEE

(1) A PARTICIPATING EMPLOYER may constitute and appoint a MANAGEMENT COMMITTEE for the purpose of fulfilling such functions on behalf of the PARTICIPATING EMPLOYER as are specified in the mandate given to the MANAGEMENT COMMITTEE by the PARTICIPATING EMPLOYER in respect of the SUB-FUND. The PARTICIPATING EMPLOYER shall provide the FUND with a copy of the mandate and forthwith notify the FUND of any amendments thereto. The MANAGEMENT BOARD may delegate any of its duties and powers to the MANAGEMENT COMMITTEE, in which event the MANAGEMENT COMMITTEE shall act as a sub-committee of the MANAGEMENT BOARD. Should the MANAGEMENT COMMITTEE in relation to the fulfilment of the mandate of the PARTICIPATING EMPLOYER and the powers delegated to it by the MANAGEMENT BOARD, find itself in a conflict of interest situation, it shall refrain from acting in the matter and refer the matter respectively to the PARTICIPATING EMPLOYER and the MANAGEMENT BOARD.

(2) Where the INVESTMENT POLICY STATEMENT requires the involvement of a MANAGEMENT COMMITTEE, the establishment of a MANAGEMENT COMMITTEE will be compulsory for such a SUB-FUND. The PARTICIPATING EMPLOYER will furthermore be obliged to appoint an INVESTMENT CONSULTANT to provide advice to the MANAGEMENT COMMITTEE.

Rule 14.1(2) was replaced in its entirety in terms of rule amendment no 7 registered 03 June 2015.

(3) In order to fulfill the functions delegated to the MANAGEMENT COMMITTEE by the PARTICIPATING EMPLOYER in the interest of the proper functioning of a SUB-FUND, the PARTICIPATING EMPLOYER may appoint one or more consultants or service providers to assist the MANAGEMENT COMMITTEE.

If, at the request of the PARTICIPATING EMPLOYER, the MANAGEMENT BOARD delegates any of its powers to the MANAGEMENT COMMITTEE, the PARTICIPATING EMPLOYER must ensure that the MANAGEMENT
COMMITTEE has access to the necessary expertise to competently exercise these powers, either by the MANAGEMENT COMMITTEE appointing suitably qualified persons to advise the MANAGEMENT COMMITTEE, or by obtaining the requisite advice to assist the MANAGEMENT COMMITTEE in exercising the powers so delegated in the proper fulfilment of its duties. The cost of such expertise may, provided it is permitted by the Income and Expense Policy referred to in MASTER RULE 3.6(8) and the PARTICIPATING EMPLOYER agrees, be paid from the SUB-FUND EXPENSE RESERVE ACCOUNT.

Rule 14.1(3) was added in terms of rule amendment 8 registered 15 July 2015

Existing Master Rules 14.1(3) to 14.1(10) and all reference thereto in the MASTER RULES are re-numbered to MASTER RULE 14.1(4) to 14.1(11)

(4) The composition of a MANAGEMENT COMMITTEE will be determined by the PARTICIPATING EMPLOYER and shall consist of at least 50% (fifty per cent) of members who represent MEMBERS of the SUB-FUND and shall be appointed in accordance with such process and criteria as the PARTICIPATING EMPLOYER shall determine. It is not a requirement that members of the MANAGEMENT COMMITTEE should be MEMBERS of the FUND. If a member of the MANAGEMENT COMMITTEE is unable to continue to serve on the committee, for any reason, the remaining members of the MANAGEMENT COMMITTEE may co-opt members to fill the vacancy in consultation with the PARTICIPATING EMPLOYER and such co-opted members will serve until a new member is appointed in accordance with the process determined by the PARTICIPATING EMPLOYER.

Rule 14.1(3) (now 14.1(4)) was replaced in its entirety in terms of rule amendment no 4 registered 28 July 2014.

