

CERTIFICATE OF AMENDMENT

CONSOLIDATED RULES

I, Raymond Masnik..... in my capacity as the Principal Officer of the Motor Industry Pension Fund, certify that the amendment as effected by the redrafted Rules has been made in terms of the Fund.

The reasons for the amendments are:

To consolidate Rule amendments as at 31 March 2021.

CERTIFIED THAT THE ABOVE AMENDMENT HAS BEEN ADOPTED IN TERMS OF THE RULES OF THE FUND

DATE: 21/04/21.....

SIGNED: Raymond Masnik.....

PRINCIPAL OFFICER



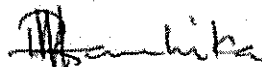
MOTOR INDUSTRY PENSION FUND

This is to certify that these are the Consolidated Rules of

MOTOR INDUSTRY PENSION FUND

(these consolidated rules supersedes the previous edition and subsequent Addenda thereto)

SIGNED



PRINCIPAL OFFICER

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RULE 1: GENERAL

- 1.1. MOTOR INDUSTRY PENSION FUND was established as a self-administered pension fund through Motor Industry agreement Statutory Instruments 202 of 1982, 106 of 1992 and 66 of 1995.
- 1.2. With effect from 31 December 2006, the administration of the Fund changed from being underwritten by Old Mutual to a standalone Motor Industry Pension Fund.
- 1.3. The registered office of the Fund is at 77 Central Avenue CNR.7th and Central Avenue Harare, Zimbabwe. All payments due to or by the Fund shall be made at the registered office of the Fund.
- 1.5. The objective of the Fund is to provide Pensions and other benefits to members of the Motor Industry.
- 1.6. The Fund, as a legal entity, shall be capable of suing and of being sued and of acquiring, holding and alienating property, movable and immovable.



RULE 2: DEFINITIONS

In these Rules, words defined in the Act and / or Regulations and not in these 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. Words and expressions implying the masculine gender shall include the feminine, and the following words and expressions shall have the following meanings:

"Accumulated Contributions" shall mean for each Member at any particular date, the sum of his own Contributions made under the Fund, increased by such investment return as agreed by the Board of Trustees from time to time.

"Accumulated Credit" shall mean the total of the Pension Account determined by the Actuary from time to time plus the aggregate Contributions made by and in respect of each Member in terms of Rule 5, all increased by investment return as earned by the Fund as agreed by the Board of Trustees from time to time,

"Act" shall mean the Pension and Provident Fund Act, Chapter 24.09 as amended.

"Actuary" shall mean a fellow Member of -

- a) Institute and Faculty of Actuaries; or
- b) Such other actuaries' society, institute, faculty or organisation as approved by the Commissioner - appointed in terms of these Rules.

"Annual Salary" shall mean the basic salary or wage per annum for a Member. The Employer may decide subject to the approval of the Commissioner of Insurance to include allowances considered suitable for inclusion. In the case of determining the personal risk death benefit, the annual salary shall be an average of six months basic salary multiplied by twelve months.

"Auditor" shall mean;

- a) a Member of -
 - (i) the Institute of Chartered Accountants of Zimbabwe;
 - (ii) such other institute, society or organisation, as may be approved by the Commissioner; and

- b) the Comptroller and Auditor – General as appointed in terms of these Rules and the Act, provided that the Board of Trustees or Principal Officer of the Fund shall not engage or hire the same auditors or firm of auditors so appointed to audit the Fund in terms of the Rules:
- (i) to supervise the day to day operations of the Fund; or
 - (ii) as a consultant in any matter whatsoever in relation to the operations of the Fund.

The Auditor shall have access to all books, papers, vouchers, and accounts documents that relate to the Fund and shall certify, in writing, the results of each audit.

"Beneficiary" shall mean a person whom the Member has nominated as a beneficiary in terms of Rule 8.6.2.

"Board of Trustees" shall mean The Board of Trustees established in terms of Rule 3.

"Close Relative" shall mean in relation to an individual:

- (i) the individual's grandparent, parent, brother, sister, child or grandchild, whether such relationship arises through blood or adoption;
- (ii) the individual's step-grandparent, step-parent, step-brother, step-sister, step-child or step-grandchild;
- (iii) where the individual is married, his or her spouse or his or her spouse's grandparent, parent, brother, sister, child or grandchild, whether such relationship arises through blood or adoption.

"Commencement Date" shall mean 1 March 1982.

"Commissioner" shall mean the Commissioner of Insurance and Pension and Provident Funds appointed in terms of section 19 of the Insurance and Pensions Commission Act (Chapter 24:21).

"Contributions" shall mean, for a Member, the amounts paid or payable by and for him to the Fund, exclusive of interest.

"Currency" shall mean the currency used to remit contributions, ZWL being Zimbabwean dollars, USD being United States dollars.

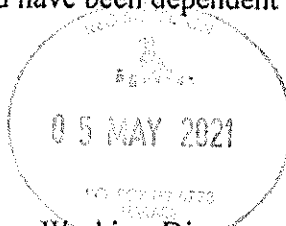
"Date of Entitlement" shall mean in relation to the entitlement of a member who is or has been a member of the Fund to any benefit from the Fund, the date on which the member retired on account of age or ill-health, or ceased to be a member of the Fund, or date of the happening of any other event which, in accordance with the Rules of the Fund, entitles the member to any benefit from the Fund.

"Deferred Pensioner" shall mean a former Member who is entitled to a deferred receipt of his Pension in terms of Rule 9.1

"Dependant" shall mean a person or persons who, in the opinion of the Board of Trustees, is or are completely or almost completely dependent upon the Member for maintenance and support, regardless of whether that person is legally liable for such maintenance.

"Dependent Child" shall mean a child, posthumous or legally adopted child or stepchild of a Member, provided that such a child is unmarried, is under the age of 18 years or 21 years but there is evidence that the child is still attending school and is dependent upon the Member at the time of the Member's death and shall include a child whom the Board of Trustees, with the approval of the Employer, considers would have been dependent on the Member had the Member not died.

"Early Retirement" shall be between 55 and 65 years.



"Eligible Employee" shall mean:-All employees, including a Working Director, on the full - time permanent staff of the motor industry who is under the Normal Retirement Age.

Where a Director becomes a Working Director, he shall, have the option to participate hereunder as from the first day of the calendar month next following or coinciding with the date on which he becomes a Working Director, provided he satisfies the remaining eligibility requirements.

When a Director ceases to be a Working Director before retirement and becomes a non-working director or leaves the Employer's employment, the provisions of Rule 9 shall apply. However, where he continues as a full-time permanent staff of the Employer, he shall remain a Member of the Fund.

"Employer" shall mean a registered NEC for the Motor industry member.

"Fund" shall mean the MOTOR INDUSTRY PENSION FUND.

"Fund Anniversary" shall mean 01 March of each year.

"Fund Year" any period commencing with the Fund Anniversary and ending immediately prior to the next Fund Anniversary.

"Investment Manager" shall mean the investor, registered and recognised by the Reserve Bank of Zimbabwe as an Asset Manager, appointed by the Board of Trustees to assist it in the investment of funds as prescribed in Rule 3.8.

"Management" Shall mean the Principal Officer and his team who shall implement policies formulated by the Board of Trustees.

"Marriage" shall mean a marriage solemnised under the Marriage Act (Chapter 5:11) or the Customary Marriages Act (Chapter 5:07), or an unregistered customary law marriage, and the words "husband", "married", "spouse", "surviving spouse", "widow", "widower" and "wife" shall be construed accordingly.

