

FINANCIAL SERVICES BOARD

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DATE:	31 August 2012	E-MAIL:	khomotso.tefu@fsb.co.za

Ms. Peter-Ann Wright
Salt Employee Benefits
P.O Box 17135
Doornfontein
2028

Case Number: 310277

Dear Madam

CHANGE OF ADMINISTRATOR: RFLIFF UNCLAIMED BENEFIT PRESERVATION PROVIDENT FUND

With reference to your email dated 31 August 2012, we acknowledge the appointment of Salt Employee Benefits (Pty) Ltd as the Administrators of the above Fund with effect from the 27 of August 2012.

Our records have been updated accordingly.

Yours faithfully

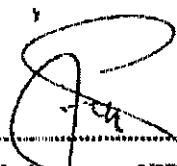
for REGISTRAR OF PENSION FUNDS

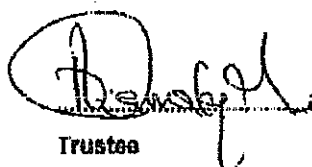
Board Members: Abel Sithole (Chairperson) H Wilton (Deputy Chairperson) Z Bassa JV Mogadime
Prof PJ Sutherland D Turpin H M H Ralshefola D Msomi M Mnyande (Alternate)
I Momoniat O Makhubela (Alternate) Executive Officer: DP Tshidi

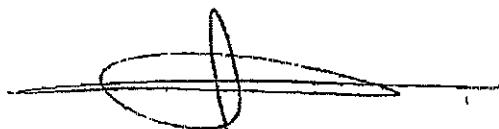
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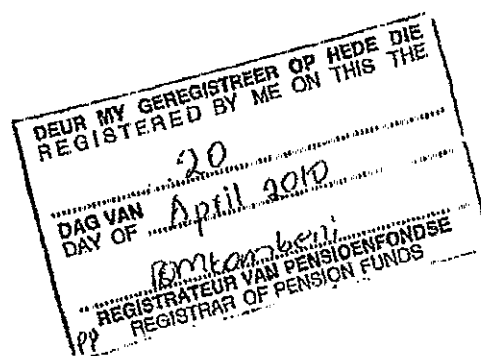
**RFLIPF UNCLAIMED
BENEFIT PRESERVATION PROVIDENT FUND**

Certified that these are the RULES of the RFLIPF Unclaimed Benefit Provident Fund
which shall become effective with effect from 1 January 2010


Chairperson of TRUSTEES


Trustee


PRINCIPAL OFFICER



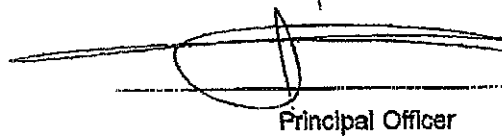
RULES OF THE RFLIPF UNCLAIMED BENEFIT PROVIDENT FUND

We confirm that these are the RULES of the
RFLIPF Unclaimed Benefit Provident Fund to be established
In terms of a resolution of the first board of trustees
dated 30 November 2009

Although these RULES will have been registered on a later date, they are effective from
1 January 2010



Trustee



Principal Officer

30/11/2009
Date

EXTRACT OF RESOLUTION OF DIRECTORS PASSED AT JOHANNESBURG ON

30/11/2009

IT WAS RESOLVED THAT a Fund to be known as the RFLIPF UNCLAIMED BENEFIT PROVIDENT FUND be established with effect from 1 January 2010 and that the TRUSTEES of the Fund be:

JOHANNES LEISWALO

STEVEN THABO MOTINGOA

MDUMISENI ENGELBERTH MABASO

ABNER TABODI RAMAKGOLU

CERTIFIED A TRUE EXTRACT OF THE ORIGINAL



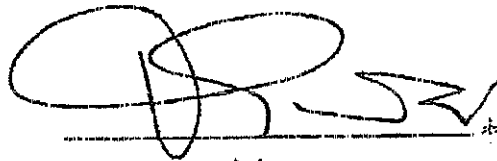
DIRECTOR / SECRETARY

30/11/2009

DATE

ACTUARY'S CERTIFICATE

In my capacity as actuary to the RFLIPF Unclaimed Benefit Provident Fund, I certify that these
RULES are financially sound.



Actuary

18/01/2010

Date

**EXTRACT FROM THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
TRUSTEES OF THE RFLIPF UNCLAIMED BENEFIT PROVIDENT FUND HELD AT
BRAAMFONTEIN ON 30 NOVEMBER 2009.**

RESOLVED THAT Acumen Actuaries and Consultants be appointed as Valuator and Actuary of the RFLIPF Unclaimed Benefit Provident Fund from 01 January 2010.

