

# 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

**CASE NUMBER: 348160**

Dear Sir/Madam

**PENSION FUNDS ACT NO. 24 OF 1956 & INCOME TAX ACT, 58 OF 1962):  
AMENDMENT 3 (Effective 01 July 2013) - UNIVERSITY OF CAPE TOWN RETIREMENT FUND**

Your application of 11 December 2013 refers. I have enclosed a copy of the Amendment duly approved and registered in terms of section 12(4) of the Act.

The fund continues to be recognized as a Provident Fund in terms of the Income Tax Act no.58 of 1962.

Yours faithfully

A handwritten signature in black ink, appearing to be 'D. Bassa'.

**for REGISTRAR OF PENSION FUNDS**

Enclosure

**AMENDMENT DOCUMENT NO. 3**

**UNIVERSITY OF CAPE TOWN RETIREMENT FUND**

(called the FUND in this document)

Resolution

The BOARD OF TRUSTEES of the FUND resolved at ... Rondebosch ..... on  
..... 6 December 2013 ..... that the RULES of the FUND be amended as follows with  
effect from 1 July 2013 .....

1. The following definition is added to RULE 1.5:

“DEFERRED COMPENSATION POLICY: an EMPLOYER owned policy effected by the EMPLOYER for the benefit of a MEMBER in terms of the employment contract the EMPLOYER negotiated with such a MEMBER.”

2. The definition of “NEAR-CASH” in RULE 1.5 is replaced by the following:

“NEAR-CASH: PORTFOLIO A, or a money market portfolio kept by the FUND, or an interest-bearing account.”

3. RULE 2.2(1)(a)(iv) is replaced by the following:

“(iv) Any additional contributions made by the MEMBER or by the EMPLOYER in terms of RULE 8.5, including the surrender value of a DEFERRED COMPENSATION POLICY in terms of RULE 11.14(4);”

4. The following RULE is added to RULE 8.5:

“8.5(3) Notwithstanding any contrary provisions contained in these RULES, the EMPLOYER may make additional contributions to the FUND equal to the value of a DEFERRED COMPENSATION POLICY ceded to the FUND in terms of RULE 11.14 in respect of a particular MEMBER.”

5. The following RULE is added to Part 11:

**“11.14 DEFERRED COMPENSATION POLICIES CEDED TO THE FUND**

11.14(1) An EMPLOYER who owns a DEFERRED COMPENSATION POLICY and wishes to cede it to the FUND may enter into a cession agreement with the FUND in terms of which the FUND takes over all the rights and obligations of the EMPLOYER in terms of such DEFERRED COMPENSATION POLICY.

11.14(2) The DEFERRED COMPENSATION POLICY referred to in RULE 11.14(1) shall be deemed to form part of the assets of the FUND in terms of RULE 2.4(a) to be dealt with by the BOARD of TRUSTEES in order to attain the objects of the FUND.

11.14(3) The surrender value of such DEFERRED COMPENSATION POLICY shall be regarded as an additional EMPLOYER contribution paid to the FUND on behalf of the MEMBER in terms of RULE 8.5(3). The TRUSTEES shall cause such a DEFERRED COMPENSATION POLICY to be surrendered immediately after the FUND takes cession of it, and the surrender value received in respect of it shall form part of the ACCUMULATION ACCOUNT of the particular MEMBER concerned in terms of RULE 2.2(1)(a)(iv).”

6. RULE 12.4(a) is replaced by the following:

“(a) to receive, administer and apply the moneys of the FUND, which are deemed to include any DEFERRED COMPENSATION POLICY ceded to the FUND in terms of RULE 11.14 in respect of a particular MEMBER;”

Reasons for amendments

Paragraph 1 and 3 to 6: In terms of recent changes to tax legislation, Employer owned Deferred Compensation Policies effected for the benefit of certain Employees who are Members of the Fund can now be ceded to the Fund without raising tax for the relevant Employees at the time of the cession. The amendments contained in this document therefore allow the Fund to receive the value of said policies on behalf of the Members concerned and for the Trustees to deal with the value of such cessions to the benefit of the Members concerned.

Paragraph 2: To clarify that Portfolio A (the Fund's Income Fund portfolio) may be used where the Rules specify that monies must be invested in Near-Cash.

Certification

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

Hugh Amore  
.....  
Chairperson of TRUSTEES

12 December 2013  
.....  
Date

[Signature]  
.....  
Member of TRUSTEES

12 December 2013  
.....  
Date

Adrian  
.....  
Principal Officer

12 December 2013  
.....  
Date

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

[Signature]  
.....  
Valuator

10 December 2013  
.....  
Date

J01131/nh/updated 26 November 2013

REGISTERED BY ME ON THIS THE
03
DAY OF APRIL 2014
[Signature]
Registrar of Pension Funds