

**UNICOVER PROVIDENT FUND**

**12/8/24299**

**AMENDMENT NO. 9**

Extract from a round robin resolution of the Board of Trustees of the Unicover Provident Fund dated 15 April 2020

**RESOLVED THAT** with effect from 1 April 2020 the Rules shall be amended as follows

1. In Rule 2.2.1 the following sentence shall be added at the end of the rule:

“A MEMBER who is temporarily absent from SERVICE may be in receipt of full pay, partial pay or no pay, as advised to the FUND by the EMPLOYER.”

2. Rule 2.2.2 shall be deleted and replaced by the following:

“2.2.2 The following provisions will apply notwithstanding anything to the contrary contained elsewhere in the RULES:

- (a) The EMPLOYER and/or the MEMBER may elect to continue paying contributions to the FUND in accordance with the provisions of Rules 3.1 and 3.2 or, subject to (c) below, to suspend contributions.
- (b) If the EMPLOYER and/or the MEMBER elect to continue paying contributions to the FUND, such contributions may be based on the MEMBER'S PENSIONABLE SALARY immediately prior to the commencement of the period of absence, i.e. ignoring any reduction, or the MEMBER'S PENSIONABLE SALARY during the period of absence, as advised to the FUND by the EMPLOYER and subject to (c) below.
- (c) If the contributions are suspended or are based on the MEMBER'S PENSIONABLE SALARY during the period of absence, contributions to cover the costs referred to in Rules 3.2.1 (a) and 3.2.1 (c) must continue based on the MEMBER'S PENSIONABLE SALARY immediately prior to the commencement of the period of absence, i.e. ignoring any reduction.

(d) The INSURED BENEFITS will continue to be provided based on the MEMBER'S PENSIONABLE SALARY immediately prior to the commencement of the period of absence, i.e. ignoring any reduction."

3. Rule 3.2.1(b) shall be deleted and replaced with the following:

"(b) the minimum amount determined by the BOARD that must be applied towards the retirement benefit of each MEMBER, other than where the provisions of Rules 2.2 or 3.4 apply; and"

4. Rule 3.4 shall be added as follows:

**"3.4 Suspension of Contributions**

3.4.1 The provisions set out in this Rule will apply notwithstanding anything to the contrary contained elsewhere in the RULES.

3.4.2 An EMPLOYER that is in financial distress may apply to the FUND for a total suspension of contributions to the FUND in respect of retirement benefits by it and, if applicable, the MEMBERS. The suspension may be in respect of MEMBERS who are absent from SERVICE as envisaged in Rule 2.2 or in respect of MEMBERS who are not absent from SERVICE. If the affected MEMBERS are absent from SERVICE, any action taken under this Rule will override the provisions of Rule 2.2. The following provisions shall apply:

- (a) The EMPLOYER must provide such information as the BOARD may require in order to approve the suspension.
- (b) The suspension may be granted by the BOARD, after consideration of the information provided, for a maximum period of three months.
- (c) An extension of up to three months may be applied for by the EMPLOYER after the expiry of the initial period granted. The application for an extension should include any additional information required by the BOARD.
- (d) Only one extension may be granted by the BOARD and should the EMPLOYER, after the expiry of the extension, remain unable to resume contributing fully, alternative arrangements must be made including but not limited to the implementation of Rule 12.1, provided that any notice period under that Rule will be waived.

- 3.4.3 If at a future date, the EMPLOYER and/or the MEMBERS are able to pay the contributions not paid to the FUND during the suspension period, the FUND shall allow for such amounts to be paid and invested without any additional cost.
- 3.4.4 The FUND must advise affected MEMBERS of the EMPLOYER'S request to suspend contributions within thirty days of receiving such a request.
- 3.4.5 The following provisions will apply:
- (a) The EMPLOYER may contribute to the FUND to maintain the INSURED BENEFIT which will be based on PENSIONABLE SALARY immediately prior to the commencement of the suspension or, if PENSIONABLE SALARY was reduced prior to the commencement of the suspension, prior to any such reduction.
  - (b) The EMPLOYER may contribute to the FUND in respect of the costs referred to in Rule 3.2.1 (c).
  - (c) If the EMPLOYER does not contribute to the FUND the amounts referred to in (a) and/or (b) above, such amounts may be debited from the MEMBERS' ACCOUNTS.
  - (d) The BOARD and the EMPLOYER must agree on the effective date of the suspension of contributions, provided that such effective date may not be prior to the date of the resolution of the BOARD approving such suspension."

5. Paragraph (h) shall be added to Rule 8.4.2 as follows:

"(h) Amounts required to be debited to the MEMBER ACCOUNT in terms of Rule 3.4 shall be so debited."

*The reasons for the amendment are to:*

- *To add a Rule allowing for a suspension of contributions to the Fund if an Employer is in financial distress.*
- *To include a consequential change to the definition of Member Account.*
- *To amend the Rule dealing with absence to include options as to the Pensionable Salary on which contributions are based in respect of retirement contributions (absence with full or partial pay)*

and to provide that contributions in respect of expenses are to be based on Pensionable Salary prior to any reduction.


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

  
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CHAIRPERSON

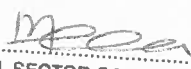
15/04/2020  
DATE

  
\_\_\_\_\_  
BOARD MEMBER

15/04/2020  
DATE

  
\_\_\_\_\_  
PRINCIPAL OFFICER

15/04/2020  
DATE

REGISTERED in terms of  
Pension Funds Act, No. 24 of 1956  
27 MAY 2020  
  
FOR THE FINANCIAL SECTOR CONDUCT AUTHORITY