1. Acumen Actuaries and Consultants details are:

Block E, Equity Park

Brooklyn Road

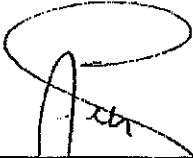
Brooklyn

0181

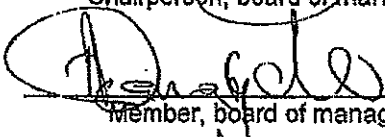
Tel 012 362 2322/3

Fax 012 362 7138

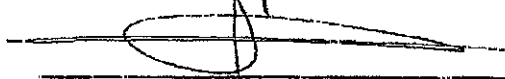
E-mail tapiwa@acumenactuaries.co.za



Chairperson, board of management



Member, board of management



Principal Officer

30/11/2009
Date

1. GENERAL

- 1.1. A fund to be known as the RFLIP Unclaimed Benefit Preservation Provident Fund shall be established as a PROVIDENT PRESERVATION FUND with effect from 1 October 2009 as a legal person distinct from its MEMBER'S and as the owner of its assets and competent in its own name to procure rights and to incur liabilities and to act as claimant and defendant in litigation
- 1.2. The registered office of the FUND shall be at 19 Ameshoff Street, 14th Floor Rennie's House, Braamfontein, Johannesburg, 2017.
- 1.3. The object of the FUND, in terms of these RULES, shall be to provide for the preservation of unclaimed benefits and to receive TRANSFER BENEFITS from TRANSFEROR FUNDS and pay FUND BENEFITS to MEMBERS.
- 1.4. If the registration of these RULES is later than 1 October 2009 the RULES shall nevertheless take effect from 1 October 2009.

2. DEFINITIONS

In these RULES words defined in the ACT and not in the RULES shall have the meanings assigned to them in the ACT and, unless inconsistent with the context, all words and expressions signifying the singular shall include the plural and vice versa and the following words and expressions shall have the following meanings:

- 2.1. "ACT" shall mean the Pension Funds Act, 24 of 1956.
- 2.2. "ACTUARY" shall mean the ACTUARY appointed in terms of these RULES.
- 2.3. "ADJUDICATOR" shall mean the Pension Funds Adjudicator appointed in terms of section 30C(1) of the ACT;
- 2.4. "ADMINISTRATOR" shall mean the person appointed in terms of these RULES by the TRUSTEES to administer the FUND.
- 2.5. "APPROVED PROVIDENT FUND" shall mean a provident fund approved as such by SARS and the REGISTRAR.
- 2.6. "AUDITOR" shall mean the AUDITOR appointed in terms of these RULES.
- 2.7. "BANK ACCOUNT" shall mean an account in the name of the FUND opened with a bank as defined in the Banks Act (Act 94 of 1990) or a mutual bank as defined in the Mutual Banks Act (Act 124 of 1993);
- 2.8. "BENEFICIARY" in relation to a TRANSFEROR FUND shall mean the member or former member of a TRANSFEROR FUND, his or her dependants or nominees to whom benefits and/or amounts became payable in terms of the rules of such TRANSFEROR FUND.
- 2.9. "CALCULATION DATE" shall mean the date on which the MEMBER'S benefit is calculated in accordance with these RULES.

2.10. "DEPENDANT", in relation to a MEMBER, means—

2.10.1. a person in respect of whom the MEMBER is legally liable for maintenance;

2.10.2. a person in respect of whom the MEMBER is not legally liable for maintenance, if such person—

2.10.2.1. was, in the opinion of the TRUSTEES, upon the death of the MEMBER in fact dependent on the MEMBER for maintenance;

2.10.2.2. is the SPOUSE of the MEMBER;

2.10.2.3. is a child of the MEMBER, including a posthumous child, an adopted child and a child born out of wedlock.

2.10.3. a person in respect of whom the MEMBER would have become legally liable for maintenance, had the MEMBER not died;

2.11. "EXPENSES" shall mean in relation to each MEMBER:

- (a) costs incurred in the administration of benefits;
- (b) the cost of actuarial valuations and audit fees, if applicable;
- (c) bank charges;
- (d) the cost of fidelity guarantee insurance;
- (e) legal fees;
- (f) remuneration which may be payable to the TRUSTEES and the PRINCIPAL OFFICER in terms of these RULES;

- (g) costs incurred as a consequence of the TRUSTEES tracing and/or verifying the existence of MEMBERS;
- (h) any costs incurred by the TRUSTEES in implementing the provisions of section 37C of the ACT; and
- (i) such other reasonable expenses as may be decided by the TRUSTEES from time to time.

2.12. "FUND" shall mean the RFLIP Unclaimed Benefit Preservation Provident Fund.