It is specifically provided that an unregistered customary law marriage shall be recognised for the purposes of these Rules as being no less valid than a marriage solemnised under the Marriage Act (Chapter 5:11) or the Customary Marriage Act (Chapter 5:07), and where proof is required of the existence of an unregistered customary law marriage the following shall suffice:

- a) An affidavit of the wife's guardian in customary law attesting to the existence of such marriage: or
- b) An affidavit of a Close relative of the wife and an affidavit of a Close relative of the husband attesting to the existence of such marriage.

"Member" shall mean an Eligible Employee who participates in the Fund.

"Motor Industry" according to S.I. 35 of 2011 means "the industry in which employer and employee are associated together for the purposes of assembling, dealing in, repairing and/or disassembling motor-vehicles or any part or component thereof, and includes:

1. "motor engineering" which includes overhauling, reconditioning, repairing, maintaining, testing and adjusting of vehicles, and the making (on a jobbing basis), overhauling, reconditioning, repairing, replacing, disassembling, testing and adjusting of any component part or accessory, not elsewhere specified;

2. "electrical work" which includes installing, repairing, replacing, maintaining in serviceable condition; or testing of any electrical apparatus; component part or accessory attached to or used on any vehicle; and the repairing and charging of electrical storage batteries;
3. "servicing" which includes the greasing, oiling, washing and polishing of vehicles; the removing and replacing of wheels; the removing, filling and repairing of tyres and tubes; the removing, filling and replacing of batteries; the draining and filling of oil sumps; and the recovery of disabled vehicles;
4. "dealing in" whether by cash, credit, hire-purchase or auction of new or second-hand vehicles or components, including spares and accessories, tyres and batteries; the sale of motor fuels and lubricants, but excluding the bulk sales and distribution of such fuels and lubricants;
5. "vulcanising" which includes the examination of tyres and/or tubes; the repairing of tyres and/or tubes and the building up of tyres;
6. "panel-beating/spray-painting" which includes the repairing and/or replacing of any part vehicle bodies, including upholstery;
7. "marine engines" which includes the overhauling, reconditioning, repairing, maintaining, testing and adjusting of marine engines of any internal combustion or compression ignition type up to two hundred and twenty-five kilowatts;
8. "administrative and supervisory work" which includes accounting, book-keeping, clerking, storekeeping, typing and all work incidental or similar to the foregoing in this context-
9. "motor-vehicle" or "vehicle" means any wheeled vehicle designed for the carrying on land of passengers and or goods or towing purposes, which is motivated by power generated by the internal combusting or compression ignition of any fuel or gas or by electrical storage batteries, and includes articulated vehicles, but excludes earthmoving equipment other than tipper trucks;
10. "assembling" means the assembling of separate parts and components of motor-vehicles other than C.K.D. (Component Knocked Down) units imported by motor-vehicle manufacturers registered in terms of section 6 of the Customs and Excise (Industrial Drawbacks and Rebates) Regulations, 1978, published in Rhodesia
11. Government Notice 374 of 1978, as amended from time to time;"

"NEC" National Employment Council for the Motor Industry.

"Normal Retirement Age" shall mean 65 years.

"Normal Retirement Date" shall mean 31st December nearest to the 65th birthday.

"Own Contributions" the contributions made under the Fund by the Member plus, if applicable, the contributions made under any previous pension arrangements approved by the Board of Trustees.

"Pension" shall mean the annual amount of any Pension payable to a Pensioner in terms of these Rules.

"Pension Account" shall mean Member's entitlement in the Fund as determined by the Actuary from time to time.

"Pensioner" shall mean a former Member who is in receipt of a Pension from the Fund.

"Personal Risk Benefit"(Lump Sum Death Benefit) shall mean the life assurance benefit. It is specifically provided that this benefit ceases at Normal Retirement Age.

"Principal Officer" shall mean a person appointed by the Board of Trustees in terms of Rule 3.1 and authorised to carry out business of Fund administration in terms of the Pension & Provident Fund Act, as amended.

"Re-assurer" shall mean a life office appointed in terms of these Rules to provide cover for the Personal Risk Benefit (lump sum death benefit) as agreed between the Fund and the Re-assurer or as recommended by the Trustees in consultation with the Actuary. In this regard, the Fund shall also be a re-assurer as advised by the Actuary from time to time.

"Rules" shall mean these Rules and any other amendments that may be effected from time to time.

"Spouse" shall mean the spouse of a Member or Pensioner at the date of his death. In the case of a deceased Member or Pensioner, where custom permits and the deceased had more than one spouse, each spouse shall be regarded as a spouse.

RULE 3: MANAGEMENT OF THE FUND

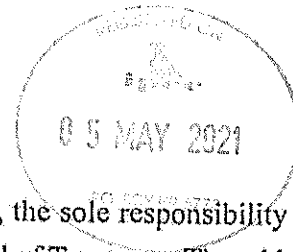
3.1 PRINCIPAL OFFICER

1. The Fund Manager/Chief Executive Officer shall be Principal Officer who shall be a responsible official in the full-time employ of the Fund and may appoint such other officers of the Fund as the Board of Trustees deems necessary and may replace any such appointee.
2. The Board of Trustees shall determine the term of office, scope of the duties and the emoluments, if any, of the Principal Officer and other executives, and the Principal Officer and other officers shall be responsible to the Board of Trustees for the proper performance of such duties.
3. Should the Principal Officer be unable to discharge the duties imposed upon him by or in terms of the relevant legislation, for a period of thirty days or more, the Board of Trustees shall appoint a management team member as the Acting Principal Officer.

3.2 BOARD OF TRUSTEES

Subject to the provisions of the Act and of these Rules, the sole responsibility for the management of the Fund shall be vested in the Board of Trustees. The address of the Board of Trustees shall be at the registered office of the Fund.

1. The administration of the Fund shall be vested by the Board of Trustees. The Board of Trustees shall comprise of eight (8) persons elected equally by participating employees and the participating employers' representatives in the Motor Industry, plus an Independent Chairperson. The prospective candidate shall possess such qualifications additionally, or alternatively, has such experience or expertise as may be required for the proper administration of the Fund in line with the Act's requirements. The election process of the Trustees shall be done professionally in the presence of the Fund's Auditor for transparency. Nominees should come from the member's constituencies and the Auditor shall supervise the election process through the ballot. The Auditor would then write to the respective constituencies of the winner and also advise the Principal Officer. The Fund shall bear the election process fees. The Principal Officer within seven days after the appointing or election of a Trustee,



shall forward to the Commissioner the name of the appointed or elected Trustee together with the Trustee's;

- (i) police clearance issued within a period of six months from date of his or her appointment or election; and
- (ii) in the case of a body corporate, tax clearance certificate; and
- (iii) declaration form set out by the Commissioner from time to time.

No person shall be qualified for appointment or election or continue acting as a Trustee if he or she fails to meet the Act's requirements set out from time to time.

2. The Trustees in consultation with the Principal Officer shall appoint a Chairperson to preside over all meetings of the Board of Trustees and in the absence of the Chairperson; the Trustees shall elect an Acting Chairperson.
3. It is provided that the Principal Officer shall sit in attendance at all meetings of the Board of Trustees.
4. Each Trustee shall hold office for a period of five years, at the end of which period the Trustee whose term has expired shall offer him/herself for reappointment. Each Trustee shall hold office for a maximum of two terms.
 - (i) The Board of Trustees shall meet from time to time to conduct the business of the Fund but not less than twice in any calendar year. At least 50 per centum of the total number of trustees shall make a quorum at any meeting of Trustees.

At all meetings of the Board of Trustees the decision of the majority shall be binding and if the votes are equal the Chairman shall have a casting vote in addition to his deliberative vote. Minutes of all meetings shall be kept.

- (ii) A resolution in writing signed by the Trustees present (for which purpose an alternate may sign in the absence of the Trustee for whom he is an alternate) shall be of the same force and effect as a resolution passed at a meeting of the full Board of Trustees and shall be recorded in the Fund's minute book.

