

REVISED RULES

OF THE

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

underwritten by

**LIBERTY GROUP LIMITED
REG. NO. 1957/002788/06**

and administered by

**LIBERTY CORPORATE
A division of Liberty Group Limited**

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LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND

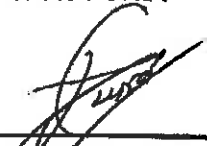
CERTIFICATE AND RESOLUTION

Extract from the minutes of a meeting of the BOARD OF TRUSTEES of the LIBERTY CORPORATE UNCLAIMED BENEFITS PENSION PRESERVATION FUND ("the FUND") held at Braamfontein on 22 October 2015.

RESOLVED THAT with effect from 01 November 2014:

- The RULES of 2009 of the FUND be replaced in their entirety with these Revised Rules of 2014.
- The Revised Rules be updated to be in line with the updated provisions of the ACT insofar as they relate to the FUND, which include the following:
 - updating certain definitions in line with the provisions of legislation;
 - updating provisions relating to the management of the FUND;
 - empowering the FUND to pay benefits to third parties under appropriate circumstances.

Certified that the above resolution has been adopted in accordance with the provisions of the RULES of the FUND.



CHAIRPERSON OF
THE BOARD OF TRUSTEES

22/10/2015

DATE



MEMBER OF
THE BOARD OF TRUSTEES

22/10/2015


DATE



PRINCIPAL OFFICER

22/10/2015

DATE

REGISTERED BY ME ON THIS THE
<u>21st</u>
DAY OF <u>January 2016</u>
 <u>S. J.</u>
Registrar Of Pension Funds

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

TABLE OF CONTENTS

The RULES are divided into the following Sections

	PAGES
SECTION 1: ESTABLISHMENT OF THE FUND	1
SECTION 2: DEFINITIONS	2 - 8
SECTION 3: MANAGEMENT AND ADMINISTRATION OF THE FUND	9 - 19
SECTION 4: MEMBERSHIP	20 - 22
SECTION 5: CONTRIBUTIONS AND RESERVE ACCOUNT	23 - 24
SECTION 6: BENEFITS	25 - 30
SECTION 7: DISCONTINUANCE OF THE FUND	31 - 32
SECTION 8: MISCELLANEOUS PROVISIONS	33 - 36

SECTION 1: ESTABLISHMENT OF THE FUND

1.1 CONSTITUTION

A FUND known as the LIBERTY CORPORATE UNCLAIMED BENEFITS PENSION PRESERVATION FUND was established on 1 January 2009.

With effect from 1 November 2014, the RULES and the registered amendments to the RULES (if any) have been revised in order to, amongst others; bring them in line with legislative developments.

These revised RULES shall, on registration, govern the FUND from that date.

1.2 OBJECTIVE OF THE FUND

The FUND is a permanent fund, established for the sole purpose of receiving the UNCLAIMED BENEFITS of MEMBERS that have ceased to be members of a TRANSFERRING FUND.

1.3 LEGAL STATUS

Upon registration in terms of the ACT, the FUND became a separate legal entity from its COMMENCEMENT DATE, distinct from its MEMBERS and capable in law and in its own name of suing or being sued.

1.4 REGISTERED OFFICE AND ADDRESS

The registered office and address of the FUND is the Head Office of LIBERTY at No. 1 Ameshoff Street, Braamfontein, Johannesburg, 2001.

SECTION 2 - DEFINITIONS

In these RULES, all terms and expressions signifying the singular shall include the plural, all expressions implying the masculine gender shall include the feminine and the following terms and expressions shall have the following meanings:

- "ACT"** means the Pension Funds Act, No. 24 of 1956, as amended from time to time, or any replacement thereof.
- "ADJUDICATOR"** means the Pension Funds Adjudicator appointed in terms of Section 30C of the ACT.
- "ADMINISTRATOR"** means the long-term insurer approved as an administrator in terms of Section 13B of the ACT and appointed as administering insurer to the FUND and which shall receive and invest all or part of the TRANSFER BENEFITS paid by or on behalf of the MEMBERS in terms of the POLICY issued to the FUND, in accordance with the provisions of the ACT.
- "ANNUITY"** means an ANNUITY purchased in terms of these RULES.
- "BENEFIT"** means an ANNUITY or any amount of money payable to a MEMBER in terms of these RULES.
- "BENEFICIARY"** means a DEPENDANT or a designated nominee who is entitled to a benefit from the FUND in term of these RULES.
- "BOARD OF TRUSTEES"** means the body of persons as established in terms of these RULES to direct, control and oversee the business of the FUND in accordance with legislation and these RULES.
- "COMMENCEMENT DATE"** means 1 January 2009; being the date that the FUND commenced.
- "COMMISSIONER"** means the Commissioner for the South African Revenue Service.

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

"DEFAULT PORTFOLIO" means the PORTFOLIO or PORTFOLIOS in which TRANSFER BENEFITS, in the proportions determined by the BOARD OF TRUSTEES, will be invested where no other specific PORTFOLIO is required in terms of the acceptance of a TRANSFER BENEFIT, where such specific PORTFOLIO is made available to the FUND.

"DEPENDANT" in relation to a MEMBER, means the person or persons defined as DEPENDANT in terms of the provisions of the ACT.

"ENTRY DATE" means the date on which a MEMBER is admitted to the MEMBERSHIP of the FUND.

"FINANCIAL YEAR" means the period of 12 months ending on 31 December of each calendar year.

"FUND" means this FUND, the Liberty Corporate Unclaimed Benefits Pension Preservation Fund.

**"FUND EXPENSE
CONTINGENCY
RESERVE ACCOUNT"** means an account established in terms of Rule 5.2 of the RULES.

"FUND RETURN" means, in relation to the assets of the FUND, to the extent that those assets consist of long-term policies which are "Fund Member Policies" as defined in Part 5 of the Regulations under the Long-term Insurance Act, No. 52 of 1998, the "growth rate" as defined in those Regulations, applicable to those policies, as determined in accordance with those Regulations.

Provided that the BOARD OF TRUSTEES may use a reasonable approximation, made in such manner as may be prescribed, to allocate a FUND RETURN if there are sound administrative reasons why an exact allocation cannot be effected.

"INCOME TAX ACT" means the Income Tax Act, No. 58 of 1962, as amended from time to time.

**"INDEPENDENT
BOARD MEMBER"**

means a member of the BOARD OF TRUSTEES of the FUND who is not an employee or has not been an employee for at least the last three years, of

- the SPONSOR; or
- the ADMINISTRATOR.