(5) Notwithstanding anything to the contrary in this MASTER RULE 14, a group of associated PARTICIPATING EMPLOYERS may appoint a single MANAGEMENT COMMITTEE to fulfil functions on their behalf in relation to the respective SUB-FUNDS in which they participate. The basis of this will
be agreed by the PARTICIPATING EMPLOYERS concerned and advised to the FUND in writing. For the purposes of the MASTER RULES and the INVESTMENT POLICY STATEMENT, this joint MANAGEMENT COMMITTEE will operate as if it is a MANAGEMENT COMMITTEE appointed for each SUB-FUND specifically. For purposes of this SUB-RULE, PARTICIPATING EMPLOYERS will be regarded as associated to each other if they are members of a group of companies, namely a holding company and its subsidiaries and/or a company which is connected to such a group of companies in that one or more of the companies in the group hold at least 35% (thirty five per cent) of the issued shares in such company.

(6) The MANAGEMENT COMMITTEE may require the MANAGEMENT BOARD by notice in writing to call a SUB-FUND general meeting. Each MEMBER of that SUB-FUND and the PARTICIPATING EMPLOYER will be notified by the MANAGEMENT COMMITTEE of a SUB-FUND general meeting. A PARTICIPATING EMPLOYER has the right to be present at any general meeting of its SUB-FUND. The purpose of such meeting will be to consult the MEMBERS of the SUB-FUND on such matters as the MANAGEMENT COMMITTEE may determine and the SUB-FUND general meeting shall have no decision-making powers.

(7) The costs of a SUB-FUND general meeting will be for the account of that SUB-FUND. Other than the representative of the MANAGEMENT BOARD, who shall chair the meeting, only the PARTICIPATING EMPLOYER and MEMBERS of that SUB-FUND have a right to attend the general meeting of the SUB-FUND. If the MANAGEMENT COMMITTEE agrees, any other person may attend such a general meeting by invitation. A general meeting of a SUB-FUND must be chaired by the representative nominated by the MANAGEMENT BOARD.

(8) The MANAGEMENT COMMITTEE may resolve that further annual meetings be held on a basis as required from time to time.
(9) A MANAGEMENT COMMITTEE has the right to make representations to the MANAGEMENT BOARD on any matter affecting the SUB-FUND but has no decision-making powers except to the extent that the MANAGEMENT BOARD has delegated those powers to the MANAGEMENT COMMITTEE. The existence of a MANAGEMENT COMMITTEE does not detract from the authority in law of the MANAGEMENT BOARD to administer the SUB-FUND in terms of the RULES and the ACT.

(10) Notwithstanding any other provisions of this MASTER RULE, the MANAGEMENT BOARD may at any time revoke any responsibilities or decision-making powers delegated to the MANAGEMENT COMMITTEE.

(11) Prior to the appointment of a liquidator either in terms of MASTER RULE 11.1 or MASTER RULE 11.2 and prior to applying to the REGISTRAR to transfer the assets and liabilities of a SUB-FUND to any other APPROVED PENSION FUND, APPROVED PROVIDENT FUND, APPROVED PRESERVATION PENSION FUND, APPROVED PRESERVATION PROVIDENT FUND or APPROVED RETIREMENT ANNUITY FUND in terms of Section 14 of the ACT, where a group of associated PARTICIPATING EMPLOYERS has appointed a single MANAGEMENT COMMITTEE to fulfil functions in relation to the SUB-FUNDS in which they participate, the MANAGEMENT COMMITTEE, in consultation with the ACTUARY, must review the balances in every RESERVE ACCOUNT, PARTICIPATING EMPLOYER SURPLUS ACCOUNT and MEMBER SURPLUS ACCOUNT in the SUB-FUNDS in which those PARTICIPATING EMPLOYERS participate and:-

(a) determine if any portion of any such balance in the SUB-FUND to be liquidated or transferred should be transferred to any account of any other SUB-FUND in which the associated PARTICIPATING EMPLOYERS participate; and

(b) determine what proportion, if any, of those account balances in those SUB-FUNDS, other than the SUB-FUND to be liquidated or transferred, should be transferred to the corresponding account in the SUB-FUND to be liquidated or transferred.
The MANAGEMENT COMMITTEE must then effect the transfers identified.

