

FINANCIAL SERVICES BOARD



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THE PRINCIPAL OFFICER
UNIVERSITY OF CAPE TOWN RETIREMENT FUND
c/o SANLAM LIFE INSURANCE LTD
PO BOX 1
SANLAMHOF
7532

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CASE NUMBER: 424088

Dear Sir/Madam

PENSION FUNDS ACT, 24 OF 1956 & INCOME TAX ACT, 58 OF 1962: AMENDMENT 6 (Effective 01 October 2016) - UNIVERSITY OF CAPE TOWN RETIREMENT FUND

Your application of 26 September 2016 refers. I have enclosed a copy of the Amendment duly approved and registered in terms of section 12(4) of the Pension Funds Act.

The fund continues to be recognized as a Provident Fund in terms of the Income Tax Act.

Yours faithfully

for **REGISTRAR OF PENSION FUNDS**

Enclosure

AMENDMENT DOCUMENT NO. 6

UNIVERSITY OF CAPE TOWN RETIREMENT FUND

(called the FUND in this document)

Resolution

The Board of TRUSTEES of the FUND resolved at Rondebosch on 26 September 2016 to adopt the following amendments to the RULES of the FUND with effect from 1 October 2016:

1. The definition of "EMPLOYEE TRUSTEE" in RULE 1.5 is replaced by the following:

"EMPLOYEE ELECTED TRUSTEE: a MEMBER or PENSIONER elected by the other MEMBERS and PENSIONERS to serve as a TRUSTEE of the FUND in terms of RULE 12.1."

2. The definition of "EMPLOYER TRUSTEE" in RULE 1.5 is deleted and replaced by the following:

"NOMINATED TRUSTEE: a MEMBER or PENSIONER appointed by or with the consent of the PRINCIPAL EMPLOYER to serve on the Board of TRUSTEES in terms of RULE 12.1 as advised by the PRINCIPAL EMPLOYER to the FUND."

3. The following definition is added to RULE 1.5:

"TERM OF OFFICE: the period starting on the later of the date of registration of this amendment document, or 1 November 2016 up to 31 December 2019, and the subsequent periods of three years in respect of which MEMBERS and/or PENSIONERS are appointed or elected to serve on the Board of TRUSTEES."

4. RULE 12.1(1) is replaced by the following:

"12.1(1) The management, control and administration of the FUND shall vest in a Board of TRUSTEES consisting of 14 persons, who shall all be MEMBERS or PENSIONERS of the FUND, of whom 7 shall be EMPLOYEE ELECTED TRUSTEES and 7 shall be NOMINATED TRUSTEES.

It is specifically recorded that a TRUSTEE appointed or elected is not a representative of the appointing or electing body and must act in the best interests of the FUND and all its MEMBERS and PENSIONERS.

5. RULE 12.1(2) is replaced by the following:

"12.1(2) The TRUSTEES shall hold office until the end of the TERM OF OFFICE for which they were appointed or elected, as the case may be, and shall retire as TRUSTEES at the end of the TERM OF OFFICE, but may be re-appointed or re-elected for a further TERM OF OFFICE."

6. RULE 12.1(3)(a) is replaced by the following:

"(a) his/her TERM OF OFFICE expires or he/she ceases to be a MEMBER or PENSIONER;"

7. RULES 12.1(5) and 12.1(6) are replaced by the following:

"12.1(5) Any vacancy amongst the NOMINATED TRUSTEES arising by reason of the operation of RULE 12.1(3) or 12.1(4) shall be filled by the alternate NOMINATED TRUSTEE as advised by the PRINCIPAL EMPLOYER. On appointment of such alternate as a NOMINATED TRUSTEE, another alternate NOMINATED TRUSTEE may be appointed by or with the consent of the PRINCIPAL EMPLOYER.

12.1(6) Any vacancy amongst the EMPLOYEE ELECTED TRUSTEES arising by reason of the operation of RULE 12.1(3) and 12.1(4) shall be filled in accordance with the provisions of RULE 12.2(4). On appointment of such alternate as an EMPLOYEE ELECTED TRUSTEE, another alternate EMPLOYEE ELECTED TRUSTEE may be appointed from the remaining nominees as contemplated in RULE 12.2(4). If there is a vacancy amongst the EMPLOYEE ELECTED TRUSTEES arising by reason of the operation of RULE 12.1(3) or RULE 12.1(4) and there is no alternate EMPLOYEE ELECTED TRUSTEE left to fill the vacancy, then the BOARD must call a by-election in accordance with RULE 12.1A."

8. The following RULE is added immediately after RULE 12.1:

"12.1A ELECTION OF EMPLOYEE ELECTED TRUSTEES

12.1A(1) The Board of TRUSTEES shall arrange the elections and by-elections of EMPLOYEE ELECTED TRUSTEES when required in terms of the RULES.

