

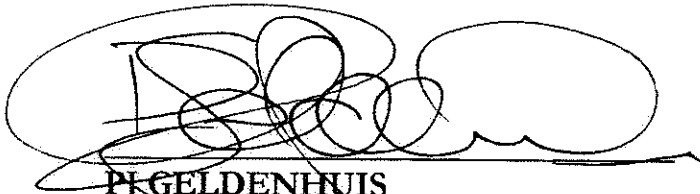
**PRINTING INDUSTRY PENSION FUND
FOR SATU MEMBERS**

December 2005

PRINTING INDUSTRY PENSION FUND
FOR SATU MEMBERS

**CERTIFICATE REQUIRED IN TERMS OF THE
PENSION FUNDS ACT, 1956**

I hereby certify that the revised Rules of the Fund are financially sound in terms of the Act.

A handwritten signature in black ink, appearing to read 'P.J. Geldenhuys', is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke at the end.

P.J. GELDENHUIS
Fellow of the Faculty of Actuaries
In my capacity as an Actuary of the Fund
And as an employee of
Alexander Forbes Financial Services

Extracts from the minutes of a meeting of the Trustees of the Printing Industry Pension Fund for SATU Members held at PRETORIA on 1 DECEMBER 2005

Resolved that with effect from 1 January 2002 the set of Rules of the above Fund be substituted by these revised rules.

1. The reasons for the amendment are:

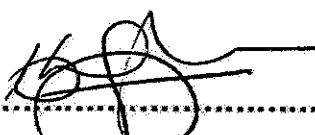
- (a) to clarify the provisions regarding pension payments;**
- (b) to reflect that the risk death benefit will only be payable after the Member has completed 12 months' membership of the Fund and that contributions which would have been applied towards the cost of the death benefit under the risk reserve shall be allocated towards retirement funding;**
- (c) to correct certain rule references;**
- (d) to reflect that an election by a spouse or child to commute part of any Pension payable to him or her on the death of a Member shall be irrevocable;**
- (e) to correct reference in the Rules to the National Industrial Council of the Printing and Newspaper Industry of South Africa;**
- (f) to clarify that only contributory Members may make additional voluntary contributions to the Fund;**
- (g) to enable the Trustees to pay all or part of a child's Pension to a Trust;**
- (h) to reflect the terms and conditions applicable on the transfer of Members to another fund;**

- (i) to recognise that special circumstances apply when an Employer ceases to participate in the Fund;**
- (j) to allow for the cost of the administration of an unclaimed benefit to be taken into consideration when determining the amount payable and to enable the Trustees to express an unclaimed benefit which becomes payable to a beneficiary as net of tracing costs.**

2. *It is hereby confirmed that*

- (a) *the contribution structure of the fund and the way in which salary is calculated for the purposes of the fund have not been affected by these revised rules;*
- (b) *these revised rules will not have the effect of introducing a salary sacrifice scheme retrospectively;*
- (c) *any changes to the rules not previously submitted to the Registrar or the Revenue Authorities are effective from the date of these revised rules, which is 1 January 2002.*

Certified that the Resolution in terms of which these Rules have been accepted has been adopted in accordance with the Rules of the Fund.


.....
Chairperson of Trustees


.....
Trustee


.....
Principal Officer

PRINTING INDUSTRY PENSION FUND FOR SATU MEMBERS

DEUR MY GEREISTREER OP HEDE DIE REGISTERED BY ME ON THIS THE
17
DAG VAN Sure 2005 DAY OF
 Registrateur van Pensioenfondse Registrar of Pension Funds

INDEX

CONTENTS	PAGE
1. GENERAL	1
2. DEFINITIONS	2
3. MEMBERSHIP	11
4. CONTRIBUTIONS	13
4.1 Contributions by the Member	13
4.2 Contributions by the Employer	14
4.3 Additional Voluntary Contributions by Members and Employers	16
4.4 Unclaimed Benefits Reserve Account	17
4.5 Risk Reserve Account	17
4.6 Pensions Account	18
5. RETIREMENT BENEFITS	20
5.1 Amount of Benefit	20
5.2 Retirement	21
5.3 Commutation of Pension	22
6. DEATH AND DISABILITY BENEFITS	23
6.1 Death Benefit	23
6.2 Disability Benefit	27
7. PAYMENT OF PENSION	30
8. INCREASES IN BENEFITS	32