"INSURER"

means the insurer registered in terms of the Long-term Insurance Act, No. 52 of 1998, or any amendment thereto, together with any Regulations promulgated in terms of the Act; which has been selected by the BOARD OF TRUSTEES to underwrite the FUND'S liability to provide BENEFITS payable in terms of these RULES by issuing a POLICY to the FUND.

**"INVESTMENT
EXPENSES"**

means the expenses incurred in respect of the various investments made by the FUND and, where appropriate, will include any taxation or statutory charge levied against the FUND, which are attributable to the MEMBER'S MEMBERSHIP.

"LIBERTY"

means Liberty Group Limited.

"MEMBER"

means a person who has been admitted to MEMBERSHIP of the FUND and who was previously:

- (a) a member or former member, of the TRANSFERRING FUND, in respect of whom a benefit was due and payable by that TRANSFERRING FUND but which has not been paid to such member or former member and in terms of the rules of that TRANSFERRING FUND is considered an unclaimed benefit as defined in the ACT, which may be transferred to the FUND;

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

- (b) a beneficiary of a member or former member of the TRANSFERRING FUND in respect of whom a benefit in the form of a lump sum benefit or in the form of a pension or ANNUITY was due and payable by that TRANSFERRING FUND but which has not been paid to such beneficiary and in terms of the rules of that TRANSFERRING FUND is considered an unclaimed benefit as defined in the ACT, which may be transferred to the FUND;
- (c) the NON-MEMBER SPOUSE of a member or former member of a TRANSFERRING FUND who was awarded an amount in terms of a court order contemplated in section 7(8) of the Divorce Act No. 70 of 1979, in their own name from such TRANSFERRING FUND, but which has not been paid to such NON-MEMBER SPOUSE in terms of the rules of that TRANSFERRING FUND, and which is considered an UNCLAIMED BENEFIT as defined in the ACT and which may be transferred to the FUND;
- (d) a member or former member of a TRANSFERRING FUND whose membership of that fund has terminated as a result of the winding up of that fund, if the liquidator elects or is required in terms of the rules of the TRANSFERRING FUND to transfer a TRANSFER BENEFIT to the FUND;

"MEMBERSHIP" shall have a corresponding meaning;

Provided that **"MEMBER"** or **"MEMBERSHIP"** does not include any person who has received all the benefits which may be due to that person from the FUND and whose **MEMBERSHIP** has thereafter been terminated in accordance with the **RULES** of the FUND.

**"NET TRANSFER
BENEFIT"**

means that part of the TRANSFER BENEFIT which is utilised to secure BENEFITS in terms of these RULES, after deduction of any charges as contemplated in Rule 3.10.

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

"NON-MEMBER SPOUSE" means the former spouse of a MEMBER of the FUND or the TRANSFERRING FUND from which a TRANSFER BENEFIT has been received.

"POLICY" means the policy of insurance effected by the FUND to provide benefits in respect of more than one MEMBER of the FUND.

"PORTFOLIO" means one or more of an INSURER'S Investment Portfolios made available to the FUND, which have been specifically selected by the BOARD OF TRUSTEES in terms of the FUND'S Investment Policy Statement, for the investment of NET TRANSFER BENEFITS.

"REGISTRAR" means the Registrar of Pension Funds as contemplated in the ACT.

"RETIREMENT AGE" means the age at which a MEMBER would have become unconditionally entitled to receive a retirement benefit under the TRANSFERRING FUND.

"RETIREMENT DATE" means the first day of the month coincident with or following attainment of the RETIREMENT AGE.

"RULES" means these RULES as registered in terms of the ACT and any registered amendments.

"SHARE OF THE FUND" means in respect of a MEMBER at any time will be:

(a) the TRANSFER BENEFIT, being:

- the original benefit due in respect of the MEMBER in terms of the rules of the TRANSFERRING FUND;

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

less:

- any taxation due on such benefit and paid by the TRANSFERRING FUND in accordance with the requirements of the COMMISSIONER at the time that the original benefit accrued;
- any expenses incurred by the TRANSFERRING FUND attributable to the MEMBER'S membership of such fund, including, but not limited to, any expenses incurred in attempting to trace the MEMBER;

plus:

- FUND RETURN payable from time to time by the TRANSFERRING FUND in terms of the rules of the TRANSFERRING FUND;

(b) less:

- the amount as determined by the BOARD OF TRUSTEES in respect of expenses incurred by the FUND attributable to a MEMBER'S MEMBERSHIP, including, but not limited to any expenses incurred in attempting to trace the MEMBER;
- any taxation due in respect of the MEMBER in accordance with the requirements of the COMMISSIONER from time to time;

adjusted by FUND RETURN earned on the assets attributable to the MEMBER to the date of calculation.

"SPONSOR"

means LIBERTY, who operates the FUND for the purpose of providing BENEFITS to, or in respect of MEMBERS of the FUND.

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

"TRANSFER BENEFIT" means any benefit transferred from a TRANSFERRING FUND to the FUND as an UNCLAIMED BENEFIT in relation to a MEMBER.

Unless otherwise reflected in these RULES, each TRANSFER BENEFIT shall be treated independently as if each TRANSFER BENEFIT were in respect of a separate MEMBERSHIP, notwithstanding the fact that they may be in respect of the same individual.

"TRANSFERRING FUND" means a retirement fund in which the MEMBER participated immediately prior to MEMBERSHIP of the FUND.

"UNCLAIMED BENEFIT" means an UNCLAIMED BENEFIT as defined in the ACT. For the sake of clarity, an UNCLAIMED BENEFIT includes a death benefit as envisaged in paragraph (aA) of the definition of UNCLAIMED BENEFIT in the ACT.

SECTION 3: MANAGEMENT AND ADMINISTRATION OF THE FUND

3.1 COMPOSITION OF THE BOARD OF TRUSTEES

3.1.1 The FUND shall be managed by a BOARD OF TRUSTEES, which shall perform the executive functions of the FUND, as provided for in these RULES and in terms of the ACT.

In performing their functions, the BOARD OF TRUSTEES are expected to:

- (a) act independently;
- (b) observe a fiduciary duty to MEMBERS and BENEFICIARIES in respect of accrued benefits or any amount accrued to provide a benefit, as well as a fiduciary duty to the FUND, to ensure that the FUND is financially sound and is responsibly managed and governed in accordance with these RULES and the ACT; and
- (c) comply with any other requirements as may be prescribed by the REGISTRAR from time to time.

3.1.2 The BOARD OF TRUSTEES will consist of four natural persons appointed by the SPONSOR.

3.1.3 Subject to Rule 3.1.6, the term of office of a member of the BOARD OF TRUSTEES will be three (3) years from the date of appointment to the BOARD OF TRUSTEES, provided that they may offer themselves for re-appointment at the end of such tenure.