In determining these amounts to be transferred between SUB-FUND accounts, the MANAGEMENT COMMITTEE must consider the purpose of the accounts, how the account balances were funded, and the application of such balances in the future.

Rule 14.1(10) (now Rule 14.1(11) was added in terms of rule amendment no 5 registered 05 November 2014

Existing Master Rules 14.1(3) to 14.1(10) and all reference thereto in the MASTER RULES are re-numbered to MASTER RULE 14.1(4) to 14.1(11)
RULE 15: GENERAL PROVISIONS

15.1 COMPLAINTS PROCEDURE UNDER THE ACT

A complaint relating to the administration of the FUND, the investment of the money of the FUND or the interpretation and application of the RULES must be addressed in accordance with Section 30 of the ACT.

15.2 NOTIFICATION AND INFORMATION

(1) Any notice or communication required or permitted to be given in terms of these RULES shall be valid and effective only if given in writing or electronically and if in the case of a notice or communication in respect of or from a MEMBER, the information required to identify the MEMBER and validate his membership is included in such notice or communication. Should any dispute arise as to whether due notice was given, the person who alleges that such notice was given shall bear the onus of proof.

(2) The FUND may PUBLISH any notification or information that it wishes to bring to the attention of the MEMBERS and/or PARTICIPATING EMPLOYERS by PUBLISHING such notification or information on the WEBSITE at least 20 (twenty) BUSINESS DAYS prior to the effective date of such notification. Such publication will be deemed to have come to the attention of the PARTICIPATING EMPLOYERS and MEMBERS within a period of 20 (twenty) BUSINESS DAYS after it was placed on the WEBSITE.

(3) Where the MEMBER or PARTICIPATING EMPLOYER provides any notification or communication to the FUND, such MEMBER or PARTICIPATING EMPLOYER shall bear the onus of proof that the notification or communication was received by the FUND.

(4) Any notice or communication sent directly to the address of the MEMBER, the address as provided by the PRESERVER MEMBER or by the PARTICIPATING EMPLOYER to the FUND (whether a postal address, an email address or cell phone number), will be deemed as having been received by the MEMBER and shall be regarded as due notice.

Rule 15.2(4) was replaced in its entirety in terms of rule amendment 6 registered 21 November 2014
(5) The FUND is entitled to rely on any information or communication received from a PARTICIPATING EMPLOYER in terms of MASTER RULE 15.6 in respect of a MEMBER in its service including, without limiting the generality of the foregoing –

(a) any decision or instruction by such a MEMBER or BENEFICIARY in respect of any matter;

(b) if such communication reflects any other right of election enjoyed at any time by such a MEMBER or BENEFICIARY; or

(c) information relating to the MEMBER, in particular his PENSIONABLE SALARY, RISK SALARY, category of membership, date of birth, date of entry, date of and reason for leaving service.

(6) The provisions of MASTER RULE 15.2(5) do not apply if the information or communication is conveyed directly to the FUND by the MEMBER or BENEFICIARY or if the MEMBER or BENEFICIARY notifies the FUND that MASTER RULE 15.2(5) is not to apply to him.

If the information provided by the MEMBER differs from that previously provided by the PARTICIPATING EMPLOYER, the MEMBER bears the onus of proof that such later information was received by the FUND.

(7) No MEMBER, BENEFICIARY or any person enjoying rights in succession to any MEMBER or BENEFICIARY has any claim against the FUND in respect of any loss which may arise as a result of the reliance by the FUND on any information or communication conveyed to it by a PARTICIPATING EMPLOYER or MEMBER.

15.3 MEMBERS’ RIGHT TO DOCUMENTS

(1) Subject to the payment of such fee as may be decided upon by the MANAGEMENT BOARD from time to time, the MANAGEMENT BOARD must deliver on request to a MEMBER a copy of the current RULES of the FUND and the SPECIAL RULES applicable to him and, if applicable, the most recent annual financial statements of the FUND already submitted to the REGISTRAR.