CONTENTS	PAGE
9. LEAVING SERVICE AND THE INDUSTRY	33
9.1 Benefit	33
9.2 Payment of Benefit	33
10. ABSENCE	35
11. TRANSFERS	37
11.1 Transfers into the Fund	37
11.2 Transfers out of the Fund	38
12. TERMINATION	42
13. DEDUCTIONS FROM BENEFITS	45
14. MANAGEMENT OF THE FUND	47
14.1 Trustees	47
14.2 Internal Trustees	47
14.3 External Trustees	48
14.4 Disqualification for holding office as Trustee	49
14.5 Meetings of Trustees	49
14.6 Other Appointments	50
14.7 Indemnification of Officers of the Fund	51
14.8 Sub-Committees	51
15. FINANCIAL PROVISIONS	53
15.1 Investments	53
15.2 Guarantees on Housing Loans	55
15.3 Expenses	55
15.4 Accounts	55
15.5 Actuarial Valuations	55

CONTENTS	PAGE
16. ADMINISTRATION OF THE FUND	56
17. ALTERATIONS	57
18. INTERPRETATION OF RULES AND DISPUTES	58
19. UNCLAIMED BENEFITS	59
20. MISCELLANEOUS PROVISIONS	60
APPENDIX I: EXTRACT FROM UNION'S CONSTITUTION AS AT 27 FEBRUARY 1998	62
APPENDIX II: RATE OF MEMBER'S CONTRIBUTION FOR THE PURPOSES OF RULE 4.1.1	64
APPENDIX III: RATE OF EMPLOYER'S CONTRIBUTION FOR THE PURPOSES OF RULE 4.2.1	65
APPENDIX IV: WAGE AND SALARY SCALE FOR THE PURPOSES OF RULE 6.1.1 AND RULE 6.2.2	66

1. GENERAL

- 1.1 A fund known as the PRINTING INDUSTRY PENSION FUND FOR SATU MEMBERS was established with effect from 1 January 1990.
- 1.2 The registered office of the Fund is at Printing Industry Pension Fund for SATU Members, 166 Visagie Street, Pretoria.
- 1.3 The object of the Fund is, in terms of these Rules, to provide retirement and other benefits for Members and Pensioners of the Fund, and benefits in the event of their death or, in the case of Contributory Members, their disability.
- 1.4 The Fund, in its own name, shall be capable in law of suing and of being sued and of acquiring, holding and alienating property, movable and immovable.
- 1.5 These Rules include all amendments up to and including 1 January 2002. If the registration of these Rules in terms of the Act is effected later than 1 January 2002, the Rules shall nevertheless take effect from 1 January 2002.

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, words and expressions implying the masculine gender shall include the feminine, and the following words and expressions shall have the following meanings:

"Act" shall mean the Pension Funds Act, 1956, as amended, and the regulations made in terms of that Act.

"Actuary" shall mean a Fellow of the Institute of Actuaries of England or of the Faculty of Actuaries in Scotland appointed in terms of these Rules.

"Administrators" shall mean the Administrators appointed in terms of these Rules.

"Approved Pension Fund" shall mean a pension fund, other than a Preservation Pension Fund, approved as such by the Revenue Authorities for the purposes of these Rules.

"Approved Provident Fund" shall mean a provident fund, other than a Preservation Provident Fund, approved as such by the Revenue Authorities for the purposes of these Rules.

"Approved Retirement Annuity Fund" shall mean a retirement annuity fund approved as such by the Revenue Authorities for the purposes of these Rules.

"Auditor" shall mean an auditor registered under the Public Accountants' and Auditors' Act, 1991, appointed in terms of these Rules.

“Contributory Member” shall mean a Member who pays full subscriptions to the Union in accordance with the constitution of that body and who contributes to the Fund in terms of Rule 4.1.1.

“Deferred Member” shall mean a Member who has elected to retain his benefit as a Paid-Up Benefit in the Fund in terms of Rule 9.2.2(b) or Rule 11.2.1(b)

“Disabled” shall mean that a Member has a permanent handicap that altogether prevents him from working in the Printing, Newspaper and Packaging Industry of South Africa or in a similar occupation for which he is equipped by his education, training and experience. “Disablement” shall have a corresponding meaning.