3.1.4 A member of the BOARD OF TRUSTEES must attain such levels of skills and training as may be prescribed by the REGISTRAR and by the BOARD OF TRUSTEES from time to time, within six months from the date of his appointment or election.

3.1.5 A member of the BOARD OF TRUSTEES must retain the prescribed levels of skills and training referred to in Rule 3.1.4 above, throughout his term of office.

3.1.6 Any member of the BOARD OF TRUSTEES will immediately cease to hold office if they:

- (a) become insane, incompetent or otherwise incapable of acting; or**
- (b) are declared insolvent, for as long as they remain un-rehabilitated insolvents; or**
- (c) they are convicted in the Republic or elsewhere of theft, fraud, forgery or uttering of a forged document or perjury; or**
- (d) they are removed by a competent court from any office of trust on account of misconduct, or**
- (e) they are convicted of any offence and sentenced to imprisonment without the option of a fine, or**
- (f) they die, resign from the BOARD OF TRUSTEES, or their term of office expires and their re-appointment is not confirmed by the SPONSOR; or**
- (g) when they attain the age of 70; or**
- (h) subject to Rule 3.1.6(i) below, they fail to attend 2 consecutive meetings of the BOARD OF TRUSTEES, or any sub-committee to which they have been appointed by the BOARD OF TRUSTEES, without providing reasons which the BOARD OF TRUSTEES regards as acceptable; or**
- (i) they are dismissed from the BOARD OF TRUSTEES, who, after hearing representations on the matter from the members of the BOARD OF TRUSTEES, the SPONSOR or the REGISTRAR, decide by majority vote (where applicable) that such person is not a fit and proper person to occupy the position of a member of the BOARD OF TRUSTEES.**

3.1.7 Notwithstanding the provisions of Rule 3.1.6(i) above, a member of the BOARD OF TRUSTEES who is dismissed shall have the right, within 15 working days of such dismissal, to request that the matter leading to the dismissal be referred to mediation or arbitration as provided for in Rule 3.1.12 of these RULES.

3.1.8 A member of the BOARD OF TRUSTEES must:

- (a) within 21 days of removal as board member for reasons other than the expiration of that board member's term of appointment or voluntary resignation, submit a written report as may be prescribed in terms of Section 9B of the ACT, to the REGISTRAR detailing the board member's perceived reasons for the termination;**
- (b) on becoming aware of any material matter relating to the affairs of the FUND which, in the opinion of the board member, may seriously prejudice the financial viability of the FUND or its MEMBERS, inform the REGISTRAR thereof in writing.**

3.1.9 The composition of the BOARD OF TRUSTEES shall at all times comply with the requirements of these RULES and any vacancy on the board shall be filled within the period as may be prescribed by the BOARD OF TRUSTEES.

3.1.10 The BOARD OF TRUSTEES shall elect a Chairperson and/or a Vice Chairperson from amongst its ranks to chair its meetings. The tenure of the Chairperson and/or Vice Chairperson shall be for a period of 12 months and the Chairperson and/or Vice Chairperson may stand for re-election. If the Chairperson is absent from a meeting for any reason, the Vice Chairperson shall assume the responsibility of being the Chairperson for that meeting. If both the Chairperson and Vice Chairperson are absent from the meeting for any reason, the members present shall, if circumstances so permit, elect a Chairperson from their ranks to chair that meeting.

The Chairperson will not have a casting vote.

3.1.11 Should any member of the BOARD OF TRUSTEES be temporarily absent, then provided a quorum is present, the BOARD OF TRUSTEES may make decisions in their absence.

3.1.12 In order to constitute a quorum, the BOARD OF TRUSTEES shall be entitled to appoint another person as an alternate member of the BOARD OF TRUSTEES. The BOARD OF TRUSTEES have resolved to appoint the Principal Officer of the FUND as the alternate member of the board.

3.1.13 If the members of the BOARD OF TRUSTEES are unable to reach an amicable majority decision on any issue:

- (a) the matter shall be referred for resolution by mediation under the rules of the Arbitration Foundation of Southern Africa ("AFSA"), which mediation decision shall be binding.**
- (b) should the mediation fail, the matter under dispute must, within 15 working days of such failure, be referred for expedited arbitration in Sandton, Gauteng, under the rules of AFSA.**
- (c) the parties to the dispute shall, by agreement, appoint a single arbitrator to rule on the dispute.**
- (d) should the parties fail to agree on the arbitrator within 10 working days after referral, the matter under dispute will be heard by an arbitrator who will be appointed by the secretariat of the AFSA.**
- (e) the arbitrator's decision shall be final and binding.**
- (f) notwithstanding the above, the disputing parties may shorten or lengthen the periods referred to in respect of negotiation or mediation by written agreement.**

3.1.14 The contents of Rule 3.1.13 shall not preclude any party from access to an appropriate court of law or alternate dispute resolution body established by law or otherwise, for appropriate relief in any matter under dispute.

3.1.15 The contents of Rule 3.1.13 shall continue to be binding notwithstanding the fact that one or more of the parties to the dispute may have ceased to exist.

3.2. MEETINGS OF THE BOARD OF TRUSTEES

- 3.2.1** The BOARD OF TRUSTEES will meet as often as it believes is appropriate but it must meet at least four times in each FINANCIAL YEAR.
- 3.2.2** For a meeting to be properly constituted when it is scheduled to take place, all the members of the BOARD OF TRUSTEES must be present. If this quorum is not present, the meeting may be rescheduled.
- 3.2.3** The Chairperson may convene a special meeting of the BOARD OF TRUSTEES if the Chairperson believes it necessary. The Chairperson must convene a special meeting within 21 working days after being asked by at least one member of the BOARD OF TRUSTEES to do so.
- 3.2.4** The Principal Officer or Deputy Principal Officer of the FUND must give the members of the BOARD OF TRUSTEES at least 7 working days written notice of each meeting of the BOARD OF TRUSTEES. The notice must specify the time, date and place of the meeting and the general nature of the issues to be discussed at the meeting. Unless a majority of the members of the BOARD OF TRUSTEES agree that other matters may be discussed at the meeting, only those issues indicated in the notice may be discussed.
- 3.2.5** The person chairing the meeting is responsible for ensuring that it is conducted in an orderly fashion. The Chairperson may exclude from the meeting any member of the BOARD OF TRUSTEES or other person who deliberately ignores instructions from the Chairperson regarding the way that the meeting is to be conducted or who makes it difficult for the BOARD OF TRUSTEES to function in an orderly fashion.
- 3.2.6** The Chairperson of the meeting must ensure that minutes of each meeting are taken. Those minutes must be distributed in draft form to members of the BOARD OF TRUSTEES by no later than 10 working days before its next ordinary meeting.