- (iii) The Board of Trustees and all other officers of the Fund shall be indemnified by the Fund against all proceedings, costs and expenses incurred by reason of any claim in connection with the Fund not arising from their negligence, dishonesty or fraud.
- (iv) The Board of Trustees shall insure the Fund against any loss resulting from the dishonesty or fraud of any of its officers including the Trustees.
- (v) The Board of Trustees, in their absolute discretion, may make any arrangements and regulations for the administration of the Fund, and do anything not inconsistent with the Act or the Rules as amended from time to time, that, in their opinion is for the benefit and protection of Members and Beneficiaries.
- (vi) It is specified that the Principal Officer will not be a Trustee and will be present at all Board of Trustees meetings to offer advice.
- (vii) Any other elections of Members' Trustees shall be conducted as laid down by the Board of Trustees in terms of Rule 3.2.
- (viii) No person shall be elected to be a Trustee unless he is a contributing Member of the Fund.
- (ix) A Trustee may be removed from office by resolution of the rest of the Board of Trustees for failure to declare any personal interest which he may have in any matter under consideration by the Board of Trustees and in which he has taken part, or for dishonesty or in bad faith prejudicing the Fund or any beneficiary entitled to benefits under these Rules, failing without satisfactory explanation to attend two consecutive meetings of the Board of Trustees: provided that the rest of the Board of Trustees shall not remove any Trustee without giving that Trustee an opportunity to answer the allegations against him.
- x) A Trustee who has been removed from office by resolution of the Board of Trustees shall not be eligible for re-appointment or re-

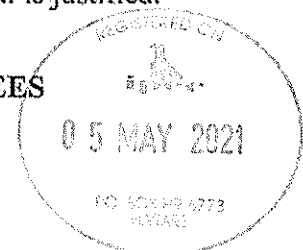
election within 3 years without the permission of the Board of Trustees unless his removal was because of his failure to attend meetings of the Board of Trustees.

- xi) A Trustee shall cease to hold office if:
- (a) his term of office has expired and he is not re-elected or re-appointed into office.
 - (b) he resigns having notified the Principal Officer in writing of such resignations, or, being a Member trustee, he ceases to be an Eligible Employee.
 - (c) he becomes insane or otherwise incapable of acting.
 - (d) his estate is sequestrated or surrendered or assigned for the benefit of his creditor.
 - (e) he is removed by a court of law on account or misconduct from any office of trust.
 - (f) he is convicted of any offence and sentenced to imprisonment without the option of a fine.
 - (g) he is convicted of theft, fraud, forgery of a forged document, or perjury.
 - (h) in respect of a Members trustee, three-quarters of the Members sign and submit a petition to the Principal Officer seeking to remove him from office, provided that the Board of Trustees is satisfied that such removal is justified.

3.3 POWERS AND DUTIES OF THE BOARD OF TRUSTEES

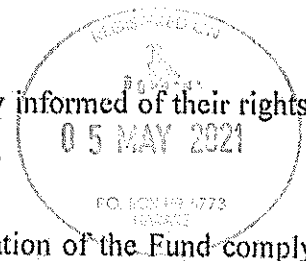
The Board of Trustees shall have the following powers;

1. In the event of the death of a Member, to select beneficiaries (where applicable) and arrange for the administration of benefits.
2. To consent to any proposal by the Principal Officer for amendment of the Rules of the Fund.
3. To sign all documents required to be executed by the Fund, provided that the Board of Trustees may delegate authority to a trustee or trustees and/or the



Principal Officer or any other third party, by resolution of the Board of Trustees, to sign, on its behalf and on behalf of the Fund, such specific documents as determined by the Board of Trustees from time to time.

4. To decide with the Principal Officer, any dispute which might arise between the Fund and a Member, or former Member, or a person deriving a claim from a Member; provided that such decision is not inconsistent with these Rules. Where, however, such Member, or former Member, or person is not satisfied with the decision of the Board of Trustees, the dispute shall be referred to the Commissioner, failure of which the Member shall have recourse to any recognised body for arbitration or to a court of law.
5. To require from the Principal Officer the presentation of the Fund's accounts, audits and any reports or information on any matter pertaining to the Fund, to the extent that the Principal Officer is able to comply.
6. To approach the Commissioner for redress in any matter and to make representations to the Commissioner.
7. To delegate authority to a Trustee, a committee of Trustees established by the Board of Trustees, the Principal Officer or any other professional.
8. To ensure that proper control systems are put in place to ensure that the fund complies with the Act and any other law,
9. To ensure that members of the Fund are adequately informed of their rights, benefits and duties in terms of the rules of the Fund.
10. To ensure that the rules, operations and administration of the Fund comply with the Act and any other law.
11. Take all reasonable steps to ensure that contributions to the Fund are paid when they are due.
12. Where appropriate, obtain expert advice on matters on which the Trustees lack expertise.



13. Formulate an investment policy to further the objectives and purposes of the Fund.
14. To ensure that records of all its proceedings and of the business of the Fund are kept.
15. Every Trustee shall, in the exercise of his or her powers and discharge of his or her duties-
 - a) take reasonable steps to protect the interests of members of the Fund, especially in the event of-
 - i) the amalgamation of or transfer of any business, or
 - ii) the division of the Fund, or,
 - iii) the withdrawal of a participating employer or the termination or reduction of contributions by a participating employer, and
 - b) Act honestly and in good faith with a view to the best interest of the Fund; and
 - c) Exercise the care, diligence and skill that a reasonable and prudent person would exercise in comparable circumstances; and
 - (i) Avoid conflict of interest and,
 - (ii) Act impartially towards all members.

3.4 FUNCTIONS OF THE BOARD OF TRUSTEES

The functions of the Board of Trustees shall be inter alia;

1. The exercising of all discretionary powers that may exist in respect of the payment of benefits to Members, Dependants or Beneficiaries.
2. To ensure that all benefits payable under the Fund are paid in terms of these Rules.
3. To keep a complete record of all necessary particulars of the Members of the Fund and of all persons entitled to benefits and all other matters essential to the operation of the Fund.
4. 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 Commissioner shall be signed in the manner prescribed by the Act.

5. To decide on matters of policy (within the bounds laid down by the Fund and the Commissioner).
6. The general supervision and administration of the Fund which shall include advising Members on any matters which may be deemed necessary, and the general review of benefits from time to time, in consultation with the Principal Officer and the Actuary.

It is specifically provided that in the interpretation of these Rules or in the performance of any duties required by such Rules, the Trustees shall not be liable for anything whatsoever except a breach of trust knowingly or intentionally committed by them.

3.5 MATTERS REQUIRING APPROVAL OF BOTH EMPLOYER AND THE BOARD OF TRUSTEES

Prior to the approval by the Commissioner, the following shall require the approval of both the Employer and the Board of Trustees:

1. Any amendment of the Rules.
2. Any matter which would have any financial impact on the obligations of the Fund and/or the Employer's financial obligations to the Fund.

3.6 APPOINTMENTS

1. The Board of Trustees shall appoint an Actuary and an Auditor for such periods as they determine and may withdraw any such appointment and make another in its place.
2. The Board of Trustees shall appoint a Principal Officer who shall assist them in keeping proper books of account, entries, registers and records essential for the proper working of the Fund, including the calculation and payment of all benefits paid from the Fund.
3. The Board of Trustees in consultation with the Principal Officer shall also appoint other professionals to assist them in the management of the Fund and may withdraw any such appointment and make another appointment in its place. The appointments may include Investment Managers, Re-assurers and Banks.