“Disinvestment Date” shall mean the date on which the Member’s Fund Credit is disinvested and transferred to a cash portfolio. Such transfer shall take place once the Fund has been notified that the Member will be leaving the Industry, transferring from the Fund in any of the circumstances contemplated in the Rules, retiring from employment or has died. Interest will be paid on the benefit, calculated from the date of transfer into the cash portfolio to the date of payment, at a rate determined by the Trustees in consultation with the Actuary, by reference to the net cash call rate earned on the portfolio in which the Fund Credit is invested during that period; provided that

- (a) if the Fund is notified that a Member will be leaving the Fund in the circumstances contemplated above more than three months prior to the actual date of exit, the Member’s Fund Credit shall only be disinvested and transferred into the cash portfolio three months prior to the date of his exit from the Fund; and
- (b) if the Member fails to notify the Fund until after the actual date of exit, his Fund Credit shall not be transferred to a cash portfolio until the date on which such notification is received;

provided further that the provisions regarding disinvestment and transfer to a cash portfolio will not apply in the case of a Member who on leaving the

Industry in terms of Rule 7, has notified the Trustees in writing that he wishes to become a Deferred Member.

"Eligible Child" shall mean a child of a Member and shall include

- (i) a posthumous child;
- (ii) a stepchild who, in the opinion of the Trustees, was dependent on the Member at the time of the Member's death;
- (iii) a child born out of wedlock who, in the opinion of the Trustees, was dependent on the Member at the time of the Member's death; and
- (iv) a legally adopted child;

provided that such child:

- (a) has not been married;
- (b)
 - (i) is under the age of 18 years; or
 - (ii) is under the age of 25 years and is receiving full-time education of which the Trustees approve; or
 - (iii) is over the age of 18 years, and proof has been provided to the satisfaction of the Trustees that such child is permanently incapacitated by reason of physical or mental infirmity from supporting himself;

provided that if such child is in receipt of regular income from any source the Trustees, in their absolute discretion and taking the amount of such income into account, may direct that, for so long as such income continues to be received, he shall not be regarded as an Eligible Child for the purposes of these Rules.

"Eligible Employee" shall mean an employee who is a member of the Union in terms of the Union's constitution as at 27 February 1998.

(The relevant extract from the Union's constitution as at 27 February 1998 is contained in Appendix I)

"Eligible Spouse" shall mean

- (a) the widow, or widower, of a Member or Pensioner, at the date of the Member's or Pensioner's, death; provided that such person was either the Member's or Pensioner's, legal spouse, by whatsoever rites married, or was a person with whom the Member or Pensioner, was living in a customary union as defined in the Black Administration Act, 1927, or in a union recognised as a marriage under the tenets of an Asiatic religion; or
- (b) a woman, or man, with whom a Member or Pensioner, was, although not legally married, living as man and wife at the date of his death whom the Trustees, in their absolute discretion, may regard as the Member's or Pensioner's, Eligible Spouse;

provided that

- (i) such person, in the case of a Pensioner who is retiring in terms of Rule 5.2, was a person as specified above and was notified as such in writing to the Trustees when he became a Pensioner and it is specifically provided that if a Pensioner marries after retirement, his spouse shall not qualify as an Eligible Spouse,
- (ii) If the Member or Pensioner leaves more than one Eligible Spouse, the Pension which would have been paid to one Eligible Spouse shall be divided among his Eligible Spouses in such proportions as the Trustees, in their absolute discretion, shall decide.

"Employer" shall mean an organisation which employs members of the Union and is admitted to the Fund in accordance with such procedures as the Employers' Organisations and the Union may prescribe from time to time; provided that for the purposes of the Rules, where applicable, the definition

"Employer" shall also include a division of that Employer.

If the business of any of the Employers is wound up for the purpose of reconstruction in a similar or amended form, the reconstructed organisation shall take the place of that Employer and the Fund shall otherwise not be affected.

In relation to any particular employee or Member, "Employer" shall mean the Employer by whom that person is, or was last, employed.

"Employees' Organisations" shall mean the South African Typographical Union.

"Employers' Organisations" shall mean

- (a) the Printing Employers Association of South Africa;
- (b) the Independent Packaging Employers Association of South Africa;
- (c) Print Media SA; and
- (d) the Paper Packaging Employers Association.

"Financial Year" shall mean each twelve-month period ending on 31 December.

"Fund" shall mean the Printing Industry Pension Fund for SATU Members.

"Fund Credit" shall mean for each Member at any particular date the sum of:

- (a) the contributions made by the Member towards his retirement benefit in terms of Rule 4.1.1;
- (b) the accumulated value of that part of the contributions made by the Employer in terms of Rule 4.2.1 that is applied towards the Member's retirement benefit in terms of Rule 4.2.2(b);
- (c) any contributions made in terms of Rule 4.3;

- (d) in the case of each Member who was a member of the Pension Fund of the National Industrial Council of the Printing and Newspaper Industry of South Africa, any amount transferred to the Fund in terms of Rule 11.1.1; and
- (e) any contributions transferred in terms of Rule 11.1.2;

increased or decreased on the basis of the Investment Return as decided by the Trustees on the advice of the Actuary, until the Disinvestment Date.