3.3 DECISION-MAKING BY THE BOARD OF TRUSTEES

- 3.3.1** For any decision of the BOARD OF TRUSTEES to be valid, more than 50% of the members of the BOARD OF TRUSTEES must have voted in favour of the decision.
- 3.3.2** If the members of the BOARD OF TRUSTEES are unable to reach a decision on any material issue:
- (a) the issue must be reconsidered by the BOARD OF TRUSTEES at a meeting within 10 working days of the date on which deadlock was reached and 75% of the members of the BOARD OF TRUSTEES present at the meeting must vote in favour of the decision; or
 - (b) the issue must be referred to an expert chosen by the BOARD OF TRUSTEES, or, if its members could not agree on the expert, chosen by the head of the professional organisation of persons with the expertise required to decide the issue (for example, a lawyer, in the case of a legal issue, an actuary in the case of an actuarial issue, a chartered accountant in the case of an accounting issue) and the expert must decide the matter on behalf of the BOARD OF TRUSTEES.
- 3.3.3** A member of the BOARD OF TRUSTEES who has any direct or indirect personal financial interest, other than as a MEMBER of the FUND, in a decision to be taken by the BOARD OF TRUSTEES must disclose that interest before the decision is taken and must not vote on the matter.
- 3.3.4** A decision taken by the requisite members of the BOARD OF TRUSTEES other than at a formal meeting referred to in Rule 3.2, must be tabled for ratification at the next ordinary meeting of the BOARD OF TRUSTEES and included in the FUND'S minute book.
- 3.3.5** Proxy votes will be permitted in respect of members of the BOARD OF TRUSTEES who are temporarily absent provided that a written proxy in favour of any other member of the BOARD OF TRUSTEES has been submitted to the Principal Officer or Deputy Principal Officer as the case may be and tabled at the meeting.

3.4 CODE OF CONDUCT OF THE BOARD OF TRUSTEES

The BOARD OF TRUSTEES must adopt a Code of Conduct and may decide on a general policy to govern any aspect of the business of the FUND and must record that policy. The BOARD OF TRUSTEES must review its Code of Conduct, policies and practice notes from time to time and may change them when appropriate.

3.5 POWERS AND DUTIES OF THE BOARD OF TRUSTEES

3.5.1 The BOARD OF TRUSTEES must –

- (a) ascertain the relevant administering insurer's bank account, into which all TRANSFER BENEFITS must be paid, where the ADMINISTRATOR is an administering insurer as contemplated in the Regulations to the ACT;**
- (b) develop an investment policy statement ("the statement") for the FUND, taking into account the long-term interests of the FUND and its MEMBERS;**
- (c) ensure that the FUND'S investments are made in accordance with the strategy and in accordance with the statement and sound financial principles.**
- (d) conclude POLICIES with an INSURER underwriting the FUND'S liability to provide BENEFITS to MEMBERS in terms of these RULES.**
- (e) Neither the FUND nor the BOARD OF TRUSTEES provides any advice to MEMBERS with regard to the selection of PORTFOLIOS, including the DEFAULT PORTFOLIO.**

In particular, neither the FUND nor the BOARD OF TRUSTEES provide any advice or express any opinion with regard to the appropriateness of any request or instruction relating to the following, nor with regard to the effects of such request or instruction on the MEMBER'S MEMBERSHIP or benefit expectations;

- (i) a transfer as contemplated in Section 6 of these RULES, including the selection of the transferee UNCLAIMED BENEFIT fund or the investment or other features relating to MEMBERSHIP of such transferee fund;**

- (ii) a claim for retirement benefits on a date other than the RETIREMENT DATE;
- (iii) the selection of an ANNUITY and/or the INSURER from which such ANNUITY is to be purchased.

3.5.2 As a consequence of Rule 3.5.1 –

- (a) the BOARD OF TRUSTEES is entitled to assume that the MEMBER will have obtained any such advice, from whatever adviser they personally choose to consult, as they may require to make an informed decision regarding the matters referred to in Rule 3.5.1; and
- (b) accordingly, the MEMBER shall not hold the FUND, its BOARD OF TRUSTEES, ADMINISTRATOR or any other officer, official or service provider to the FUND (acting in that capacity) liable for any consequences resulting from such advice or from such informed decision.

3.5.3 The BOARD OF TRUSTEES will authorise at least two of its members to sign any agreement or document which is binding on the FUND or which authorises action on behalf of the FUND, provided that any document to be deposited with the REGISTRAR will be signed as prescribed in the ACT.

3.5.4 The BOARD OF TRUSTEES has the power, in the name of the FUND, to enter into contracts on behalf of the FUND and to institute, conduct, defend, compound or abandon any legal proceedings by or against the FUND and to formulate practice notes prescribing the manner in which claims will be lodged and dealt with by the FUND.

3.5.5 The BOARD OF TRUSTEES will have the power to do all such other acts or things as are, in its opinion, conducive to the attainment of the objectives of the FUND. This will include the power to delegate appropriate powers and responsibilities to suitable persons, including persons employed by the ADMINISTRATOR or INSURER, subject to Rule 3.6.

3.6 INDEMNIFICATION AND FIDELITY INSURANCE

3.6.1 The BOARD OF TRUSTEES will ensure that the FUND is appropriately insured against any loss, which results from the error or omissions, negligence, recklessness, intentional unlawful acts or dishonesty of:

(a) a member of the BOARD OF TRUSTEES;

(b) the Principal Officer or any other official of the FUND.

3.6.2. The BOARD OF TRUSTEES will request confirmation that any party to which it delegates any of its duties, such as, but not limited to, an ADMINISTRATOR, has also effected appropriate insurance against any loss resulting from the negligence, dishonesty or fraud of that party, its officials or employees.

3.7 APPOINTMENT OF PRINCIPAL OFFICER; DEPUTY PRINCIPAL OFFICER AND OTHER APPOINTMENTS

3.7.1 The BOARD OF TRUSTEES shall appoint a Principal Officer and/or a Deputy Principal Officer who meets the fit and proper requirements contained in the ACT and which appointment is subject to approval by the REGISTRAR in terms of the ACT. The BOARD OF TRUSTEES shall inform the REGISTRAR of the name and address of the Principal Officer and/or a Deputy Principal Officer from time to time.

3.7.2 If the REGISTRAR objects to the appointment of the Principal Officer and/or a Deputy Principal Officer in terms of the ACT, the BOARD OF TRUSTEES must terminate the appointment within 30 days of the REGISTRAR informing the BOARD OF TRUSTEES in terms of the ACT.