3.7 TRAINING AND ASSESMENTS

1. In line with the Commissioner's quest to empower Board of Trustees, every Trustees shall be required to undergo training on core skills within six months of appointment or election as Trustee.
2. The cost of the Board of Trustees trainings shall be borne by the Fund.

3.8 Annual General Meeting

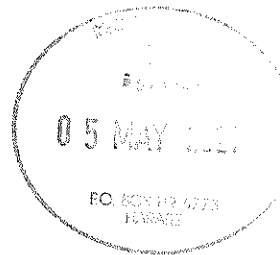
- (1) A general meeting of the Fund to be called the Annual General Meeting (AGM) shall, in addition to any other meeting be held at least once in every year and not more than three months following the approval of the audited accounts of the Fund.
- (2) All general meetings other than the AGM, shall be called Special General Meetings (SGM).
- (3) At the AGM, the members shall receive the report of the Board of Trustees on the affairs of the Fund and its past year's performance, audited accounts, to appoint members of the Board of Trustees, the Auditors of the ensuing year and transact any other necessary business of which due notice has been given.
- (4) Special General Meetings shall be convened within thirty (30) days following a resolution of the Board of Trustees or upon requisition of at least twenty (20) or more members stating fully the object for which the meeting is called for. For any resolution of the SGM to be declared passed it should have at least 75% of those attending to be in favour .
- (5) At least fourteen (14) days' notice to all general ,meetings shall be given to the members.
- (6) The Principal Officer shall ensure that verified and compliant contributing members whose contributions were received by the Fund prior to the AGM and these are the only members entitled to vote at such AGM. In case of pensioners, the pensioner should have submitted the proof of existence to the Fund in the current year unless if they proceed to pension in the same year the AGM is being held.

3.9 Proceedings of the Annual General Meeting

- (1) No business shall be transacted at any general meetings unless a quorum of members is present. Twenty members being entitled to and being present in

person and by proxy shall constitute a quorum. Provided if within 30 minutes and a quorum is not present, the meeting shall be considered adjourned and to be convened at a future date within 21 days. A notice shall be given in 7 days. In the event that there is no quorum at the adjourned meeting, those compliant members present shall constitute a quorum.

- (2) The Board of Trustees Chairperson shall preside as the Chairperson at the general meeting. If not present his Vice or nominee Trustee shall assume the role, if they both are unwilling to chair, the compliant members present will choose a chairperson for the meeting.
- (3) At any general meeting, a resolution is put to vote of the meeting through a decision by show of hands.



RULE 4: MEMBERSHIP

4.1 ELIGIBILITY

All Eligible Employees and Members of the Motor Industry shall be eligible to join the Fund.

Membership of the Fund shall commence from the first day of the month following the date on which the application for Membership has been accepted by the Trustees.

4.2 PARTICIPATION

1. All persons who become Eligible Employees will be obliged to participate in the Fund from the date they become Eligible Employees.
2. It is specifically provided that it shall be a condition of employment with the Employer that membership of the Fund shall be compulsory to all employees of the motor industry.
3. A Member shall not be permitted to withdraw from Membership while he remains in Service.
4. Subject to the provisions of Rule 9, a Member who has left Service for any reason and has received all the benefits due to him in terms of these Rules shall cease to be a Member.

4.3 INSURABILITY

An Eligible Employee's qualification for any death-in-service insured benefit provided in terms of these Rules is conditional on his compliance with the insurability requirements laid down by the Re-assurer in respect of such benefit, from time to time in terms of Rule 12.

RULE 5: CONTRIBUTIONS

5.1 MEMBER'S CONTRIBUTIONS

1. Each Member shall contribute monthly to the Fund, from the date of commencement of his participation, at the rate of 5 per centum of one-twelfth of Annual Salary.
2. Members remunerated in ZWL shall contribute in ZWL at the rate of 5 per centum of one-twelfth of Annual Salary.
3. Members remunerated in USD shall contribute in USD at the rate of 5 per centum of one-twelfth of Annual Salary.
4. A Member may transfer to the Fund from any other registered pension or provident fund, any amount payable in respect of his participation under such fund, which shall be applied under the Fund in terms of Rule 7.7.
5. When a Member is on leave with full or less pay, he shall continue to contribute on his full Annual Salary immediately before such leave.
6. If a Member is on leave without pay, he shall have the right, subject to the consent of the Employer and provided he notifies the Fund in writing within one month of his return to duty that he is exercising the right, to contribute on his full Annual Salary immediately before such leave. The arrear contributions shall be paid within a period determined by the Board of Trustees by deduction from his Annual Salary.

5.2.1 EMPLOYER'S ZWL CONTRIBUTIONS

The Employers remunerating members in ZWL shall contribute for each member 5% of the ZWL salary which shall be credited to the member's pension account.

The Employer shall also contribute 2.5% of the ZWL salary bill for the whole cost of providing Group Life Assurance benefit and administration costs.

5.2.2 EMPLOYER'S USD CONTRIBUTIONS

The Employers remunerating members in USD shall contribute for each member 5% of the USD salary which shall be credited to the member's pension account.

The Employer shall also contribute 2.5% of the USD salary bill for the whole cost of providing Group Life Assurance benefit and administration costs.

5.3 PAYMENT OF CONTRIBUTIONS

The Employer shall deduct from the Basic Salary of a Member the Contributions payable by that Member and pay to the Fund those Contributions together with the Contributions payable by the Employer within fourteen days after the end of the month in respect of which the Contributions are made. Failure to pay the contributions timeously to the Fund shall render the Employer liable to pay the contributions together with interest not exceeding the Reserve Bank of Zimbabwe unsecured ongoing rate.

The Principal Officer, Chairman of Board and fund administrators shall immediately notify the Commissioner and the Board of Trustees should payment not be made within such a period.



RULE 6: VOLUNTARY CONTRIBUTIONS AND BENEFITS

6.1. VOLUNTARY CONTRIBUTIONS

A Member may, at any time, undertake to make voluntary contributions, provided the contributions shall not exceed 10 percent of his annual salary. The amount of the member's voluntary contributions shall be determined by the member in agreement with Employer. Once such undertaking has been made and effected, the voluntary contributions may be reduced or terminated only in extenuating circumstances and with the agreement of the Employer and the Fund. It is specifically provided that the Employer shall not pay additional contributions for the member.

It is specifically provided that if the Member revokes his decision to continue making voluntary contributions in terms of this Rule, the accumulated voluntary contributions in respect of such Member shall remain paid - up until the Member qualifies for any one of the benefits payable from the Fund and shall be payable in terms of Rule 6.3.

6.2. ADDITIONAL ACCOUNTS

The Fund shall maintain such additional accounts as are necessary in respect of voluntary contributions made in terms of Rule 6.1. Credits to the additional accounts shall be in the form of the monthly contributions as well as investment earnings as earned by the Fund.

6.3. GENERAL PROVISIONS ON VOLUNTARY CONTRIBUTIONS

The accumulated voluntary contributions can become payable in the following circumstances and in the manner specified;

1. death of the Member before Retirement.
2. withdrawal from Service when the accumulated amount can be;
3. cashed subject to tax.
4. transferred to a registered pension or retirement annuity fund.
5. utilised to purchase a pension.
6. applied in the purchase of a deferred pension payable from the Member's Normal Retirement Date.
7. Member's Retirement.
8. retrenchment.

RULE 7: PENSION BENEFITS

7.1 PENSION FORMULA

When Payable

An annual pension shall become payable to a Member based on the currency the contributions were paid on:

1. Retirement at the Normal Retirement Date.
2. Retirement before the Normal Retirement Date (early retirement/ or ill-health).