“Fund Salary” shall mean the Member’s basic weekly wages or monthly salary, as the Employer may direct;

provided that:

- (a) for the purpose of the Fund, Fund Salary shall be determined on the first day of each week or, if applicable, month of membership of the Fund; and
- (b) if the amount on which a Member’s Fund Salary is based is reduced at any time then, subject to the agreement of the Member, his Employer may direct that, for the purposes of the Fund, the reduction shall not be applied in the calculation of the Member’s Fund Salary or shall be applied only partially.

“Investment Return” shall mean any income (received or accrued) including, if applicable, interest payable by the Employer in terms of Rule 4.1.3 and Rule 4.2.4, and capital gains and losses (realised and unrealised) less an allowance for any tax and administration and risk expenses (paid or accrued) of the Fund, as decided by the Trustees; provided that

- (a) such Investment Return may be positive or negative;
- (b) the Investment Return shall be allocated to each Member’s Fund Credit, the Unclaimed Benefits Reserve Account, the Risk Reserve Account and the Pensions Account on such equitable basis as the

Trustees in their absolute discretion, in consultation with the Actuary and in accordance with the agreed practice of the Fund, may determine from time to time.

"Member" shall mean an Eligible Employee who, having been admitted to membership of the Fund in accordance with these Rules, has not ceased to be a Member in terms of these Rules. Where the context so requires reference to a "Member" shall include reference to a Contributory Member, a Non-Contributory Member and a Deferred Member.

"Non-Contributory Member" shall mean a Member who is still in the Service of the Employer and has not elected to transfer his benefits to another Approved Pension Fund or Approved Provident Fund in terms of Rule 11.2.1 (a) but does not pay full subscriptions to the Union in accordance with the constitution of that body and, accordingly, has ceased to contribute to the Fund.

"Normal Retirement Date" shall mean the last day of the month in which a Member reaches age 65 years.

"Paid-up Benefit" shall mean the amount retained in the Fund in respect of a Deferred Member in terms of Rule 9.2.2(b) or Rule 11.2.1(b), increased or decreased by the Investment Return until the Disinvestment Date when it shall be applied to secure a Pension for him on his retirement in terms of Rule 5.2 or to be paid to his beneficiaries if he dies prior to retirement.

"Pension" shall mean the annual/monthly Pension payable in terms of these Rules to a Pensioner, Eligible Spouse or Eligible Child.

"Pensions Account" shall mean the special account set up in terms of Rule 4.6.

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

"Preservation Pension Fund" shall mean an Approved Pension Fund recognized as a preservation fund, subject to the conditions set out by the Revenue Authorities from time to time.

"Preservation Provident Fund" shall mean an Approved Provident Fund recognised as a preservation fund, subject to the conditions set out by the Revenue Authorities from time to time.

"Principal Officer" shall mean the Principal Officer of the Fund appointed in accordance with these Rules.

"Registered Insurer" shall mean an insurer registered in terms of the Long-term Insurance Act, 1998.

"Registrar" shall mean the Registrar of Pension Funds referred to in the Act.

"Revenue Authorities" shall mean the South African Revenue Service.

"Risk Reserve Account" shall mean the special account set up in terms of Rule 4.5.

"Rules" shall mean the Rules of the Fund as amended from time to time.

"Service" shall mean employment with any of the Employers.

"Trustees" shall mean the Trustees or their alternates appointed or elected in terms of these Rules.

"Unclaimed Benefits Reserve Account" shall mean the special account set up in terms of Rule 4.4.

"Union" shall mean the South African Typographical Union.

3. MEMBERSHIP

- 3.1 Each person who was a Member of the Fund immediately prior to 1 January 2002 shall remain a Member of the Fund.
- 3.2 Each employee who becomes an Eligible Employee on or after the date from which his Employer begins participation in the Fund, shall, as a condition of employment be required to elect membership of the Fund or membership of the SATU National Provident Fund.
- 3.3 If an Eligible Employee chooses to become a Member of the Fund his participation in the Fund shall commence on the first day of the month or week which coincides with or next follows the date on which his choice is made.
- 3.4 Each Member must produce evidence of age acceptable to the Trustees and must also give such other information as the Trustees may reasonably require for the purposes of the Fund.
- 3.5 A Member shall not be permitted to withdraw from membership while he remains in Service unless his conditions of employment pertaining to eligibility of the Fund change and he becomes eligible for membership of and transfers to another Approved Pension Fund or an Approved Provident Fund in terms of Rule 11.2. It is specifically provided that, with effect from the date on which he becomes a member of such fund, contributions in terms of Rule 4 shall cease and in the event of his death or disablement, prior to transfer of his benefit in terms of Rule 11.2 from the Fund to such other fund only his Fund Credit shall be payable.
- 3.6 A Deferred Member shall remain a Member of the Fund and shall remain entitled to the benefits referred to in Rule 5.1 and Rule 6.1.3.