3.7.3 If the Principal Officer and/or a Deputy Principal Officer is absent from the Republic of South Africa for a period exceeding 30 days or is otherwise unable to perform his duties, the BOARD OF TRUSTEES shall appoint another person or the Deputy Principal Officer (if the Principal Officer has not with the prior agreement of the BOARD OF TRUSTEES, already delegated the latter to perform the functions that are envisaged to be performed in his absence) to act as Principal Officer during the period of his absence or disability and shall advise the REGISTRAR accordingly.

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

3.7.4 If deemed necessary, the BOARD OF TRUSTEES may appoint any other staff including a monitoring person, subject to such terms and conditions as it may determine. At its sole discretion, the BOARD OF TRUSTEES may subsequently change any such appointment.

3.7.5 The BOARD OF TRUSTEES may delegate any of their powers to a sub-committee or any other entity or person, subject to such terms and conditions as they shall decide and record. All decisions made by such sub-committee, entity or person shall be ratified by the BOARD OF TRUSTEES.

3.8 REMUNERATION

3.8.1 The members of the BOARD OF TRUSTEES and the FUND'S Principal Officer or Deputy Principal Officer may receive re-imbusement for expenses actually incurred on behalf of the FUND in the performance of their duties on a basis agreed between the BOARD OF TRUSTEES and the SPONSOR.

3.8.2 An INDEPENDENT BOARD MEMBER, or the Principal Officer or Deputy Principal Officer where they are an employee of the FUND may be remunerated for their services on a basis agreed annually between the SPONSOR and the BOARD OF TRUSTEES.

3.8.3 Where re-imbusement or remuneration, as contemplated in Rules 3.8.1 and 3.8.2 is agreed, the amount shall be payable from the FUND EXPENSE CONTINGENCY ACCOUNT as contemplated in Clause 3.10 below.

3.9 AMENDMENTS TO THE RULES

3.9.1 The BOARD OF TRUSTEES with the agreement of the SPONSOR, and subject to the approval of the REGISTRAR may amend the RULES, provided that no such amendments will detrimentally affect BENEFITS attributable to TRANSFER BENEFITS received prior to the date of such amendment. The Principal Officer and/or a Deputy Principal Officer must furnish a copy of each such amendment to the REGISTRAR and to the COMMISSIONER.

3.9.2 No change to these RULES will change the liability of the ADMINISTRATOR or INSURER without its consent.

3.9.3 Despite the restrictions contained in Rules 3.9.1 and 3.9.2, if the REGISTRAR or COMMISSIONER requires any amendment as a condition for the continued registration of the FUND or approval of the FUND as a pension preservation fund for income tax purposes, that amendment will be made with effect from the date advised by the REGISTRAR or COMMISSIONER.

3.10 EXPENSES

Except where otherwise provided, all expenses in connection with or incidental to the management or administration of the FUND and the FUND'S assets; any reimbursement of actual expenses incurred by the BOARD OF TRUSTEES in the execution of their duties; will be borne by the FUND and recouped from the MEMBERS in the form of charges levied in accordance with the procedure stated in the definitions of FUND EXPENSE CONTINGENCY ACCOUNT and SHARE OF THE FUND.

3.11 RIGHT TO OBTAIN INFORMATION

Every MEMBER is entitled, on reasonable demand, to inspect and at their own expense to make copies of these RULES and such other documents, as the ACT requires to be made available to MEMBERS. These copies may be obtained in an electronic or other suitable format, from the registered office of the FUND.

3.12 KEEPING OF RECORDS

The BOARD OF TRUSTEES must ensure that the ADMINISTRATOR keeps complete records of all the necessary particulars of MEMBERS and any other persons entitled to benefits and of all other matters essential to the efficient administration of the FUND.

3.13 SAFE CUSTODY OF DOCUMENTS

3.13.1 All documents belonging to or held by the FUND will be stored electronically at the registered office of the FUND.

3.13.2 The ADMINISTRATOR shall implement processes that are envisaged by legislation dealing with the protection of personal information relating to the FUND and its MEMBERS, and the ADMINISTRATOR shall on reasonable request by the BOARD OF TRUSTEES, exhibit proof of these processes.

SECTION 4: MEMBERSHIP

4.1 ELIGIBILITY

A MEMBER who was a member, a former member, a beneficiary of a member or former member, or a NON-MEMBER SPOUSE of a member of the TRANSFERRING FUND, and who was entitled to a TRANSFER BENEFIT under the TRANSFERRING FUND shall be eligible for MEMBERSHIP of the FUND.

4.2 MEMBERSHIP

4.2.1 MEMBERSHIP is effective from the date that a TRANSFER BENEFIT is received by the FUND in respect of such MEMBER.

4.2.2 MEMBERSHIP will cease, and the FUND will have no further liability in respect of such MEMBER once all BENEFITS in respect of such MEMBER have been paid or transferred for the benefit of the MEMBER.

4.3 ADMISSION TO MEMBERSHIP

4.3.1 Transfer of MEMBERS into the FUND must be made in a manner prescribed from time to time by the BOARD OF TRUSTEES and the ADMINISTRATOR.

4.3.2 The ADMINISTRATOR will consider any transfer of MEMBERS of the FUND, and if the transfer form, which is prepared by the TRANSFERRING FUND, is in accordance with the provisions of these RULES, the requirements of the ACT and the INCOME TAX ACT, the ADMINISTRATOR, may, on behalf of BOARD OF TRUSTEES, admit the MEMBERS to the FUND.

4.3.3 The FUND is not obliged to accept a TRANSFER BENEFIT from the TRANSFERRING FUND; provided that the FUND or ADMINISTRATOR shall be specifically entitled to refuse to accept a TRANSFER BENEFIT which is the subject of a dispute in the TRANSFERRING FUND.

4.3.4 The TRANSFERRING FUND must provide as much of the following information as it has in its possession with regard to the MEMBER and the TRANSFER BENEFIT:

- (a) The registered name of the TRANSFERRING FUND, its registration and approval numbers and the contact details of the person responsible for the transfer of the TRANSFER BENEFIT;**
- (b) Where the person responsible for the transfer is the liquidator of the TRANSFERRING FUND, the liquidator's express approval for the transfer of the TRANSFER BENEFIT must be provided;**
- (c) The registered name of the participating employer in the TRANSFEROR FUND in respect of the MEMBER and its last known address and contact details;**
- (d) The full first name(s) and surname of the MEMBER, the MEMBER'S National Identity Number, date of birth, and last known address and contact details;**
- (e) Where the MEMBER was previously a member of the TRANSFEROR FUND, the MEMBER'S employee reference number, PAYE tax number and retirement age in terms of the rules of the TRANSFERRING FUND;**
- (f) In respect of each TRANSFER BENEFIT:**
 - (i) the type of benefit that is being transferred (i.e. whether the benefit was attributable to the MEMBER'S withdrawal, retrenchment, redundancy, retirement, beneficiary's right to a lump sum benefit or a pension or ANNUITY after retirement, right to a surplus distribution, a NON-MEMBER SPOUSE'S right to a portion of a member's pension interest on divorce);**
 - (ii) the date on which the benefit originally became due or payable;**
 - (iii) the gross value of the benefit at the date of accrual in the TRANSFERRING FUND;**

- (iv) the current value of the benefit at the date of transfer;
- (v) a reconciliation of the gross value of the benefit to the amount transferred including details of any deductions made;
- (vi) where any tax has been deducted and paid on the gross value of the benefit that accrued in the TRANSFERRING FUND, the TRANSFERRING FUND must provide the FUND with the details of such tax deduction and the IRP5 Certificate issued in respect of such tax deduction.