A member who has completed five years of continuous service with participating Employer (unless the Employer waives the service requirement) he may retire from the service of the Employer on the first day of any month;

1. After attaining age 65 or;
2. Between age 55 and 65 provided the Employer gives his consent to such early retirement.

It is specifically provided that the age and service requirement shall not apply in respect of a Member whose retirement is due to retrenchment or redundancy.

A Member may be permitted to retire on the first day of any month prior to the Normal Retirement Date if medical evidence is submitted showing to the Employer's satisfaction that the Member is permanently incapable of performing his normal gainful employment or any similar employment or any other occupation for which he is reasonably suited by education, training or experience. The amount of annual pension payable in respect of any Member who retires shall be equal to the pension that can be purchased by the Member's Accumulated Credit.

7.2 RETIREMENT ON NORMAL RETIREMENT DATE

A Member who is in Service or on deferred Retirement at his Normal Retirement Date shall have the right to retire at that date and shall become entitled to a Pension calculated in terms of Rule 7.1.

7.3 VOLUNTARY EARLY RETIREMENT

Subject to the Employer's consent or at the instance of the Employer, a Member may retire before his Normal Retirement Date, but not before age 55 years. On

retirement the Member shall become entitled to a Pension calculated in terms of Rule 7.1.

7.4 ILL-HEALTH EARLY RETIREMENT

A Member may be permitted to retire on the first day of any month prior to the Normal Retirement Date, if medical evidence is submitted showing to the Employer's satisfaction and approved by the Trustees that the Member is permanently incapable of performing his normal gainful employment or any similar employment or any other occupation for which he is reasonably suited by education, training or experience.

On such retirement the Member shall be entitled to a pension calculated in terms of Rule 7.1

7.5 LATE RETIREMENT

Subject to the consent of the Employer, a Member may defer his retirement after his Normal Retirement Date, but not later than age 70. No contributions are payable after the Pension Age.

On such retirement the Member shall be entitled to a Pension Calculated in terms of Rule 7.1 at the late Retirement date.

7.6 RETRENCHMENT / REDUNDANCY

Notwithstanding anything to the contrary contained in Rule 7.3., a Member who is retrenched or made redundant will be entitled to an immediate Pension.

7.7 ADDITIONAL PENSION

It is specifically provided that a Member:

In respect of whom a lump sum amount was transferred to this Fund from the Member's previous pension arrangement:

shall have such amount or amounts applied in the provision of increased pension benefits hereunder by applying the monies in the purchase of Pension additional to that elsewhere in these Rules, the amount of which shall be determined by the Actuary, or

The amount available to purchase the additional Pension will:

- (i) be payable on the Member's death before Retirement, or
- (ii) be applied in terms of Rule 9, where the Member withdraws from Service.

7.8. OPTIONS ASSOCIATED WITH RETIREMENT

1. Joint Pension Option

In lieu of the Pension to which the Member is entitled, he may, before his retirement, elect for a Dependent's pension equal to half of his pre-commutation pension, which will continue to be payable for as long as he and / or a designated Dependant are alive. In this event, the Pension on his own life will be reduced in accordance with the ages of himself and his designated Dependant and the amount of Pension to be continued after his death. The pension calculation shall be determined by the Actuary.

2. Single life Pension

A Member may elect at any time before his retirement to take a pension payable for as long as the Member is alive but in any event for 120 months. The Guarantee period for the member's pension shall therefore be 10 years and thereafter for life.

3. Commutation of Pension

At the commencement date of any Pension, the Principal Officer may, in their sole discretion, allow for a commutation for a lump sum;

- (i) the whole of the Pension if it does not exceed the limit set from time to time by the Commissioner.
- (ii) at the request of a retiring Member or Deferred Pensioner whose total Pension exceeds the limit referred to in (i), not more than one-third of the Pension.
- (iii) Where a Member exercises the option to commute for cash part of his Pension in terms of Rule 7.8.2. (a) (ii), the resultant balance Pension shall not be less than an amount as notified, from time to time, by the Commissioner, the member may commute the balance for cash.

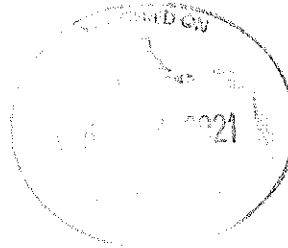
7.9 PAYMENT OF PENSION

1. On retirement/ retrenchment a Member shall be paid his pension from the Fund.
2. Each Pension shall be payable by equal monthly instalments on the 25th of each month, unless otherwise advised.
3. The first monthly instalment of a Pension payable to a Pensioner shall be due on the first day of the month next following his Retirement and the last monthly instalment shall be due on the first day of the month in which the Pensioner dies, provided that in the event of the death of the Pensioner within a 10 year guaranteed period as applicable months after commencement of his Pension, pension payments will be continued for the remainder of that guaranteed period. Where the Member has elected the Joint Pension Option in terms of Rule 7.8.1, Pension payments to his designated Dependant will commence on the later of the expiry of the afore-mentioned guaranteed period and the death of the Member and be payable until the designated Dependant's death. The last monthly instalment due in respect of the designated Dependant shall be due on the first day of the calendar month in which his death occurs.
4. Each Pensioner in receipt of a Pension shall provide such evidence of his survival or continued eligibility as the Board of Trustees may require. If such evidence is not produced, then the Board of Trustees may direct that payment of the Pension be suspended until such evidence is produced.
5. When any person entitled to a Pension is unable to manage his affairs by reason of mental, physical or legal incapacity, the Board of Trustees, in its discretion may pay the Pension to such other person as it deems fit on behalf and for the benefit of the beneficiary.

7.10. PENSION INCREASES

1. The Board of Trustees shall have the right to review the level of all Pensions being paid from the Fund taking cognisance of the Fund surplus.

2. The amount of the increase shall be determined by the Actuary in consultation with the Board of Trustees.



RULE 8: DEATH BENEFITS

8.1. DEATH IN SERVICE BEFORE NORMAL RETIREMENT DATE

On the death of a Member in Service before Normal Retirement Date the following benefits shall become payable:

1. A group life assurance benefit of 2 times the Member's Annual Salary (24 months' salary). In order to manage catastrophic risk at the same time benefiting from economies of scale, the Fund shall outsource a portion of the Group Life Cover with Life Offices as approved by the Board of Trustees in consultation with the Fund Actuary from time to time.

Plus

2. A Pension that can be set on the life of the Spouse/Dependent Children or Dependents or Beneficiaries from the amount in the Member's Accumulated Credit.

The lump-sum amount shall be paid in terms of Rule 8.6.3.

8.2. DEATH IN SERVICE ON OR AFTER NORMAL RETIREMENT DATE

On the death of a Member in Service on or after his Normal Retirement Date the benefits payable shall be those benefits the Member would have received had he retired on the day of his death and elected to commute the maximum amount of pension permissible in terms of Rule 7.8.2.

8.3. DEATH OF A PENSIONER

On the death of a Pensioner, his Dependents shall receive the balance of the guaranteed period instalments referred to in Rule 7.9.3.

8.4. DEATH OF A DEFERRED PENSIONER

On the death of a Deferred Pensioner before Retirement in terms of Rule 7, the cash value of the Pension elected on withdrawal from the Employer's Service, plus earnings as earned by the Fund thereafter shall be payable. The cash value of such Pension shall be payable as set out in Rule 8.6.

8.5. RESTRICTION OF DEATH BENEFITS

Notwithstanding anything to the contrary contained in this Rules, any death benefit payable in terms of these Rules shall be subject to such restrictions due to evidence that no contributions were being remitted for the past twelve months.