(2) Any MEMBER may inspect, without charge at the registered office of the FUND
or view on the WEBSITE (if available), any or all of the following:

(a) a copy of the RULES and the SPECIAL RULES applicable to him;
(b) the most recent annual financial statements prepared under the ACT (if any);
(c) any documentation relevant to an arrangement being carried out by the FUND under the ACT to bring the FUND into a financially sound condition as required by the REGISTRAR.

(3) A MEMBER may make extracts from the above documents. Any costs arising from the making of extracts must be paid by the MEMBER, unless the MANAGEMENT BOARD decides otherwise.

(4) A MEMBER is entitled to receive details of the benefits, contributions and INVESTMENT PORTFOLIO in which the MEMBER ACCOUNT is invested annually within 6 (six) months from the FINANCIAL YEAR END of the FUND or the annual review date of the SUB-FUND depending on the INVESTMENT PORTFOLIO applicable to the MEMBER. For the purposes of communicating benefits to MEMBERS, where reference is made to the MEMBER’S accumulated credit, such amount shall represent the estimated balance in the MEMBER ACCOUNT as at the effective date of the communication.

15.4 PARTICIPATING EMPLOYER’S OBLIGATIONS

(1) These RULES are not conditions of service. They do not govern the rights of employees of a PARTICIPATING EMPLOYER or the rights of a PARTICIPATING EMPLOYER in regard to the employment of employees. The PARTICIPATING EMPLOYER is required to communicate to his MEMBERS any changes to the conditions of service that require a change to the SPECIAL RULES and to submit such communication to the FUND in support of the application to the REGISTRAR to register the amendment to the SPECIAL RULES.

(2) A PARTICIPATING EMPLOYER shall comply with the following obligations:

(a) to capture and supply all data and information within the timelines required by the ADMINISTRATOR, RISK PROVIDERS and INVESTMENT PROVIDERS;
(b) to adhere to the requirements for contributions as set out in the ACT by authorising the monthly contributions and depositing the correct contributions timeously into the FUND’S BANK ACCOUNT and by submitting the correct membership data;

(c) to provide the FUND with such information as required by the FUND from time to time including in respect of contributions and RISK BENEFITS and to submit such documents as may be required by the ADMINISTRATOR;

(d) to ensure the accuracy of all data and information supplied to the ADMINISTRATOR or the RISK PROVIDER except for data and information supplied by the MEMBER, or, if applicable, the person entitled to the benefit, in which case the MEMBER or such person is liable;

(e) to be legally responsible for any errors in the payroll data and other information provided to the ADMINISTRATOR or the FUND, and that the FUND will not be legally responsible for any claim by a MEMBER, or the person entitled to the benefit, as a result of any mistakes in the data or other information;

(f) to use the electronic transaction systems and processes determined by the FUND from time to time for the payment of contributions;

(g) to inform the ADMINISTRATOR in writing of the persons who on its behalf have the right to

(i) access and amend the membership data, including the persons who are accountable to ensure that the membership data is correct, and

(ii) to authorise the withdrawal of contributions from the PARTICIPATING EMPLOYER’S bank account where required for the ADMINISTRATOR’S procedures;

(h) to control the access to and the use of the electronic transaction systems of the ADMINISTRATOR. The ADMINISTRATOR is not liable for any claims if such controls are not being properly applied;

(i) to adhere to the conditions of the RISK POLICY, including to ensure that MEMBERS are informed of -
(i) the evidence of health limits set by the RISK PROVIDER;

(ii) the RISK PROVIDER’S requirements when their RISK SALARIES exceed the evidence of health limit;

(iii) any restrictions placed on their RISK BENEFITS by the RISK PROVIDER or as a result of their failure to submit the required evidence of health to the RISK PROVIDER or to satisfy the RISK PROVIDER’S requirements;

(j) to provide the MANAGEMENT BOARD with all the details required from time to time and any changes thereto of the authorised person in terms of Section 13A of the ACT;

(k) to ensure that a person who becomes an ELIGIBLE EMPLOYEE after the PARTICIPATION DATE is enrolled as a MEMBER by giving written notice to the FUND as required under the ACT and in the manner prescribed by the FUND from time to time.