4.4 MEMBER AND BENEFICIARIES BOUND BY STATEMENTS MADE

A MEMBER and every person claiming any BENEFITS arising out of that MEMBER'S MEMBERSHIP of the FUND is bound by:

- 4.4.1 the provisions of these RULES;
- 4.4.2 any warranties, undertakings, agreements, statements, whether given or made in writing or otherwise, by the MEMBER or any person purporting to act on behalf of the MEMBER;
- 4.4.3 any other documents or instructions submitted by the MEMBER, or person purporting to act on behalf of the MEMBER for the purposes of, or in connection with, the MEMBER'S MEMBERSHIP or the payment of BENEFITS.

SECTION 5: CONTRIBUTIONS AND RESERVE ACCOUNT

5.1 CONTRIBUTIONS

5.1.1 Only TRANSFER BENEFITS may be paid into the FUND.

5.1.2 Subject to such conditions as may be contained in the ACT or the INCOME TAX ACT, a TRANSFERRING FUND may only transfer the full TRANSFER BENEFIT to which the MEMBER may have become entitled, less any lawful deductions which may be permitted in terms of the ACT or the INCOME TAX ACT to the FUND.

5.1.3 The BOARD OF TRUSTEES shall from time to time determine the minimum amount acceptable by the FUND as a TRANSFER BENEFIT.

5.2 EXPENSE CONTINGENCY RESERVE ACCOUNT

An EXPENSE CONTINGENCY RESERVE ACCOUNT will be established;

- (a) To which will be credited such amounts or percentage of a MEMBER'S accumulated SHARE OF THE FUND as the BOARD OF TRUSTEES shall decide; and
- (b) Against which will be debited the expenses incurred by the FUND, which are not directly attributable to the administration of the FUND by the ADMINISTRATOR and included in the base administration fee, or attributable to the management of the investments of the assets of the FUND.

The expenses resulting from the management of the FUND shall include, but not be limited to the following:

- (i) Expenses incurred in respect of Rule 3.10;
- (ii) Tracing expenses;
- (iii) Trustee training;
- (iv) Fidelity insurance premiums;
- (v) Audit fees and accounting expenses;
- (vi) Legal costs;

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

- (vii) Statutory fees or levies;
- (viii) Professional advice fees incurred by the FUND;
- (xi) Expenses incurred in respect of communication to MEMBERS as determined and agreed upon by the BOARD OF TRUSTEES;
- (x) Valuation fees.

Provided that; the value of the account shall at no time exceed 0.05% of the total value of the assets of the FUND, and in the event that the FUND is discontinued in its entirety as provided for in SECTION 7 of the RULES, the value of the account will be distributed to all MEMBERS affected by such discontinuance in proportion to each affected MEMBER'S SHARE OF THE FUND at the date of discontinuance, prior to transfer or liquidation as the case may be.

SECTION 6: BENEFITS

6.1 TRACING OF MEMBERS AND PAYMENT OF BENEFITS

- 6.1.1 The BOARD OF TRUSTEES in conjunction with the ADMINISTRATOR, will establish and implement policies and processes for the tracing and verification of MEMBERS for the purposes of paying BENEFITS.
- 6.1.2 The BOARD OF TRUSTEES will take all reasonable steps with regard to the charges associated with such policies and processes so as to reasonably ensure that such charges do not exceed the value of a MEMBER'S BENEFIT.
- 6.1.3 Where charges are incurred in tracing or verifying a MEMBER, or in establishing the authenticity of a person to receive BENEFITS, in the event of the death of a MEMBER prior to tracing and verifying the MEMBER, such charges shall be deducted from the MEMBER'S BENEFIT prior to the payment of a BENEFIT.
- 6.1.4 All net BENEFITS payable by the FUND will be paid by means of an electronic fund transfer (EFT) into the bank account of the MEMBER, or the UNCLAIMED BENEFIT fund nominated by such MEMBER where applicable, or any other approved retirement fund.
- 6.1.5 All BENEFITS will be subject to taxation in terms of the provisions of the INCOME TAX ACT as are applicable on the date of payment, but any taxation deducted by the TRANSFERRING FUND prior to transfer shall be taken into account when determining the taxation liability.
- 6.1.6 Once payment or transfer of a BENEFIT has been made, such that the FUND no longer holds any amount on behalf of a MEMBER, MEMBERSHIP of the FUND shall cease and the FUND shall have no further liability in respect of the MEMBER.

6.2 NOTIFICATION OF A CLAIM FOR BENEFITS

6.2.1 Subject to such requirements as the BOARD OF TRUSTEES may determine from time to time, a BENEFIT will become payable when:

(a) A MEMBER approaches the FUND to claim payment of a BENEFIT; or

(b) When a MEMBER or any other person becomes entitled to a BENEFIT, or

(c) A MEMBER is traced as provided for in Rule 6.1.

6.2.2 The MEMBER or person claiming the BENEFIT must provide the evidence and identification that the BOARD OF TRUSTEES requests in order to recognise a valid claim to BENEFITS and to determine how much must be paid to the person.

6.2.3 On the date of receipt of the written notification of a claim for BENEFITS, the ADMINISTRATOR will disinvest the relevant value of the MEMBER'S BENEFIT, from the PORTFOLIO in which it is invested at that date and cause the same value to be reinvested in a Money Market Unit Trust PORTFOLIO until the date of actual payment.

6.2.4 The FUND will not be liable for any claim for interest or damages resulting from any delay in payment of a BENEFIT occasioned by any delay:

(a) in receiving advice of the claim;

(b) in receiving evidence or identification required to recognise a valid claim; or

(c) due to the affairs and/or circumstances of the MEMBER being such that the FUND is unable to adequately identify the bank account into which payment must be made or to obtain any statutory discharge required in order to pay BENEFITS.