8.6. PAYMENT OF DEATH BENEFITS

The aggregate of the death benefits (other than the Joint Pension payable to the designated dependant payable in terms of these Rules) shall be paid on the following basis;

1. The death benefits shall be paid to the following persons in the following order
 - (a) to his surviving spouse and his dependent children, or
 - (b) if he leaves no surviving Spouse, or dependent children, to any dependant, or
 - (c) if he leaves no surviving Spouse, dependent children or other dependants to his nominee, or
 - (d) if he leaves no surviving spouse, dependent children, dependant or nominee, to his estate.
2. A Member may, as a guide to the Board of Trustees and the Employer, nominate a Dependant or beneficiary to whom any benefit payable on his death may be paid, and he may revoke or replace such nomination at any time.
3. The allowable lump-sum payable on the death of a Member shall be an amount not exceeding the greater of twice the Member's Annual Salary at date of death.

4. The Board of Trustees may direct that the payment due to any Dependant be made instead to trustees appointed by the Board of Trustees for the benefit of the Dependant in such a manner as the Board of Trustees shall direct.
5. Payment of any part of a lump sum benefit shall be made, as directed by the Board of Trustees, in the form of a lump sum, or instalments (in which event interest shall be added to the balance outstanding at a rate determined by the Board of Trustees, from time to time), or as an annuity.

If payment is to be made in the form of an annuity, then the amount of the annuity shall be determined by the Actuary in consultation with the Board of Trustees.

6. A spouse's annuity shall be payable for his lifetime but may, if he so elects, be payable for a specific period of at least 240 months and the pension calculation shall be determined by the Actuary.

Where the death of the annuitant occurs prior to the cessation of the annuity payments, the balance of such annuity payments shall be paid to the estate of the deceased.

7. The last monthly instalment of the Dependent Child's Pension shall be payable on the first day of the month in which the last Dependent Child ceases to be a Dependent Child.

In respect of a posthumous child, the first instalment shall be paid on the first day of the calendar month next following the child's date of birth.

8. The Dependent Child's Pension is payable to all the late Member's dependent children.
9. For as long as a Dependent Child is a minor, the Pension payable for his benefit shall be paid to his legal guardian on his behalf.
10. Benefits payable to any estate shall be paid as a cash sum unless the annuity arrangements stipulate otherwise.

11. It is specifically provided that where a Member or Pensioner has more than one Spouse, any benefit payable in terms of these Rules shall be paid to the Spouses, as decided by the Trustees. The decision of the Trustees in this regard shall be final and the resulting Pension payable to each Spouse shall cease on the death of the Spouse or when such deceased Spouse's dependent child or children ceases to be a Dependent Child.

RULE 9: WITHDRAWAL BENEFIT

9.1 RIGHT TO AND AMOUNT OF WITHDRAWAL BENEFIT

It is specifically provided that if a Member who has withdrawn from the Motor Industry Pension Fund, his/her benefits shall become payable immediately upon withdrawal. If such a Member joins the pension fund of an Employer who has been granted exemption in terms of this Agreement, the Member's full Accumulated Credit will be transferred to a registered pension fund upon approval by the Commissioner.

AMOUNT OF WITHDRAWAL BENEFITS

The Member shall have the following options and shall be so informed by the Principal Officer on his resignation:

1. CASH

The Member may take in cash immediately upon withdrawal, a refund of the employee's portion of his or her Accumulated Credit subject to tax. The Employer's Accumulated Credit shall be preserved in the Motor Industry Preservation Fund until the member attains age 55 years, and will be paid in accordance with rule 7.

OR

2. TRANSFER TO OTHER FUNDS

The total amount shall be transferred to a retirement annuity fund selected by the Member or to a registered pension fund of which he becomes a Member.



BENEFITS ON DISCHARGE OTHER THAN ILL-HEALTH OR MISCONDUCT

It is specifically provided that if a Member is discharged from, or is deprived of his office for any reason, including the dissolution or winding-up of his Employer but excluding ill-health or misconduct or resignation, he shall be deemed to have retired early due to redundancy.

On such occurrence he shall be entitled to a Pension purchased by his Accumulation Credit from the first day of his early retirement.

RULE 10: GENERAL PROVISIONS

10. TERMINATION AND PARTIAL TERMINATION OF THE FUND

10.1 TERMINATION

1. If the Fund cease to carry on business or is wound up (whether or not) in circumstances to which this Rule does not apply, or if the Principal Officer gives notice in writing to the Board of Trustees that the Contributions are to be terminated, the Board of Trustees shall appoint a suitable person (who shall not himself be a trustee and whose appointment shall be subject to the Commissioner's approval) to act as liquidator of the Fund.
2. As from a date decided by him, the liquidator shall realise the assets of the Fund and, after payment of all expenses incurred in terminating the Fund, apportion the proceeds amongst the Members, Pensioners, Deferred Pensioners and other beneficiaries on an equitable basis recommended by the Actuary and approved by the Commissioner.

In making such apportionment, the liquidator shall include each former Member who, during such period ending on the date of termination as the liquidator may decide, left Service for reasons accepted by him as not being attributable to the former Member's fraud or misconduct, but shall reduce the amount of the former Member's apportionment by the amount of the former Member's benefit on the termination of his Service.

3. The termination procedure in terms of Rule 10.2.2. shall be subject to the following provisions:
 - a) the amount available for a person in receipt of a Pension shall be applied to purchase an annuity for him from a registered life office.
 - b) the amount available for a person prospectively entitled to a Pension shall, as a liquidator in consultation with the Actuary may decide,
 - i) be transferred for such person's benefit to an approved pension fund or an approved retirement annuity fund; OR
 - ii) be applied to purchase an annuity for such person from a registered Life Office; OR
 - iii) be paid to such person in cash.

- c) if a person to whom a benefit is payable cannot be traced within a period of three years the benefit shall be paid to the Guardian's Fund administered by the Master of the High Court.
- d) Payment of such benefits in the aforesaid manner shall discharge the Fund of all liability in respect of all benefits due to such Member in terms of these Rules.

10.2 PARTIAL TERMINATION

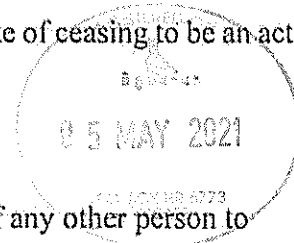
If as a result of the sale of a participating employer, such employer ceases to be an Employer participating in the Fund;
if those active Members employed by that employer are then admitted to Membership of another approved pension fund, such amount as is determined by the Board of Trustees in consultation with the Actuary shall be transferred to that fund in respect of the active Members concerned. The amount so determined in respect of any active Member shall not be less than the amount which the Member would have received in terms of these Rules if on the date of ceasing to be an active Member he had left Service of his own free will.

10.3 PROOF OF EXISTENCE, IDENTITY AND AGE

Proof of existence, identity and age of a Member and of any other person to whom any benefit may be payable, will be required by the Fund before any benefit or instalment thereof is made unless the Principal Officer specifies otherwise. Thereafter the Board of Trustees will call for proof of existence and identity on at least an annual basis in respect of a person who receives such benefit, pension, annuity or instalment. In the absence of the specified requirements, the Principal Officer at its sole discretion may withhold payment of any benefit, pension, annuity or instalment.

10.4 BOARD OF TRUSTEES INCAPACITATION

In the event that the Board of Trustees is deemed incapacitated for one reason or another, the Motor Industry stakeholders (Motor Industry Employers Association of Zimbabwe, Automotive and Allied Workers Union of Zimbabwe and the Motor Trades Workers Union of Zimbabwe) shall appoint an interim Board to conduct the functions of the Board of Trustees. The Interim Board shall serve for a period of not more than 90 days or as deemed fit by the Commissioner pending the election of a new Board of Trustees.



10.5 MAKING THE FUND PAID UP

10.5.1 *The Fund shall be made paid up on the happening of any of the following events:*

- a) Upon the exercise by the Board of Trustees of any power to make the Fund paid up in consultation with the Employer and Employee representatives in line with SI 66 of 1995.
- b) Upon a directive by the Commissioner under the Act.