- 3.7 If a Deferred Member or a Non-Contributory Member rejoins the Union or resumes paying Union membership fees and, accordingly, resumes making contributions to the Fund in terms of Rule 4.1.1, he shall become a Contributory Member.
- 3.8 A Member who has received all the benefits which may be due to him in terms of these Rules shall cease to be a Member.

4. CONTRIBUTIONS

4.1 Contributions by the Member

4.1.1 Each Contributory Member shall contribute to the Fund at the rate of a minimum of 4 per cent of his Fund Salary; provided that

(a) the contribution rate referred to in this Rule shall not be less than the applicable Rand amount set out in Appendix II; and

(b) following collective bargaining and agreement between the Employers' Organisations, the Employer and the Union, such Member may contribute a further amount which may be calculated as a Rand amount or a rate of his Fund Salary. In such case, the Rand amount or rate of Fund Salary, as applicable, shall be set out in the collective bargaining agreement and notified to the Trustees in writing.

4.1.2 Each Contributory Member's contributions shall be deducted by his Employer from his salary or wages and paid to the Fund.

4.1.3 Contributions shall be paid to the Fund within seven days after the end of the month in respect of which contributions were made. If contributions are not paid to the Fund as required by the Act, the Employer shall be required to pay late payment interest at the rate prescribed in the Usury Act. Any such interest shall be included in the Investment Return.

4.2 Contributions by the Employer

4.2.1 The Employer shall make a contribution in respect of each Contributory Member equal to a minimum of 5 per cent of the Member's Fund Salary; provided that

- (a) the contribution rate referred to in this Rule shall not be less than the applicable Rand amount set out in Appendix III; and
- (b) following collective bargaining and agreement between the Employers' Organisations, the Employer and the Union, the Employer may contribute a further amount which may be calculated as a Rand amount or a rate of the Member's Fund Salary. In such case, the Rand amount or rate of Fund Salary, as applicable, shall be set out in the collective bargaining agreement and notified to the Trustees in writing.

4.2.2 Out of the amount paid in terms of Rule 4.2.1

- (a) a maximum of 1 per cent shall be allocated to the Risk Reserve Account to be applied towards the death and disability benefits referred to in Rule 6;

and

- (b) the balance shall be allocated to the Fund Credit of a Contributory Member.

4.2.3 Should the amount standing to the credit of the Risk Reserve Account be at any time insufficient to meet the cost of providing death and disability benefits in terms of these

Rules, the Trustees may decide either:

(a) that the benefits shall be reduced to the proportion for which the cost has been paid;

or

(b) that a new rate of contribution shall be negotiated with the Contributory Members;

or

(c) that the shortfall shall be met from the Investment Return;

provided that the Trustees may also agree that a combination of any of the options in (a),(b) or (c) shall apply.

4.2.4 Contributions by the Employer must be paid to the Fund within seven days after the end of the month to which they relate. If contributions are not paid to the Fund as required by the Act, the Employer shall be required to pay late payment interest at the rate prescribed in the Usury Act.

Any such interest shall be included in the Investment Return.

4.2.5 The following shall apply if at any time during the operation of the Fund, another fund should be established which provides benefits for employees who are also Members of the Fund which are similar to the benefits provided under the Fund and if, in consequence, a portion of the cost of such fund is required to be paid, whether directly or indirectly, by the Members and/or by their Employer:

(a) the Union, in consultation with the Trustees and the Employer, and on the advice of the Actuary, may thereupon decide to alter the contributions

and/or benefits under the Fund to take into consideration the contributions required and the benefits provided for Members under such other fund; and

- (b) from time to time after the establishment of such other fund, the Union shall have power to adjust contributions and benefits in the manner contemplated in (a) above.

4.3 Additional Voluntary Contributions by Members and Employers

4.3.1 A Contributory Member may make additional contributions to the Fund in order to increase his retirement benefit, in accordance with such conditions and procedures as the Trustees may prescribe from time to time. The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the Member's Fund Credit.

4.3.2 An Employer may make additional contributions to the Fund in order to increase the Member's retirement benefit, in accordance with such conditions and procedures as the Trustees may require from time to time. The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the Member's Fund Credit.