2.13. "FUND BENEFIT" shall mean the TRANSFER BENEFIT received by the FUND from a TRANSFEROR FUND in respect of a MEMBER less the EXPENSES and increased or decreased by the INVESTMENT RETURN until the CALCULATION DATE.

2.14. "FINANCIAL YEAR" shall mean any period commencing on 1 March of each year and ending on the last day of February the following year.

2.15. "INCOME TAX ACT" shall mean the Income Tax Act, 1962 (Act No. 58 of 1962).

2.16. "INDEPENDENT TRUSTEE" shall mean an independent person who is not employed by the FUND; or the ADMINISTRATOR and who complies with the requirements of an independent trustee as may be determined by the REGISTRAR from time to time.

2.17. "INVESTMENT PORTFOLIO" shall mean an investment portfolio managed by a REGISTERED INSURER and accepted by the TRUSTEES as one of the range of investment portfolios in which the FUND's assets may be invested, from time to time, including the BANK ACCOUNT.

2.18. "INVESTMENT RETURN" shall mean any income (received or accrued) and capital gains and losses (realised and unrealised) of the FUND, less an allowance for any tax and such expenses (paid or incurred) associated with the

acquisition, holding or disposal of the assets of the FUND as may be determined by the TRUSTEES, provided that :

- (a) such INVESTMENT RETURN may be positive or negative; and
- (b) the INVESTMENT RETURN shall be allocated on such equitable basis as the TRUSTEES in consultation with the ADMINISTRATOR and in accordance with the agreed practice of the FUND may determine from time to time.

2.19. "MEMBER" shall mean a BENEFICIARY in respect of whom UNCLAIMED BENEFITS have been transferred to the FUND and in respect of whom a benefit has not yet been paid by the FUND.

2.20. "PRINCIPAL OFFICER" shall mean the PRINCIPAL OFFICER of the FUND appointed in accordance with these RULES.

2.21. "PROVIDENT PRESERVATION FUND" shall mean a PROVIDENT PRESERVATION FUND as defined in the INCOME TAX ACT.

2.22. "REGISTERED INSURER" means an insurer registered in terms of the Long Term Insurance Act, 1998.

2.23. "REGISTRAR" shall mean the Registrar of Pension Funds, referred to in the ACT.

2.24. "RETIREMENT DATE" shall mean the day on which a benefit becomes payable in terms of RULE 6.1 to a person who was a member or former member of a TRANSFEROR FUND; provided that such MEMBER:

- (a) should have attained normal retirement age as defined in section 1 of the INCOME TAX ACT, and
- (b) is no longer in employment; provided further that this condition is subject to any determination or requirement by the SARS.

- 2.25 "RFLIPF" BoT means the board of trustees of the Road Freight and Logistics Industry Provident Fund with registration number 12/8/37811
- 2.26 "RULES" shall mean these RULES and such alterations as may at any time be registered by the REGISTRAR.
- 2.27 "SARS" shall mean the South African Revenue Service.
- 2.28 "SPOUSE" means a person who is the permanent life partner or spouse or civil union partner of a member in accordance with the Marriage Act, 1961 (Act No. 68 of 1961), the Recognition of Customary Marriages Act, 1998 (Act No. 68 of 1997), or the Civil Union Act, 2006 (Act No. 17 of 2006), or the tenets of a religion;
- 2.29 "TRANSFER BENEFIT" shall mean an UNCLAIMED BENEFIT held by a TRANSFEROR FUND in respect of a BENEFICIARY.
- 2.30 "TRANSFEROR FUND" shall mean either;
- (a) an APPROVED PROVIDENT FUND; or
 - (b) an APPROVED PROVIDENT PRESERVATION FUND.
- 2.31 "TRUSTEES" shall mean the TRUSTEES appointed in terms of these RULES.
- 2.32 "UNCLAIMED BENEFIT" shall mean an unclaimed benefit as defined in the ACT.
- 2.33 "UNCLAIMED BENEFIT FUND" shall mean:
- (a) a national fund established by legislation for the purpose of housing UNCLAIMED BENEFITS; or
 - (b) a PROVIDENT PRESERVATION FUND established by an administrator for the purpose of housing UNCLAIMED BENEFITS and registered by the REGISTRAR

3. MEMBERSHIP

3.1. A BENEFICIARY shall become a MEMBER on the date on which the FUND receives a TRANSFER BENEFIT in respect of him or her in terms of RULE 4.1.

3.2. A MEMBER's membership shall terminate:

3.2.1. on the death of the MEMBER; or

3.2.2. when a MEMBER has been paid all of his or her benefits from the FUND; or

3.2.3. on the liquidation of the FUND.