10.5.2 *When the Fund is paid up:*

- a) The Board of Trustees, in consultation with the Actuary, shall implement such changes to the benefits and contributions (if any) as may be considered by the Board of Trustees to be just and equitable as applied to the generality of all persons entitled to benefits under this Fund.
- b) Any such arrangement shall take into account the provisions of Rule 5.3 specifically the protection of accrued benefits.

10.5.3 *Board of Trustees*

- a) After the Fund has been made paid up, the Board of Trustees shall continue to be appointed or elected in accordance with Rules 3.2 and as directed by the Commissioner. Should, however, the Board of Trustees be incapacitated for any reason, the terms of Rule 10.5 shall apply.

RULE 11: FINANCIAL PROVISIONS

11.1 INVESTMENTS

1. All moneys received on account of the Fund shall be paid into a banking or building society account opened in the name of the Fund.
2. The Board of Trustees shall have full power, subject to the provisions of the Act and the requirements of the Commissioner, to receive, administer and apply the moneys of the Fund and in their absolute discretion to lend, invest, put out at interest, place on deposit, make advances, or otherwise deal with the moneys of the Fund upon such security and in such manner as they may from time to time determine and to realise, vary, reinvest or otherwise deal with such securities and other investments as they from time to time determine.
3. The Board of Trustees may invest the whole or part of the monies of the Fund for such period and on such terms as they decide.
4. The Board of Trustees may obtain an overdraft from a bank, or borrow from an Employer or any other party, on such terms as they think fit, such sum as they approve for the purpose of completing any investment or meeting any temporary unforeseen cash shortage, and for this purpose may give such security as they decide.
5. Every document of title to an investment shall be registered in the name of the Fund. Every document of title belonging to or held by the Fund shall be kept at the Investment Manager's premises, in the safes or strong rooms at the registered office of the Fund or in a banking institution, as decided by the Board of Trustees.
6. Every cheque, contract or other document pertaining to the Fund shall be signed by such persons as the Board of Trustees by resolution appoint.

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11.2. EXPENSES

11.2.1 The Fund has four distinct member categories, contributing members, dormant/non-contributing members, preservation fund members as well as pensioners. The Fund administration expenses shall be charged per member per category as defined below:

i) *Investment expenses*

These shall be calculated basing on the assets/funds under management per category.

ii) *System costs*

These will be charged per Member in line with the service provider's charge rates.

iii) *Service Fees (Book keeping, Records Management, Actuarial, Audit, Legal, etc.)*

These include the cost of managing Fund records, benefit calculations, member communication and professional fees. Trustees' expenses and sitting allowances are also included in this category. Active members shall be charged 75% of the related costs which shall be paid for by the employer in line with rule 11.2.2, while the dormant/non-contributing members, preservation fund members will meet the remaining 25% of the costs due to the nature of the cost and the time spent in carrying out the task. The Pensioners expenses shall be met by the Fund.

11.2.2 (a) The employer shall contribute to the Fund, 1.5% of salary bill towards Administration Expenses as listed in Annexure A and 1% of salary bill to meet the cost of Group Life Assurance cover. This is in line with rule 5.2 which set out that the whole of administration expenses and group life assurance costs shall be met from employer contributions of 2.5% of salary bill.

(b) Except where otherwise provided as in rule 11.2.1, the whole of the expenses in connection with or incidental to the management or administration of the Fund and the investment thereof, shall be paid by the Fund as per annexure A to these Rules.

(c) In the financial year where the total costs of Administration Expenses exceed 1.5% of salary bill the excess is directly met from the Fund's investment returns provided the excess is approved by the Board of Trustees and monitored from time to time.

MOTOR INDUSTRY PENSION FUND Rule 11.2 Annexure A

EXPENDITURE APPORTIONMENT

FUND EXPENSES

- (a) Professional Services
- (b) Operational expenses
- (c) Investment expenses

ADMINISTRATION EXPENSES

- (a) Staff Costs
- (b) Office expenses

11.3 ACCOUNTS

The Board of Trustees shall cause for full and true accounts of the Fund to be kept, such accounts, to be made up as at the end of each Financial Year, are to be audited by the Auditor and submitted to the Commissioner.

11.4 BONUS RESERVE ACCOUNT

The Fund shall hold a Bonus Reserve Account (BRA) of up to 5% of surplus. The BRA shall be funded by the following:

- i) Up to a maximum of 5% of Fund assets will be transferred to the BRA as determined by the actuary in consultation with the Board of Trustees.

The Board of Trustees, after consulting the Actuary, may use the funds invested in this reserve account to:

- i) supplement member benefits especially in years of negative returns,
- ii) to meet expenses of administration in line with rule 11.2.2(c)
- iii) as a contingency fund against liabilities posed in terms of Rule 7,
- iv) or for all or any of the above purposes.

RULE 12: AMENDMENTS

1. The Board of Trustees, at the instance of, or subject to the consent of the members, may amend these Rules at any time.
2. Any amendment to the Rules affecting the financial position of the Fund must be referred to the Actuary before being adopted.
3. All amendments to the Rules shall be submitted to the Commissioner of Pension and Provident Funds. No amendment shall be valid until it has been approved by the Commissioner of Pension and Provident Funds.



RULE 13: MISCELLANEOUS PROVISIONS

1. The Principal Officer shall from time to time furnish to the Board of Trustees in respect of those Members, all necessary particulars affecting their benefits or their entitlement thereto under the Fund and the Board of Trustees shall be entitled to act upon such particulars without further enquiry and shall not be responsible to any Member, his Dependants or heirs or to the Employer or to any other person or body whatsoever for any mis-statements or errors or omissions which may be contained in such particulars.
2. Each Member shall produce a birth certificate or other evidence of age acceptable to the Board of Trustees for himself and each of his beneficiaries and shall also give such other information as the Principal may reasonably require for the purposes of the Fund.
3. Each person entitled to a Pension shall give notice in writing to the Principal Officer of his place of residence and of any change of residence.
4. No person shall have any claim concerning the Fund either upon the Fund or against the Employer, except in accordance with these Rules.
5. Admission to Membership of the Fund shall be regarded as an acknowledgement by the Member that he agrees that these Rules, including any alteration that may be adopted in accordance herewith, shall be binding upon himself and upon his Dependants, heirs and any other person claiming to derive a benefit under the Fund by virtue of his Membership.
6. If a Member is absent from Service and such absence is authorised by the Employer, then during such absence:
 - a) Contribution and Retirement Pension
If the Member's Annual Salary is neither reduced nor suspended, Contributions in terms of Rule 5 shall continue. If the Member's Annual Salary is reduced or suspended for part or all of the period of absence, Contributions in terms of Rule 5 shall be reduced proportionately or suspended, as the case may be.

7. Any benefit payable hereunder arising out of a Member's participation in the Fund is subject always to the Employer's or Fund's right to recover;

- i) any loss suffered by the Employer as a result of any dishonesty on the Member's part proven to the satisfaction of the Commissioner; and
- ii) any amount that the Commissioner is satisfied is owing by the Member to the Employer or the Fund in terms of a loan secured by first mortgage of a house personally occupied by the Member or for a similar kind of loan granted by the Employer or guaranteed by the Employer and granted by a person registered in terms of the Banking Act (Chapter 24:01), the Building Society Act (Chapter 24:02) or the Insurance Act, (Chapter 24:07) as amended from time to time.

Where no cash benefit is payable or such benefit is insufficient to enable the Employer to recover the full amount of the loss or debt, so much of the Pension payable hereunder may be commuted and the cash value paid to the Employer, subject to the approval of the Commissioner.