4.4 Unclaimed Benefits Reserve Account

4.4.1 An Unclaimed Benefits Reserve Account shall be maintained under the Fund to which shall be credited:

- (a) an opening balance consisting of such portion of the assets of the Fund which the Trustees on the advice of the Actuary regard as attributable to unclaimed benefits in the Fund prior to 1 January 2002;

and

- (b) any amount attributable to unclaimed benefits as contemplated in Rule 19 after 1 January 2002.

4.4.2 The Unclaimed Benefits Reserve Account shall be increased or decreased on the basis of the Investment Return, as decided by the Trustees on the advice of the Actuary, earned on the assets in this account and shall be debited with any costs incurred in the administration of the assets in this account.

4.4.3 The Unclaimed Benefits Reserve Account shall not be shared out on the exit of any Member or group of Members, but may become payable to a beneficiary in the circumstances contemplated in Rule 19.

4.5 Risk Reserve Account

4.5.1 A Risk Reserve Account shall be maintained under the Fund to which shall be credited:

- (a) such an amount as the Trustees, in consultation with the Actuary, shall determine is reasonable to smooth the cost of providing the death and disability benefits provided in terms of these Rules and to protect the Fund against unexpected volatility in the cost of providing such benefits,

having regard to the claims experience;

(b) any amount credited in terms of Rule 4.2.2(a);

and

(c) such monthly allocation based on the Investment Return earned on the assets in this account as may be decided by the Trustees on the advice of the Actuary.

4.5.2 The Risk Reserve Account shall be used to fund the cost of providing the death and disability benefits referred to in Rule 6.1.1 (a) and Rule 6.2.2; provided that if at any time the assets in this account are insufficient to meet the cost of such benefits, the provisions of Rule 4.2.3 shall apply

4.5.3 The Risk Reserve Account shall not be shared out on the exit of any Member or group of Members.

4.6 Pensions Account

4.6.1 A Pensions Account shall be maintained under the Fund to which shall be credited:

(a) such amount as the Trustees on the advice of the Actuary determine as the balance of pensioner assets as at 1 January 2002:

(b) the Fund Credit of Members who are retiring in terms of Rule 5; and

(c) any amount to which an Eligible Spouse or Eligible Child is entitled in terms of Rule 6.1.1 (b)(i).

- 4.6.2 The Pensions Account shall be increased or decreased on the basis of the Investment Return, as decided by the Trustees on the advice of the Actuary, earned on the assets in this account.
- 4.6.3 The amount standing to the credit of the Pensions Account shall be used
- (a) to pay Pensions to Pensioners, Eligible Spouses and Eligible Children in terms of the Rules of the Fund; and
 - (b) in accordance with Rule 8, to increase Pensions paid from the Fund.

5. RETIREMENT BENEFITS

5.1 Amount of Benefit

5.1.1 The Pension payable to a Member on his retirement shall be of such amount as can be purchased by his Fund Credit, or his Paid-up Benefit in the case of a Deferred Member, less any amount commuted in terms of Rule 5.3. The Pension shall be paid from the Fund in accordance with Rule 7.

5.1.2 Prior to the commencement of his Pension, each retiring Member shall be required by the Trustees to elect the terms on which the Pension is to be paid to him. Such election shall be made on the basis of the information provided to the Member by the Trustees, in consultation with the Actuary, and shall be exercised by the Member in writing to the Trustees. The options available to the Member are set out below:

- (a) to receive a single Pension payable to him for life and in such case no Pension shall be payable to his Eligible Spouse on his death;
- (b) to receive a Pension during his lifetime of such reduced value as decided by the Actuary in order to provide a Pension equal to 50 per cent of the Pension in payment to the Pensioner at the date of his death, to be payable to his Eligible Spouse on the Pensioner's death after the five year period referred to in Rule 6.1.4.1; and
- (c) to receive a Pension during his lifetime of such

reduced value as decided by the Actuary in order to provide a Pension equal to 100 per cent of the Pension in payment to the Pensioner at the date of his death, to be payable to his Eligible Spouse on the Pensioner's death after the five year period referred to in Rule 6.1.4.1.