6.3 NATURE OF BENEFITS

6.3.1 Where the nature of the TRANSFER BENEFIT was:

- (a) a benefit payable to a member of the TRANSFERRING FUND as a result of that member's resignation, retrenchment or redundancy; or
- (b) a benefit that remained unclaimed following a liquidation and request for cancellation of registration in terms of Section 27 of the ACT;
- (c) a benefit payable to a BENEFICIARY in the TRANSFERRING FUND;

the MEMBER shall become entitled to a withdrawal benefit contemplated in Rule 6.4 or a retirement benefit contemplated in Rule 6.5 as the case may be.

6.3.2 Where the nature of the TRANSFER BENEFIT was a benefit payable to a member of the TRANSFERRING FUND as a result of the retirement of the member from that fund, the MEMBER shall become entitled to a retirement benefit contemplated in Rule 6.5.

6.3.3 Where the nature of the TRANSFER BENEFIT was an award payable to the NON-MEMBER SPOUSE of a member of the TRANSFERRING FUND, the MEMBER shall become entitled to a withdrawal benefit contemplated in Rule 6.4.

6.3.4 Where the nature of the TRANSFER BENEFIT was a pension or ANNUITY payable to a member, former member or beneficiary of the member or former member by the TRANSFERRING FUND, the MEMBER shall become entitled to an ANNUITY benefit contemplated in Rule 6.6.

6.3.5 Where the nature of the TRANSFER BENEFIT was a benefit payable to a former member as a result of a surplus apportionment scheme approved in respect of the TRANSFERRING FUND, the MEMBER shall become entitled to a surplus benefit contemplated in Rule 6.7.

6.3.6 Irrespective of the nature of the TRANSFER BENEFIT, if the MEMBER dies prior to the payment of any other BENEFIT by the FUND, a death benefit contemplated in Rule 6.8 shall become payable.

6.4 WITHDRAWAL BENEFITS

6.4.1 A MEMBER who:

- (a) is not obliged to, nor elects to retire in terms of RULE 6.5; or**
- (b) is entitled to a BENEFIT as a NON-MEMBER SPOUSE;**

shall, subject to such requirements imposed by the REGISTRAR in terms of the ACT or by the COMMISSIONER in terms of the INCOME TAX ACT, be entitled to a withdrawal benefit.

6.4.2 Such MEMBER may request payment of the withdrawal benefit:

- (a) as a cash lump sum; or**
- (b) as a transfer to another UNCLAIMED BENEFIT fund or any other approved retirement fund; or**
- (c) as a portion in cash and transfer the balance to a retirement annuity fund; or**
- (d) as a portion to a retirement annuity fund and the balance to a preservation fund.**

6.5 RETIREMENT BENEFITS

6.5.1 A MEMBER whose TRANSFER BENEFIT was transferred as a result of the MEMBER'S:

- (a) retirement from the TRANSFERRING FUND; or**
- (b) withdrawal from or liquidation under the TRANSFERRING FUND where such MEMBER has attained the RETIREMENT AGE when a request for payment of BENEFITS is made; or**

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

(c) withdrawal from or liquidation under the TRANSFERRING FUND and such MEMBER has attained age 55 when a request for payment of BENEFITS is made, and makes a specific election;

shall, subject to such requirements imposed by the REGISTRAR in terms of the ACT or by the COMMISSIONER in terms of the INCOME TAX ACT be entitled to a retirement benefit.

6.5.2 Such MEMBER shall be entitled to an ANNUITY purchased from an approved ANNUITY provider in the name of the MEMBER.

6.5.3 The MEMBER may, prior to the payment of the ANNUITY, elect to commute so much of the ANNUITY as is permitted in terms of the INCOME TAX ACT at the date of election.

6.5.4 Once the ANNUITY has been purchased in the name of the MEMBER, MEMBERSHIP of the FUND will cease, and the FUND will have no further liability towards the MEMBER or any person purporting to represent the MEMBER.

6.6 ANNUITY BENEFIT

6.6.1 Where a MEMBER'S or BENEFICIARY'S TRANSFER BENEFIT was transferred into the FUND as an ANNUITY which remained unpaid under the TRANSFERRING FUND, the FUND shall, subject to such requirements imposed by the REGISTRAR in terms of the ACT or the COMMISSIONER in terms of the INCOME TAX ACT be entitled to transfer the MEMBER'S or BENEFICIARY'S ANNUITY benefit to an INSURER, another UNCLAIMED BENEFIT fund or another service provider for purposes of paying the ANNUITY to the MEMBER or BENEFICIARY.

6.6.2 After the transfer of the ANNUITY, the FUND shall have no further liability on the MEMBER or BENEFICIARY, with the liability being taken over by the INSURER, the UNCLAIMED BENEFIT fund receiving the ANNUITY or the service provider.

6.7 SURPLUS BENEFIT

6.7.1 A MEMBER whose TRANSFER BENEFIT was transferred as a result of the award of a portion of a Surplus to a former member of the TRANSFERRING FUND under a Surplus Scheme contemplated in Section 15B of the ACT that has been approved by the Registrar, shall, subject to such requirements imposed by the REGISTRAR in terms of the ACT or the COMMISSIONER in terms of the INCOME TAX ACT be entitled to a surplus benefit.

6.7.2 Such MEMBER shall be entitled to payment of the BENEFIT:

- (a) as a cash lump sum; or
- (b) as a transfer to another UNCLAIMED BENEFIT fund or any other approved retirement fund; or
- (c) as a portion in cash and transfer the balance to a retirement annuity fund; or
- (d) as a portion to a retirement annuity fund and the balance to a preservation fund.

6.8 DEATH BENEFIT

Where a MEMBER dies prior to the payment of a BENEFIT, the BENEFIT will be paid into the estate of the MEMBER or if no inventory in respect of the MEMBER has been received by the Master of the High Court in terms of Section 9 of the Estates Act No. 66 of 1965, into the Guardian's Fund; or as may be decided by the BOARD OF TRUSTEES.

SECTION 7: DISCONTINUANCE OF THE FUND

- 7.1** Should the **BOARD OF TRUSTEES** at any time and with good reason believe that the continuation of the **FUND** is not in the **MEMBER'S** best interests, the **BOARD OF TRUSTEES** may, on giving not less than 90 days written notice to the **ADMINISTRATOR** and the **REGISTRAR**, which must include the reasons, decide that the **FUND** must discontinue.
- 7.2** On discontinuance, the **FUND** will not accept any further **TRANSFER BENEFITS** from any **TRANSFERRING FUND** on behalf of a **MEMBER**.
- 7.3** When the **BOARD OF TRUSTEES** decide that the **FUND** must be discontinued, they must decide whether the **MEMBERS' SHARES OF THE FUND** must be:
- 7.3.1** transferred to another **UNCLAIMED BENEFIT** fund established for the purpose of receiving and dealing with **UNCLAIMED BENEFITS**, to a **Guardian's Fund** or any other approved retirement fund; or
- 7.3.2** as a last resort, determine that the **FUND** must be liquidated in accordance with the provisions of the **ACT**.
- 7.4** If the **BOARD OF TRUSTEES** decides that the **FUND** must be liquidated, the **BOARD OF TRUSTEES** must appoint a liquidator.
- 7.5** The appointment of a liquidator will be subject to the approval of the **REGISTRAR**, and the liquidator shall perform the liquidation in terms of the **ACT**, these **RULES** and any directive of the **REGISTRAR**.
- 7.6** The liquidator shall, after deduction of all expenses incurred in the liquidation, apply the remaining assets of the **FUND** to provide benefits for **MEMBERS** on an equitable basis as recommended and agreed with the valuator appointed for the purpose.