4. CONTRIBUTIONS AND TRANSFERS

4.1. Contributions and transfers to the FUND shall be TRANSFER BENEFITS received by the FUND from a TRANSFEROR FUND; provided that contributions and transfers shall be limited to:

- (a) subject to the requirements of the INCOME TAX ACT, amounts payable by an APPROVED PROVIDENT FUND and an APPROVED PROVIDENT PRESERVATION FUND, including a fund referred to in paragraph (b) of the definition UNCLAIMED BENEFIT FUND, if the latter applied for cancellation of its registration or is in liquidation as contemplated in paragraph (d) of the definition of UNCLAIMED BENEFIT in the ACT;
- (b) in circumstances where (a) does not apply, amounts payable by an APPROVED PROVIDENT FUND if that amount constituted an UNCLAIMED BENEFIT.

It is specifically provided that the FUND may only receive transfers in respect of a BENEFICIARY who qualifies as such due to having been a dependant or nominee of a member or former member of a TRANSFEROR FUND.

- 4.2. The trustees of the TRANSFEROR FUND shall furnish such information to the TRUSTEES in relation to a TRANSFER BENEFIT as the TRUSTEES may require from time to time.
- 4.3. Subject to such requirements as they may specify from time to time, the TRUSTEES shall have power to accept or reject transfer from a TRANSFEROR FUND of a TRANSFER BENEFIT.
- 4.4. On receiving transfer of a TRANSFER BENEFIT from a TRANSFEROR FUND, the TRUSTEES shall ensure that a separate sub-account is maintained and recorded in the financial accounting system of the FUND in respect of each FUND BENEFIT which may become payable in respect of a MEMBER.

5 ENTITLEMENT TO BENEFITS

5.1. Circumstances of Entitlement

A MEMBER shall become unconditionally entitled to a benefit when he or she has complied with such reasonable requirements as may be specified by the TRUSTEES from time to time following upon:

- (a) the TRUSTEES being able to trace a MEMBER; or
- (b) a claim for the payment of a FUND BENEFIT in respect of a MEMBER being accepted by the TRUSTEES as valid.

A benefit shall become payable on the date the MEMBER becomes unconditionally entitled to a benefit.

5.2. Payment as a Retirement Benefit

5.2.1. A MEMBER shall become entitled on his or her RETIREMENT DATE to an annuity or annuities of such amount as can be purchased by his or her FUND BENEFIT; provided that the MEMBER may elect to commute part or the whole of such benefit for a lump sum.

5.2.2. An annuity or annuities payable as a result of a MEMBER's retirement shall be purchased in the MEMBER's name from a REGISTERED INSURER of the MEMBER's choice. The terms and conditions applicable to such annuity or annuities, including options elected by the MEMBER and the determination of any benefits arising on his or her death, shall be agreed between the MEMBER and the REGISTERED INSURER; provided that the annuity so purchased shall be subject to the provisions of the INCOME TAX ACT, the Long-term Insurance Act 1998 and any requirements specified by SARS from time to time.

5.2.3. On purchase of the annuity or annuities in terms of this RULE, the FUND shall have no further liability in respect of the MEMBER, such liability resting with the REGISTERED INSURER from whom such annuity or annuities are purchased

5.3. **Payment as a Death Benefit**

If, on tracing a MEMBER the TRUSTEES become aware that the MEMBER has died before his or her benefit has been paid to him or her, the FUND BENEFIT shall be dealt with by the TRUSTEES in terms of section 37C of the ACT.

5.4. **Payment as a Withdrawal Benefit**

5.4.1 Any benefits which becomes payable in terms of these RULES which are not paid as death benefits or retirement benefits as contemplated in RULE 5.2 or RULE 5.3 shall be paid to the MEMBER as a lump sum.

5.4.2 A MEMBER may elect to transfer such benefit to a PROVIDENT PRESERVATION FUND unless any amount transferred to the FUND for the benefit of the MEMBER was subject to tax in terms of the INCOME TAX ACT prior to being transferred to the FUND.

6. TERMINATION OF THE FUND

6.1 The TRUSTEES may terminate the FUND at any time.

6.2 If the TRUSTEES give notice of termination of the FUND to the ADMINISTRATOR in terms of RULE 6.1, they must:

6.2.1 nominate another UNCLAIMED BENEFIT FUND to which the assets and liabilities of the FUND must be transferred; and

6.2.2 appoint a liquidator subject to the approval of the REGISTRAR.

6.3 The liquidator must liquidate the FUND'S assets and ensure that:

6.3.1 the FUND BENEFITS due and payable to, or held in respect of MEMBERS in terms of the RULES, are paid to them; and

6.3.2 the FUND BENEFITS held in respect of MEMBERS which are not payable are transferred for their exclusive benefit to the nominated UNCLAIMED BENEFIT FUND in terms of RULE 6.2.1 above.