5.2 Retirement

- 5.2.1 A Member who has reached age 55 years may retire on the last day of any month occurring before he reaches his Normal Retirement Date in which event the benefit payable in terms of Rule 5.1 shall become payable.
- 5.2.2 A Member who has not retired in terms of Rule 5.2.1 must retire on reaching his Normal Retirement Date unless, in the case of a Contributory Member, his Employer agrees to his remaining in Service after that date, in which event the benefit in terms of Rule 5.2.4 shall become payable.
- 5.2.3 The Trustees, upon receipt of notification that a Member has become incapable of efficiently carrying out his duties, shall agree to such Member's retirement at any time before he reaches Normal Retirement Date. A Member who retires early in terms of this Rule shall become entitled to the benefit payable in terms of Rule 5.1 and, if the Member was a Contributory Member immediately prior to the date of his retirement, may also become entitled to receive the disability benefit payable in terms of Rule 6.2.2.
- 5.2.4 A Contributory Member who is allowed to remain in Service after his Normal Retirement Date shall retire on such later date as he agrees with his Employer in which event the benefit in terms of Rule 5.1 shall become payable at that date.

5.3. Commutation Of Pension

5.3.1 At the commencement date of a Pension a retiring Member or Deferred Member may commute for a lump sum:

- (a) the whole of the Pension if it does not exceed the limit set by the relevant legislation from time to time;
- (b) if the Pension exceeds the limit referred to in (a), not more than one-third of the Pension.

5.3.2 Notwithstanding the provisions of Rule 5.1.2, if the whole of a Pension is commuted in terms of Rule 5.3.1 (a), no further benefits shall be paid by the Fund .

6. DEATH AND DISABILITY BENEFITS

6.1 Death Benefit

6.1.1 Death in Service on or before Normal Retirement Date

If a Contributory Member dies on or before Normal Retirement Date the following benefits shall be payable:

- (a) that part of 2 times the accumulated value of his Fund Salary, calculated over the 12 months immediately preceding the date of the Member's death, that is in excess of any amount referred to in Rule 20.6;

and

- (b) his Fund Credit,

provided that

- (i) any part of the benefit in (a) and (b) paid to an Eligible Spouse or Eligible Child shall be paid as a Pension; provided that:

- (aa) such person may irrevocably elect to commute 1/3 of such amount for a lump sum; and

- (bb) if the total value of the Pension is below such minimum amount as the Trustees may determine from time to time, the benefit shall be paid as a lump sum;

- (cc) in certain circumstances, the Trustees may decide to pay all or part of the

Pension payable to an Eligible Child to a trustee contemplated in the Trust Property Control Act, 1988 (Act No.57 of 1988), to be applied for the benefit of such Eligible Child;

- (ii) if there is no Eligible Spouse or Eligible Child, that part of the Member's Fund Credit which is in excess of any amount referred to in Rule 20.6 shall be payable as a lump sum benefit in terms of Section 37C of the Act;
- (iii) in the case of a Contributory Member whose contributions were being paid in accordance with Appendix II and Appendix III, the lump sum payable shall not be calculated in terms of the definition "Fund Salary" but in accordance with the Rand amount set out in Appendix IV;
- (iv) the benefit payable on the death of a Non-Contributory Member shall be the benefit referred to in Rule 6.1.1 (b).

6.1.2 Death in Service after Normal Retirement Date

If a Contributory Member dies in Service after reaching Normal Retirement Date, the benefit payable shall be that part of his Fund Credit that is in excess of any amount referred to in Rule 20.6; provided that any portion of such benefit payable to an Eligible Spouse and/or Eligible Children shall be paid as a Pension, subject to Rule 6.1.1 (i) and (ii).

6.1.3 Death of a Deferred Member

If a Deferred Member dies before payment of his benefit in terms of Rule 5.1 has commenced, the benefit payable shall be that part of his Fund Credit that is in excess of any amount referred to in Rule 20.6; provided that any portion of such benefit payable to an Eligible Spouse and/or Eligible Children shall be paid as a Pension, subject to Rule 6.1.1 (i) and (ii).

6.1.4 Death of a Pensioner

6.1.4.1 If a Pensioner dies within five years of the date of commencement of his Pension then payment of his Pension shall be continued until the end of the five-year period. Thereafter a Pension may be payable to his Eligible Spouse, if he elected that option in accordance with the provisions of Rule 5.1.2.

If a Pensioner dies within five years of commencement of his Pension, leaving neither an Eligible Spouse nor an Eligible Child, the Trustees, instead of following the provisions set out above, may decide that the instalments of the Pension which remain to be paid in terms of that Rule shall be commuted for such lump sum as shall be determined by the Actuary.

6.1.4.2 On the death of a Pensioner, in addition to any benefits which may be payable in terms of the provisions of Rule 5.1.2, there shall be payable as a lump sum benefit that part of R1 000 that is in excess of any amount referred to in Rule 20.6.