**LIBERTY CORPORATE UNCLAIMED BENEFITS
PENSION PRESERVATION FUND**

- 7.7** Should the liquidator trace a MEMBER the amount attributable to that MEMBER shall be paid to that MEMBER as a lump sum, or used to purchase an ANNUITY in the name of the MEMBER, as is appropriate to the BENEFIT previously held for such a MEMBER.
- 7.8** Should the liquidator not be able to trace a MEMBER, the amount attributable to that MEMBER shall, at the liquidator's sole discretion, be transferred to another fund as described in Rule 7.3.1 above.
- 7.9** When all payments and/or transfers have been made by the FUND, the FUND shall have no further liabilities towards any person and the BOARD OF TRUSTEES or liquidator shall apply for the cancellation of the FUND'S registration and approval in terms of the ACT and the INCOME TAX ACT.

SECTION 8 – MISCELLANEOUS PROVISIONS

8.1 LIMITATION ON BENEFITS

8.1.1 The BENEFITS of the FUND are protected in accordance with the provisions of Sections 37A and 37B of the ACT.

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

8.2 MEMBERS ARE CONCURRENT CREDITORS

On the winding up of the FUND, the MEMBERS in terms of the RULES will be concurrent creditors of the FUND and their claims in their capacities as MEMBERS will not be met until the claims of secured and preferred creditors have been satisfied.

8.3 BINDING POWER OF RULES

The provisions of the RULES and any decision made under such RULES by the BOARD OF TRUSTEES will be binding on the MEMBERS, the FUND and its officials and any person who institutes a claim against the FUND.

8.4 MISSTATEMENT OF INFORMATION

If a MEMBERSHIP of the FUND or any BENEFIT offered by this FUND is based on any false or incomplete information that the TRANSFERRING FUND provided to the FUND or the ADMINISTRATOR, then, when the FUND or ADMINISTRATOR discovers that the information is false, it may revoke MEMBERSHIP or reduce or withdraw the BENEFIT to take account of the falsity of the information.

8.5 CURRENCY, PLACE OF PAYMENT AND LAW

All payments to or by the FUND will be made from the ADMINISTRATOR'S Head Office in the lawful currency of the Republic of South Africa. Any question of law arising under this FUND will be decided in accordance with the law of the Republic of South Africa.

8.6 INTERPRETATION OF THE RULES

Subject to Rule 8.7 and the ACT, the decision of the BOARD OF TRUSTEES as to the meaning of, or interpretation of these RULES or of any particular RULE or part thereof, will be final and binding on the MEMBERS, or former MEMBERS, heirs, legal representatives or assigns, provided always, that the decision is not inconsistent with the provisions of these RULES and provided further, that such a decision will not be construed as increasing the liability of the INSURER or ADMINISTRATOR.

8.7 DISPUTES

8.7.1 Any question posed by any person who is, or was, a MEMBER of the FUND, or any person purporting to represent that MEMBER, with regard to the administration of the FUND, will be decided by the BOARD OF TRUSTEES.

8.1.3 The relevant party must address the question in writing to the BOARD OF TRUSTEES stating the basis for the question.

8.1.4 The BOARD OF TRUSTEES must consider and decide the question and respond to the party, in writing, within 30 working days of receipt of the question.

8.1.5 In considering and deciding the question, the BOARD OF TRUSTEES will, if the circumstances allow, attempt to mediate a solution to the question to the satisfaction of the parties.

8.1.6 If the party is dissatisfied with the decision, or if no decision is made, or if the decision is not communicated to the party within 30 working days after the question was received, the party may lodge a complaint with the ADJUDICATOR.

8.8 COURT ORDERS AGAINST THE FUND

The FUND will comply with any order properly issued by a court and deal with such amount in accordance with the provisions of the ACT and the INCOME TAX ACT.

8.9 ACTUARIAL VALUATION OF THE FUND

8.9.1 If the FUND for any reason is not exempt from valuation, the BOARD OF TRUSTEES shall appoint a Valuator, who must be a fellow of an institute, faculty, society or chapter of actuaries, and who meets the fit and proper requirements contained in the ACT and which appointment is subject to approval by the REGISTRAR in terms of the ACT. The BOARD OF TRUSTEES may withdraw that appointment and appoint a new valuator.

8.9.2 If the REGISTRAR objects to the appointment of the Valuator in terms of the ACT, the MANAGEMENT COMMITTEE will terminate the appointment within 30 days of the REGISTRAR informing the MANAGEMENT COMMITTEE in terms of the ACT.

8.9.3 The Valuator must perform the functions and duties expected of a Valuator in terms of the ACT, unless these functions are not applicable to the FUND. The BOARD OF TRUSTEES must let the Valuator have all the information that the Valuator requires in order to fulfil his functions and duties. The Valuator must be allowed to see and make copies of all written documents that the FUND has and that are needed for this purpose.

8.9.4 The FUND must have its financial position investigated, and reported on by the Valuator as often as is required in terms of the ACT.

8.10 AUDITOR

- 8.10.1 Unless the FUND has been exempted by the REGISTRAR from the requirement that it be subject to regular audit, the BOARD OF TRUSTEES must appoint an Auditor who shall be registered as an Auditor in terms of the Audit Professions Act, be engaged in public practice, who meets the fit and proper requirements contained in the ACT and which appointment is subject to approval by the REGISTRAR in terms of the ACT.
- 8.10.2 If the REGISTRAR objects to the appointment of the Auditor in terms of the ACT, the MANAGEMENT COMMITTEE will terminate the appointment within 30 days of the REGISTRAR informing the MANAGEMENT COMMITTEE in terms of the ACT.
- 8.10.3 Within six months after the end of each FINANCIAL YEAR, the Auditor must prepare and submit to the BOARD OF TRUSTEES an audit report in respect of the FUND'S financial affairs in accordance with the provisions of the ACT.
- 8.10.4 The FUND must report its financial position annually to the Financial Services Board, in the format as is required in terms of the ACT.