6.4 It is specifically provided that the TRUSTEES do not require the consent of the MEMBERS of the FUND if they decide to transfer the assets and liabilities of the FUND or part thereof in terms of RULE 6.2.

6.5 Once the FUND has discharged all of its liabilities and the FUND owns no further assets, an application must be made to the REGISTRAR for the registration of the FUND to be cancelled.

6.6 Any monies remaining unclaimed or unpaid when an application is made for cancellation of registration or if the FUND'S liquidator is satisfied that such monies have remained unclaimed or unpaid shall be dealt with in the manner determined by the REGISTRAR from time to time.

7 MANAGEMENT OF THE FUND

7.1 Management Structure

7.1.1 The control and management of the FUND vests in the BOARD which must comprise not less than 4 (Four) TRUSTEES 3 of which will be nominated by RFLIPF BoT and one INDEPENDENT TRUSTEE nominated by the ADMINISTRATOR and RFLIPF BoT and the ADMINISTRATOR may also appoint an alternate or alternates to act during the absence of any TRUSTEE, or to fill any permanent vacancy from time to time.

7.1.2 The TRUSTEES shall have the power in the name of the FUND to enter into and sign any contracts or documents and to institute, conduct, defend, compound or abandon any legal proceedings by or against the FUND.

7.1.3 The TRUSTEES shall establish and implement a policy setting out such procedures which are to be followed for tracing and verifying MEMBERS as they may from time to time determine. The procedures so determined by the TRUSTEES shall be reasonable, having regard to the circumstances and the value of the amount held in the FUND in respect of a MEMBER.

7.2 Disqualification from holding office as TRUSTEE

No person in any of the following categories shall be eligible for appointment as a TRUSTEE and if a TRUSTEE at any time falls in any such category he or she shall cease to hold office:

- (a) he or she is removed by the ADMINISTRATOR in accordance with the provisions of these RULES;
- (b) he or she resigns, in writing, as a TRUSTEE;

- (c) he or she becomes mentally or physically incapable of performing the functions of a TRUSTEE;
- (d) his or her estate has been sequestrated or surrendered or assigned in favour of his or her creditors and has not been rehabilitated by a court;
- (e) his or her period of office expires and he or she is not reappointed;
- (f) he or she is convicted, by a competent court, of theft, fraud, forgery or any other offence involving dishonesty;
- (g) he or she is discharged, by a competent court, from an office of trust on account of misconduct;
- (h) he or she is convicted by a competent court on any charge and sentenced to a prison term without the option of a fine; or
- (i) he or she, no longer satisfies the criteria for independence as set out in the definition of the RULES.

7.3. If a TRUSTEE for any reason during the course of his or her term of office ceases to be a TRUSTEE, the vacancy will be filled by another person appointed by the RFLIPF BoT in his or her place until the expiry of the term of office.

7.4. The RFLIPF BoT shall have the right to remove a TRUSTEE, and to appoint another TRUSTEE and to appoint alternates to any of the TRUSTEES, provided that the removal is supported by a majority of the other TRUSTEES.

7.5. A vacancy on the board of trustees when a decision is taken by it will not make that decision invalid.

7.6. Term of Office and Remuneration

- 7.6.1. The TRUSTEES appointed shall hold office for a period of 5 years, or such shorter term as the TRUSTEES may decide, unless they cease to hold office. The TRUSTEES so retiring shall be eligible for re-appointment.
- 7.6.2. The TRUSTEES will receive from the FUND a refund of all expenses reasonable incurred by them on behalf of the FUND in accordance with policies and limitations set by the TRUSTEES from time to time.
- 7.6.3. The TRUSTEES will receive from the FUND such remuneration and allowances as TRUSTEES may from time to time determine. Such remuneration shall be paid to the TRUSTEES by the ADMINISTRATOR.
- 7.6.4. Payments to the TRUSTEES in terms of this rule will be regarded as an expense of the FUND and must be recorded in the FUND financial statements

7.7. Meetings of TRUSTEES

- 7.7.1. The chairperson shall be elected annually by all the TRUSTEES from among their number. If the chairperson of the TRUSTEES is absent from any meeting, the TRUSTEES shall elect a chairperson for that meeting from their number.
- 7.7.2. The TRUSTEES shall meet from time to time to conduct the business of the FUND, but not less than twice in any FINANCIAL YEAR. Three TRUSTEES shall form a quorum.
- 7.7.3. Notice of at least seven days for ordinary meetings shall be given to the TRUSTEES unless the TRUSTEES agree to waive such notice period. Minutes of all meetings must be kept.