(l) where the PARTICIPATING EMPLOYER requires additional services, in relation to its or its MEMBERS’ participation in the SUB-FUND and as agreed to between the FUND and the PARTICIPATING EMPLOYER, that are not covered by that portion of the contribution relating to the cost of administering the SUB-FUND or if the PARTICIPATING EMPLOYER wishes to perform services that are included in the cost of administering the SUB-FUND, the PARTICIPATING EMPLOYER will be obliged to pay the cost of such services. If there is a PARTICIPATING EMPLOYER SURPLUS ACCOUNT or a SUB-FUND EXPENSE RESERVE ACCOUNT, the MANAGEMENT BOARD may be instructed to debit the applicable account in terms of MASTER RULE 10.2(2)(a)(i) or MASTER RULE 3.6(8) in respect of such cost.

Rule 15.4(2)(l) was added in terms of rule amendment no 7 registered 03 June 2015.

(3) The PARTICIPATING EMPLOYER may establish a MANAGEMENT COMMITTEE in terms of MASTER RULE 14. Such delegation will however not absolve the PARTICIPATING EMPLOYER from its duties and responsibilities in terms of these MASTER RULES;
If a PARTICIPATING EMPLOYER fails to meet its obligation to pay any required contribution timeously, the PARTICIPATING EMPLOYER shall in addition to meeting such obligation, be liable to pay such interest or penalties, or both, to the FUND in accordance with the ACT, which will be credited to the MEMBER ACCOUNT. If the FUND is unable to pay any premium for the RISK BENEFITS to the RISK PROVIDER as a result of the failure by the PARTICIPATING EMPLOYER to meet its obligations, the RISK BENEFIT cover will be terminated in accordance with the provisions of the RISK POLICY in which event the FUND will not be liable for the non-payment of any RISK BENEFITS.

Where correct membership data is not submitted within the timeline specified in the ACT, the contributions cannot be credited to the MEMBER ACCOUNT and therefore invested in the INVESTMENT PORTFOLIO. The FUND shall not be liable for any resultant losses suffered by any of the MEMBERS.

The PARTICIPATING EMPLOYER and the MEMBER, or the deceased MEMBER’S dependants or nominees concerned, must take all reasonable steps to get the EXIT NOTIFICATION, all documents, data and information as may be required by the ADMINISTRATOR to the pay the benefit. All of these requirements must be submitted to the ADMINISTRATOR within the timeframe specified in the RISK POLICY to enable the FUND to claim the RISK BENEFIT. In the event that the FUND is unable to claim the RISK BENEFIT within the stipulated timeframe and the claim is repudiated by the RISK PROVIDER, the FUND shall not be liable for the payment of the RISK BENEFIT.

The PARTICIPATING EMPLOYER must, to the satisfaction of the FUND, take all reasonable steps to trace BENEFICIARIES and inform the FUND of all such steps taken.

The PARTICIPATING EMPLOYER and the BENEFICIARY are jointly and severally obliged to provide the details of bank accounts to the FUND for the payment of benefits.

The PARTICIPATING EMPLOYER must within a reasonable period of receiving any communication from the FUND for MEMBERS distribute such communication to those MEMBERS who are in its employment. If the PARTICIPATING EMPLOYER appoints an intermediary as an agent to receive communication on its behalf, the PARTICIPATING EMPLOYER remains responsible to ensure that such agent sends the communication within a
reasonable period of receiving the communication from the FUND, to the PARTICIPATING EMPLOYER.

(10) The PARTICIPATING EMPLOYER must inform the MEMBERS of the INVESTMENT PORTFOLIOS available to them and ensure that the information and access to the information relating to the INVESTMENT PORTFOLIOS, and any changes thereto are made available to them.