

UNICOVER PENSION FUND

12/8/18452

AMENDMENT NO. 12

Extract from a round robin resolution of the Board of Trustees of the Unicover Pension Fund dated 18 June 2021

RESOLVED THAT with effect from 29 February 2004 the Rules shall be amended as follows:

1. The following new definitions shall be inserted in Rule 1.6 in alphabetical order as follows:

“ACTUARIAL SURPLUS: Actuarial surplus as defined in the ACT.

SURPLUS APPORTIONMENT DATE: 29 February 2004.

SURPLUS APPORTIONMENT SCHEME: The surplus apportionment scheme approved in terms of section 15B of the ACT.”

2. Rule 8.3 shall be deleted and replaced with the following:

“8.3 EMPLOYER SURPLUS ACCOUNT

8.3.1 An Employer Surplus Account shall be established and maintained in the FUND with effect from the SURPLUS APPORTIONMENT DATE.

8.3.2 The following amounts will be credited to the Employer Surplus Account:

- (a) ACTUARIAL SURPLUS allocated to the Employer Surplus Account by the BOARD after consultation with the ACTUARY; and
- (b) Positive INVESTMENT RETURNS on the assets underlying the account.

8.3.3 The following amounts will be debited to the Employer Surplus Account:

- (a) Amounts paid or transferred as permitted by the ACT and decided by the BOARD after consultation with the ACTUARY;
- (b) Negative INVESTMENT RETURNS on the assets underlying the account.

8.3.4 Notwithstanding anything to the contrary contained elsewhere in the RULES, if any amount is transferred from the Employer Surplus Account to cover the cost of EMPLOYER contributions, such contributions will be regarded as having been paid to the FUND.

3. In Rule 8.4.2, paragraphs (d), (e), (f) and (g) shall be renumbered as (e), (f), (g) and (h) respectively and the following new paragraph (d) shall be inserted:

“(d) An allocation of ACTUARIAL SURPLUS, as determined by the BOARD, after consultation with the ACTUARY, may be credited to the MEMBER ACCOUNT.”

4. Rules 8.8 and 8.9 shall be added as follows:

“8.8 SURPLUS APPORTIONMENT RESERVE ACCOUNT

8.8.1 A Surplus Apportionment Reserve Account shall be established and maintained in the FUND with effect from the SURPLUS APPORTIONMENT DATE. The purpose of the Surplus Apportionment Reserve Account is to hold the ACTUARIAL SURPLUS determined by the BOARD, acting on the advice of the ACTUARY, in accordance with the SURPLUS APPORTIONMENT SCHEME as at the SURPLUS APPORTIONMENT DATE.

8.8.2 The following amounts will be credited to the Surplus Apportionment Reserve Account:

- (a) The ACTUARIAL SURPLUS determined by the BOARD, acting on the advice of the ACTUARY, in accordance with the SURPLUS APPORTIONMENT SCHEME as at the SURPLUS APPORTIONMENT DATE; and
- (b) Positive INVESTMENT RETURNS on the assets underlying the account.

8.8.3 The following amounts will be debited to the Surplus Apportionment Reserve Account:

- (a) Amounts allocated to the Employer Surplus Account, the MEMBER ACCOUNTS or to former MEMBERS, as decided by the BOARD after consultation with the ACTUARY;
- (b) Negative INVESTMENT RETURNS on the assets underlying the account.

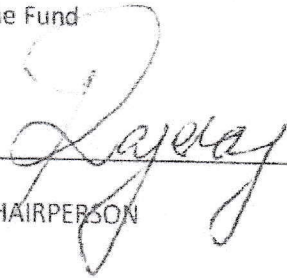
8.9 SURPLUS APPORTIONMENT COST RESERVE ACCOUNT

- 8.9.1 A Surplus Apportionment Cost Reserve Account shall be established and maintained in the FUND with effect from the SURPLUS APPORTIONMENT DATE. The purpose of the Surplus Apportionment Cost Reserve Account is to hold an amount determined by the BOARD, acting on the advice of the ACTUARY, to cover the expenses directly related to the SURPLUS APPORTIONMENT SCHEME as at the SURPLUS APPORTIONMENT DATE.
- 8.9.2 The following amounts will be credited to the Surplus Apportionment Cost Reserve Account:
- (a) An opening balance determined by the BOARD, acting on the advice of the ACTUARY; and
 - (b) Positive INVESTMENT RETURNS on the assets underlying the account.
- 8.9.3 The following amounts will be debited to the Surplus Apportionment Cost Reserve Account:
- (a) Amounts to cover expenses directly related to the SURPLUS APPORTIONMENT SCHEME;
 - (b) Negative INVESTMENT RETURNS on the assets underlying the account.
- 8.9.4 Any amounts not required shall be released from the Surplus Apportionment Cost Reserve Account and allocated to the MEMBER ACCOUNTS and/or EMPLOYER SURPLUS ACCOUNT, as decided by the BOARD, acting on the advice of the ACTUARY.

The overall reason for this amendment is to include provisions dealing with the revised surplus apportionment scheme submitted by the Fund to the Financial Sector Conduct Authority. The specific changes are:


- To include a Surplus Apportionment Reserve Account to which will be allocated Actuarial Surplus determined in accordance with the Surplus Apportionment Scheme conducted as at the Surplus Apportionment Date.*
- To include a Surplus Apportionment Cost Reserve Account to which will be allocated an amount determined in accordance with the Surplus Apportionment Scheme conducted as at the Surplus Apportionment Date.*
- To delete the current Employer Surplus Account and include an Employer Surplus Account that is managed at Fund level rather than Employer level.*
- To include credits and debits to the newly included Surplus Apportionment Reserve Account, Surplus Apportionment Cost Reserve Account and Employer Surplus Account.*
- To update the provisions dealing with Member Accounts to allow for Actuarial Surplus to be allocated to those accounts.*
- To include new definitions of Actuarial Surplus, Surplus Apportionment Date and Surplus Apportionment Scheme to assist with interpreting the new rules mentioned above.*

CERTIFIED that the above resolution has been adopted in accordance with the provisions of the Rules of the Fund




CHAIRPERSON

16/8/2021
DATE



BOARD MEMBER

16/8/2021
DATE



PRINCIPAL OFFICER

16/8/2021
DATE