7.7.4. For any decision of the TRUSTEES to be valid -

7.7.4.1. if it is taken in a meeting, at least 50% (fifty per cent) plus 1 (one) of the TRUSTEES present must have voted in favour of the decision; and

7.7.4.2. if the decision was not taken in a meeting but was taken by "round robin resolution" instead, at least fifty per cent (50%) plus 1 (one) of the TRUSTEES must have exercised their votes, each by indicating that he or she votes in favour or against or abstains from voting for or against the resolution, and a majority of them must have voted in favour of the decision. Any decision taken by "round robin resolution" must be noted in the FUND'S minute book at the next ordinary meeting of the TRUSTEES;

7.7.4.3. If the TRUSTEES reach deadlock on any issue -

(a) the issue must be reconsidered by the TRUSTEES at a meeting within 10 (ten) working days of the date on which the deadlock was reached, and 75% (seventy five percent) of the TRUSTEES present at the meeting must have voted in favour of the decision.

(b) If no agreement is reached in terms of paragraph (a) above the issue must be referred by the TRUSTEES to an expert, the identity of whom must be agreed by the TRUSTEES or, failing such agreement, will be decided by -

(i) the head of the Johannesburg Bar Council in the case of a dispute of law or equity,

- (ii) the head of the Actuarial Society of South Africa, in the case of a dispute relating to actuarial matter, or
- (iii) the head of the South African Institute of Chartered Accountants, in the case of a dispute relating to an accounting matter

who will, at the cost of the FUND, submit a written recommendation on the matter to the TRUSTEES at a meeting at which the issue will be considered.

If the dispute is not resolved at this meeting of the TRUSTEES, it will be obliged to accept the recommendation of the expert.

7.7.5. A TRUSTEE who has any direct or indirect personal financial or other interest (other than his or her interest as a member of the FUND) in a decision to be taken by the TRUSTEES must disclose that interest before the decision is taken and must not vote on the matter.

7.7.6. A decision by the TRUSTEES on a matter not governed by the RULES will be binding on the FUND and its MEMBERS unless and until set aside by a court or the ADJUDICATOR.

7.7.7. A resolution in writing signed by all the TRUSTEES shall be of the same force and effect as a resolution passed at a meeting of TRUSTEES and must be recorded in the FUND's minute book.

7.8. Duties of the TRUSTEES

7.8.1 When the TRUSTEES direct, control and oversee the operation of the FUND, the TRUSTEES must:

- 7.8.1.1. act with due care and diligence and in the best interest of the FUND;
- 7.8.1.2. take all reasonable steps to protect the interest of the MEMBERS;
- 7.8.1.3. act in good faith towards the EMPLOYERS and MEMBERS;
- 7.8.1.4. avoid conflicts of interest; and
- 7.8.1.5. act with impartiality in respect of all MEMBERS, BENEFICIARIES and EMPLOYERS;
- 7.8.2. The TRUSTEES must ensure that proper registers and records of the operation of the FUND are kept. These records include proper minutes of all meetings and of all resolutions passed by the TRUSTEES.
- 7.8.3. The TRUSTEES must ensure that true and full accounts of the FUND are kept in accordance with generally accepted accounting practice and any guidelines issued by the AUDITOR from time to time. These accounts must be made out at the FUND YEAR and must fairly represent the FUND's financial state of affairs and position and must be audited by the AUDITOR.
- 7.8.4. The TRUSTEES must ensure that proper control is in place to protect the assets of the FUND, taking into account the advice of the AUDITOR.
- 7.8.5. The TRUSTEES must ensure that adequate and appropriate information is given to the MEMBERS informing them of their rights, benefits, obligations in terms of the RULES and the FUND'S investment performance.

7.8.6. The TRUSTEES must obtain expert advice on matters on which the TRUSTEES are not experts.

7.8.7. The TRUSTEES must ensure that every title deed and other document which proves that the FUND is the owner of a particular property is kept in a safe or strong room at an office of the FUND or the ADMINISTRATOR.

7.8.8. The TRUSTEES must make sure that only persons who have the authority, in terms of a resolution passed by the TRUSTEES, and who are able to sign on behalf of the FUND, sign cheques, contracts or other documents on its behalf.

7.9. Indemnity

7.9.1. Each TRUSTEE and the PRINCIPAL OFFICER shall be indemnified by the FUND against all claims, proceedings, costs and expenses made against or incurred by him or her by reason of any claim, howsoever arising, as a result of anything done or omitted by that TRUSTEE in the bona fide exercise of any power or the carrying out of any duty or performance of any function under or in terms of these RULES: Provided that for purposes of this rule 'bona fide' shall include the negligent exercise of a power or the carrying out of a duty or the performance of a function, or the negligent omission to exercise such power or to carry out such duty or to perform such function, but shall exclude gross negligence, wilful misconduct or dishonesty.