The Employer's or Fund's receipt therefore shall constitute as good and valid receipt and discharge for the amount as if it has been paid to the Member or beneficiary.

- iii) If any tax, estate duty or other payment is payable in respect of any benefit payable from the Fund, the Board of Trustees shall be entitled to recover such payment (including interest paid in respect of the payment and the costs of making the payment) from the benefit payable.

8. No Contributions shall revert to or become the property of the Employer.

9. The life assurance benefit cover in terms of Rule 8 will cease on a Member's withdrawal from Service or Member's Retirement.

10. Nothing in these Rules shall in any way restrict the right of the Employer to terminate the employment of a Member.

11. No benefit, right or interest to which a Member may claim to be entitled in terms of these Rules, shall be used as a ground for damages in an action brought by him against the Employer.

12. INSURABILITY REQUIREMENTS

1. Any Personal Risk Benefit cover in respect of an employee shall be limited to an amount corresponding to the relevant health review limit specified by the Re-assurer in respect of such benefit, unless evidence of his good health and insurability to the Re-assurer's satisfaction is provided to the Re-assurer. The health review limit applicable in terms hereof shall be as specified by the Re-assurer from time to time by written notice to the Employer.

Subsequent increases in cover shall be in accordance with and subject to such limits and conditions as the Re-assurer shall specify in writing to the Employer from time to time.

2. An employee's participation in
 - i) Personal Risk Benefit or
 - ii) any increase in Personal Risk Benefit, shall take effect from the later of the date on which he becomes eligible for such participation having been a contributing member for a consecutive twelve months.

13. INCOME TAX

All payments of benefits in terms of these Rules are subject to taxation, where applicable, in accordance with the rates of income tax applicable at the time. Anything to the contrary on the advice of the Member should be supported by documentary proof as provided by tax authorities showing to the Board of Trustees' satisfaction that the Member is exempt from such tax deductions.

14. NOTIFICATION OF BENEFITS FROM OTHER FUNDS

A Member may notify the Principal Officer in writing of any benefit to which the Member is entitled from any other pension fund or from a provident fund. The Board of Trustees in consultation with the Actuary shall make such adjustments as may be necessary to the maximum and/or manner of payment of any benefit payable in terms of these Rules.

15. VARIATION OF BENEFITS

The Board of Trustees may, with the consent of the Principal Officer and subject to the prior approval of the Commissioner, vary any benefit or benefits due to or in respect of any Member if in the Actuary's opinion, the financial position of the Fund requires or allows it.

16. (1) CESSION OR ALIENATION OF BENEFITS

1. A Member may, for the purpose of giving security for a loan such as is referred to in sub-section 4 of Section 18 of the Act, or for a similar kind of a loan granted by the employer, cede or pledge his rights to any benefits to the Fund subject to the requirements of Section 51 of SI 323 of 1991.
2. Save as is otherwise provided in sub section 51 of SI 323 of 1991 and in the Maintenance Act [Chapter 5:09] and the Children's Protection and Adoption Act [Chapter 5:06]:-
 - i) No right to a benefit payable from the Fund shall be capable of being ceded, pledged or hypothecated or be liable to be attached or to be subject to any form of execution under a judgement or order of a court; and
 - ii) Any purported cession, pledge or hypothecation of a right to any benefit payable from the Fund shall be ignored by the Board of Trustees.
 - iii) If the estate of a Member or any beneficiary of a former Member is sequestrated or assigned, his/her right to any benefit from the Fund shall not form part of the assets of his insolvent or sequestrated estate.

16 (2) PRIOR RIGHT TO BENEFITS

If the Commissioner is satisfied that a Member of the Fund who has left service of the employer:

1. has not fully repaid any loan such as is in Sub-section 4 of Section 18 of the Act from the Fund or from the employer and has pledged his/her rights to benefits from the Fund as security therefore: or

2. who has left employment because of dishonesty which has resulted in the Employer suffering loss.

He may authorize the Fund to withhold any benefits payable to that Member until such time as the loan, together with interest, has been repaid or the loss has been made good, as the case may be.

17. INDUSTRIAL ENACTMENTS AND EMPLOYMENT REGULATIONS

If Either

1. any cash refund payable in terms of these Rules, together with the cash value (if any) of the Pension that can be purchased by the Member's additional entitlement in terms of Rule 7.7. OR
2. the cash value as determined by the Board of Trustees in consultation with the Actuary of any Pension payable at any time to or in respect of a Member (before commutation of any portion thereof in terms of these Rules) together with the cash value of any personal risk benefit is less than:
 - i) his compulsory Contributions (other than voluntary contributions) together with 5 per centum per annum compound interest thereon, subject to a minimum of 4 per centum per annum simple interest in respect of Contributions made on or after 25 October 1991, and
 - ii) the gratuity, in respect of pensionable service, that would have been paid to or in respect of him in terms of any industrial enactment or determination made in terms of the Labour Relations Act, 1985, or any enactment thereof;

An amount equal to the excess of the amount in sub-paragraph (b) over the amount in sub-paragraph (a) shall be payable to or in respect of such Member in cash by the Employer.

It is specifically provided that any gratuity arising as a result of service rendered by the Member, which is not pensionable, shall be paid in cash by the Employer.

18. PAYMENT OF BENEFITS

1. Whenever a benefit becomes payable to any beneficiary, the Employer and the beneficiary shall be deemed to have requested that the benefit be paid by means of a bank transfer, cheque or cheques posted by ordinary mail to the beneficiary's postal address as notified by the Employer or the beneficiary to the Fund.

For the purpose of this Rule "beneficiary" shall mean any person (including the Member if applicable) who is or becomes entitled to the payment of a benefit in terms of these Rules.

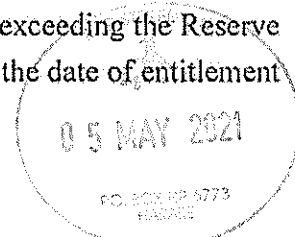
2. Any benefit payable in terms of these rules shall be received within a period not exceeding five working days from the date of entitlement. A member entitled to periodic benefits from the Fund shall receive them, within a period not exceeding fourteen days from the last day of the period in respect of which the benefit is payable.

Where the fund administrator, member of the Board of Trustees or member of a management committee of a fund, as the case may be, fails to pay timeously the benefits due to a member of the Fund, the fund administrator, member of the Board of Trustees or member of a management committee of a Fund, as the case may be, shall be liable to pay the benefits together with interest not exceeding the Reserve Bank of Zimbabwe unsecured ongoing rate calculated from the date of entitlement

19. MEMBERS' RIGHT TO DOCUMENTS

Every Member shall be entitled on application to the Principal Officer, and on payment of the fees that may be set by the Board of Trustees from time to time, to a copy of:

1. the Rules;
 2. the latest audited financial statements of the Fund;
- and shall be entitled, without charge, to inspect at the registered office of the Fund and to take extracts from the documents referred to in (a) and (b) above.



20. SETTLEMENT OF DISPUTES

1. Subject to subsection (2), the rules of the fund shall provide for a manner in which any dispute between the fund and any member or any person whose claim is derived from a member shall be settled.
2. The Rules of the Fund shall provide for a member or any person whose claim is derived from a member with the right to refer any dispute to any recognised body for arbitration or a court of law.
3. Where a member or any person whose claim is derived from a member refers any dispute in terms of the rules of the fund, the principal officer shall inform the Commissioner, in writing, of the nature of the dispute.

21. PROTECTION AGAINST DISHONESTY

The Rules of the Fund shall require the Fund to protect itself against dishonesty on the part of any of its officers, either by way of a guarantee from the participating Employer or by way of insurance of such amount as the Principal Officer deems adequate.