12.1A(2) All elections and by-elections of EMPLOYEE ELECTED TRUSTEES shall be by secret ballot, in a manner deemed appropriate by the TRUSTEES and the PRINCIPAL EMPLOYER."

9. The heading of RULE 12.2 and RULE 12.2(1) are replaced by the following:

"12.2 ALTERNATES TO TRUSTEES

12.2(1) One or more persons may be appointed by or with the consent of the PRINCIPAL EMPLOYER to act as alternate in the place of any of the NOMINATED TRUSTEES in their absence or inability to act as TRUSTEES.

12.2(1A) An alternate for any of the EMPLOYEE ELECTED TRUSTEES shall be appointed in terms of RULE 12.2(4)."

10. RULE 12.2(4) is replaced by the following:

"12.2(4) The alternate elected to act in the place of an EMPLOYEE ELECTED TRUSTEE is the nominee who received the next highest number of votes in the last elections without being appointed to the BOARD who is willing and able to act as an alternate in the place of an EMPLOYEE ELECTED TRUSTEE."

11. The first paragraph of RULE 12.3(1) is replaced by the following:

"12.3(1) The TRUSTEES shall at their first meeting after the start of their TERM OF OFFICE elect one of their number to act as chairperson for that TERM OF OFFICE at all meetings and elect a further TRUSTEE as deputy-chairperson to act in the place of the chairperson in his/her absence. In the absence of both the chairperson and deputy-chairperson from any the meeting, the TRUSTEES present shall elect one of their number to act as chairperson for that meeting."

12. RULE 12.3(3) is replaced by the following:

"12.3(3) A quorum consisting of eight TRUSTEES is required for concluding business, of whom four must be EMPLOYEE ELECTED TRUSTEES and four must be NOMINATED TRUSTEES.

13. RULE 12.3(4)(b) is replaced by the following:

"(b) Strategic decisions will be adopted if agreed to by at least three-quarters of the NOMINATED TRUSTEES present and by at least three-quarters of the EMPLOYEE ELECTED TRUSTEES present. Strategic decisions are all decisions which are not routine decisions."

14. The following RULE is added at the end of RULE 12.5:

“12.5(4) The principal officer may be remunerated by the FUND on a basis agreed by the Board of TRUSTEES, provided that such remuneration shall be reasonable and relate to the services that the principal officer renders to the FUND.”

15. The following RULE is added at the end of RULE 12.5A:

“12.5A(4) The deputy principal officer may be remunerated by the FUND on a basis agreed by the Board of TRUSTEES, provided that such remuneration shall be reasonable and relate to the services that the deputy principal officer renders to the FUND.”

16. APPENDIX V: RULES FOR THE ELECTION OF EMPLOYEE TRUSTEES is deleted.

Reasons for amendments

Paragraphs 1 to 12 and 16: The Rules are amended to provide for the following:

- ◆ Increase the number of Trustees to 14 persons, of whom 50% will be Employee Elected Trustees.
- ◆ Provide that the Principal Employer is responsible for the appointment of trustees to make up the other 50% of the trustees on the Board (Nominated Trustees), but that the Principal Employer may allow, for this purpose, the appointment of one or more trustees by Employee representative bodies who qualify to make such appointments as per agreement with the Principal Employer. For this reason references to said bodies are removed from the Rules.
- ◆ Provide that all Trustees must be Members of the Fund.
- ◆ Provide for election of Employee Elected Trustees.
- ◆ Clarify that Trustees shall only hold office until the end of the Election Term.
- ◆ Remove the option for the Principal Employer to remove a Trustee.
- ◆ Set out how vacancies in the Board of Trustees will be filled.
- ◆ Update the quorum necessary to conclude business.
- ◆ Remove Appendix V from the rules as it has become incorrect due to the amendments to the Rules contained in this amendment document, and also it is unnecessary for the Rules to contain all these administrative provisions.

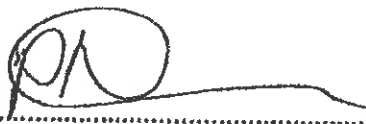
Paragraphs 14 and 15: The Rules are updated to clarify that the principal officer and deputy principal officer are remunerated by the Fund.


Certification

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

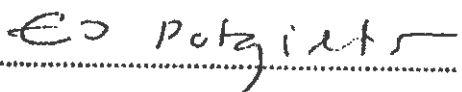

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Chairperson of TRUSTEES


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Member of TRUSTEES


.....
Principal Officer

REGISTERED BY ME ON THIS THE
14
DAY OF OCTOBER 2016

Registrar Of Pension Funds

Certified that the above rule amendments will not affect the financial soundness of the FUND.


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Valuator

12/10/2016
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Date