7.9.2. No TRUSTEE shall be liable for any act of dishonesty or other misconduct committed by any other TRUSTEE unless he or she recklessly or knowingly allowed it or was an accessory thereto.

7.9.3. The FUND shall have and maintain in force, arrangements whereby the FUND is indemnified against losses owing to the dishonesty or fraud of any officials of the FUND, such indemnity to be provided by

way of a policy of insurance or in such other manner as the REGISTRAR may from time to time approve. Such cover may be extended to cover acts of negligence as well. The cost of this policy of insurance shall be borne by the FUND.

7.10. Other Appointments

- 7.10.1. The TRUSTEES may appoint an ACTUARY and AUDITOR to the FUND and may withdraw any such appointment and make another appointment in its place at any time.
- 7.10.2. The ADMINISTRATOR shall be appointed to act as administrator to the FUND. The TRUSTEES may terminate such appointment and make another in its place; particularly if there is any breach by the ADMINISTRATOR of the administration agreement between the FUND and the ADMINISTRATOR.
- 7.10.3. The TRUSTEES shall appoint a PRINCIPAL OFFICER in terms of the ACT and may withdraw any such appointment and make another appointment in its place at any time. If the PRINCIPAL OFFICER is absent from the Republic of South Africa or is otherwise unable to perform his or her duties, the TRUSTEES shall within 30 days appoint another person to act as PRINCIPAL OFFICER for the period of his or her absence or inability.
- 7.10.4. The PRINCIPAL OFFICER may be entitled to such remuneration for his or her services as recommended by the ADMINISTRATOR and decided by the TRUSTEES from time to time.
- 7.10.5. The TRUSTEES may appoint consultants on such terms as they may determine and may withdraw any such appointment at any time.

7.11. Sub-Committees

The TRUSTEES may decide that any power of decision on any matter that is vested in them shall be delegated, on such terms and conditions as they may specify, to a sub-committee, or sub-committees, of such of their number as they nominate. The decision of a sub-committee to which a power is so delegated shall, unless the TRUSTEES stipulate that it must be referred to them for ratification, be regarded as a decision of the FUND and shall be recorded in the minutes at the next meeting of the TRUSTEES. It is specifically provided that the full board of the TRUSTEES shall retain full responsibility and liability for any decision made by a sub-committee to whom the TRUSTEES' power of decision making has been delegated in terms of this RULE.

8. FINANCIAL PROVISIONS

8.1. Application of translocation benefits

- 8.1.1. Upon receipt of a properly completed application form for membership of the FUND and payment of the TRANSLOCATION BENEFITS, the FUND shall deposit the monies received into the FUND'S BANK ACCOUNT.
- 8.1.2. TRANSLOCATION BENEFITS which are paid into the BANK ACCOUNT without proper advance written notice to the FUND by the FUND so making the deposit shall be deemed not to have been received by the FUND until the MEMBER, on whose behalf the deposit has been made, has been identified by the FUND and his or her membership has been confirmed.
- 8.1.3. TRANSLOCATION BENEFITS shall be applied, from time to time, for investment for the benefit of the MEMBERS concerned and subject to the provisions of the ACT.
- 8.1.4. The assets of the FUND shall consist of one or more claims against a REGISTERED INSURER.
- 8.1.5. The TRUSTEES shall have the power to invest in one or more policies of insurance and to determine the number, range and composition of the INVESTMENT PORTFOLIOS.

8.2. Accounts

The TRUSTEES shall cause full and true accounts of the FUND to be kept, such accounts to be made up as at the end of each FINANCIAL YEAR. If applicable, the accounts of the FUND shall be audited by the AUDITOR and submitted to the REGISTRAR.

8.3. Actuarial Valuations

If the FUND is not exempted from valuations in terms of the ACT, the financial condition of the FUND may be investigated and reported on by the ACTUARY at intervals not exceeding three years. In such case, the TRUSTEES shall forward a copy of such report to the REGISTRAR.

9 Administration of the FUND

- 9.1. The FUND shall be administered by ADMINISTRATOR appointed by, and acting on the instructions of, the TRUSTEES.
- 9.2. The ADMINISTRATOR shall keep a complete record of all necessary particulars of the MEMBERS of the FUND and of all persons entitled to benefits and of all other matters essential to the operation of the FUND.
- 9.3. All cheques, contracts and other documents pertaining to the FUND shall be signed by such persons as the TRUSTEES by resolution may appoint; provided that documents to be deposited with the REGISTRAR shall be signed in the manner prescribed by the ACT.
- 9.4. The ADMINISTRATOR shall maintain adequate insurance to insure the FUND as a minimum against any loss resulting from the dishonesty or fraud of any person employed by them.

10. GENERAL

10.1. Alterations

- 10.1.1. The TRUSTEES may amend these RULES without requiring the consent of the MEMBERS if the amendment is necessary to ensure the ongoing financial soundness of the FUND or to ensure compliance with the ACT.
- 10.1.2. Any alteration to the RULES affecting the financial condition of the FUND must be referred to the ACTUARY before being adopted.
- 10.1.3. All alterations to the RULES shall be submitted to the REGISTRAR and to SARS.
- 10.1.4. If the registration of any alteration to these RULES in terms of the ACT is affected on a date after the effective date of the alteration, the alteration shall nevertheless take effect from the effective date as stated in the alteration.

10.2. Interpretation of RULES and disputes

- 10.2.1. The decision of the TRUSTEES as to the meaning of or interpretation of these RULES or of any particular RULE or part of a RULE shall be final and binding on the MEMBERS and every person claiming to be entitled to a benefit under these RULES, subject to the provisions of section 30A of the ACT.
- 10.2.2. Any question which may arise with regard to a claim by any person under these RULES shall be decided by the TRUSTEES, subject to the provisions of section 30A of the ACT.
- 10.2.3. If any person affected by a decision of the TRUSTEES in terms of RULE 11.2.1 or RULE 11.2.2 is dissatisfied with the decision, he or she

shall have the right to lodge a written complaint as envisaged in section 30A of the ACT. If such person remains dissatisfied he or she may lodge his or her complaint with the ADJUDICATOR, which shall be dealt with the provisions of the ACT.

10.2.4. The TRUSTEES (or one or more of their number), or any other person having a complaint or dispute of fact or law shall, notwithstanding anything to the contrary in these RULES, have the right to invoke the complaint procedures in accordance with the ACT.

10.3. Currency

All benefits payable by the FUND are payable in South African currency.

10.4 Alienation of benefits

10.4.1. Unless specifically permitted in terms of the ACT, the Divorce Act (Act 70 of 1979), the Maintenance Act (Act 99 of 1998), or the Income Tax Act (Act 58 of 1962), no benefit payable in terms of these RULES may be reduced, transferred, ceded, pledged, hypothecated or waived or be attached or sold in satisfaction of a debt.

10.4.2. If a BENEFICIARY attempts to transfer, cede, pledge, hypothecate or waive a benefit, the FUND will suspend the payment of the benefit and may pay it directly to a DEPENDANT of the BENEFICIARY or to a guardian or trustee for the benefit of the BENEFICIARY.

10.4.3. Subject to the provisions of the ACT, if the estate of a BENEFICIARY is sequestrated or surrendered, the benefit will be deemed not to form part of the assets of the estate and may not be attached or sold by the curator of the estate or the BENEFICIARY'S creditors.

10.5. Tax

Should benefits payable in terms of the RULES be, at any time subject to the payment of tax, in whatever form by a duly authorised taxing authority, such tax shall be deducted from any benefit payable in terms of these RULES.

10.6. Administration costs

Except if otherwise provided for in these RULES the EXPENSES related to the management and administration of the FUND, including, but not limited to, the costs of audits and actuarial investigations shall be borne by the FUND and deducted, in a manner deemed equitable by the TRUSTEES.

10.7. Miscellaneous provisions

10.7.1. Subject to payment of such fee as the TRUSTEES may require, a MEMBER shall be entitled on application to a copy of any of the documents referred to in section 35(1) of the ACT.

10.7.2. A MEMBER shall be entitled on application to inspect without charge a copy of any of the documents referred to in section 35(2) of the ACT and to make extracts there from.

10.7.3. Payment of each benefit in terms of these RULES shall be made to the person entitled thereto by means of electronic transfer into the bank account of such person to a bank registered in terms of the Banks Act, 1990, as amended.

10.7.4. At the request of the person entitled to the benefit, payment may be made in some other manner agreed upon by such person and the TRUSTEES, including :

10.7.4.1. payment at the registered office of the FUND; or

10.7.4.2 postage by registered mail or by such other means as agreed to by the TRUSTEES.

10.7.5. Payment in terms of (a) or (b) shall constitute full and final settlement of all claims to the benefit against the FUND and neither the FUND, the TRUSTEES nor the ADMINISTRATOR shall have any further liability for the benefit to any person.

10.7.6. No person shall have any claim concerning the FUND except in accordance with these RULES.

10.7.7. It is specifically provided that any reference in these RULES to legislation or the requirements of the SARS shall be read as the legislation or requirements of the SARS applicable to a PROVIDENT PRESERVATION FUND.