6.1.5 Restrictions

6.1.5.1 At their discretion, the Trustees may require a Member to be examined at the Fund's expense by a medical practitioner appointed by the Fund before he is admitted to membership of the Fund in accordance with Rule 3.2.

6.1.5.2 Acting on the results of this examination, the Trustees may decide that the death payable in terms of Rule 6.1.1 (a) shall be restricted in such manner as they decide in consultation with the Actuary.

It is specifically provided that the death benefit shall only be payable if a Member has completed 12 months' membership of the Fund. The contributions in terms of Rule 4.2.2(a), which would have been allocated during this period to the Risk Reserve Account to meet the cost of the death benefit payable by the Fund, shall be applied under the Member's Fund Credit.

6.1.5.3 The Trustees shall inform the Member in writing of the terms of any condition imposed in terms of this Rule.

6.1.6 Payment of Benefit

Payment of a death benefit shall be made in terms of Section 37C of the Act.

6.2 Disability Benefit

6.2.1 Qualification for Disability Benefit

A Contributory Member who has completed 12 months' membership of the Fund shall qualify for payment of a Disability benefit if the Trustees, acting on the basis of reports provided to them by independent medical consultants, are of the opinion that the conditions set out in the definition "Disabled" in Rule 2 apply; provided that the Contributory Member must have submitted a claim to the Trustees within 3 months (or such longer period as the Trustees in their discretion may allow, but not longer than 12 months) of the date on which he became Disabled.

6.2.2 Benefit

If the Trustees are satisfied that the Member is Disabled, such Member shall retire from Service and, in addition to the benefit to which he is entitled in terms of Rule 5.1, shall be entitled to a benefit equal in amount to the following portion of the benefit that would have been payable in terms of Rule 6.1.1 (a) if he had died on the day he became Disabled:

Age at date of Retirement	Percentage
under 60	100
60 but less than 61	100
61 but less than 62	80
62 but less than 63	60
63 but less than 64	40
64 but less than 65	20

The Trustees shall have power to refuse payment of such

benefit, or to reduce the amount of such benefit, if the Member's disablement is, in their opinion, directly or indirectly due to

- (i) intentional self-inflicted injury or his having negligently or wilfully exposed himself to danger, except in an attempt to save a human life;
- (ii) his participation in a riot, civil commotion or insurrection;
- (iii) military or hostile action or an act that is ostensibly directed towards overthrowing or influencing the existing order by force or terrorism.

6.2.3 Restrictions and Exclusions

6.2.3.1 At their discretion, the Trustees may require a Member to be examined at the Fund's expense by a medical practitioner appointed by the Fund before he is admitted to membership of the Fund in accordance with Rule 3.2.

6.2.3.2 Acting on the results of this examination, the Trustees may decide that the disability benefit payable in terms of Rule 6.2.2 shall be restricted in such manner as they decide in consultation with the Actuary.

6.2.3.3 The Trustees shall inform the Member in writing of the terms of any condition imposed in terms of this Rule.

6.2.3.4 It is specifically provided that the only benefit

payable on the disablement of a Non-Contributory Member is the benefit referred to in Rule 5.1.

6.2.4 Payment of Benefit

Payment of the disability benefit will be made as a Pension in terms of Rule 7.

7. PAYMENT OF PENSION

- 7.1 Each Pension payable in terms of these Rules shall be paid from the Fund.
- 7.2 Each Pension shall be payable by equal monthly instalments on the last day of each month, unless otherwise agreed.
- 7.3 Subject to such modification as may have been agreed in terms of Rule 7.2, the first monthly instalment of a Pension payable to a Pensioner shall be a proportionate payment from the date of retirement to the last day of the month in which the Pension becomes payable. The last payment of Pension shall be the full monthly payment in respect of the month in which the Pensioner dies. Subject to the provisions of Rule 6.1.4.1, no payment of his Pension shall become due after the Pensioner's death.
- 7.4 The first monthly instalment of a Pension payable to an Eligible Spouse or an Eligible Child following a Member's death shall be a proportionate payment from the date of the Member's death until the last day of the month in which the Pension becomes payable; and the first monthly instalment of a Pension payable to an Eligible Spouse following a Pensioner's death shall be the monthly payment from the first day of the month following the Pensioners death; provided that in the case of a Pensioner who dies within five years of the date of commencement of his Pension, payment of his Pension shall be continued until the end of the five-year period and the Pension payable to an Eligible Spouse or other beneficiary shall commence on the last day of the month which follows the end of that five-year period.

The first monthly instalment of a Pension payable to an Eligible Spouse or an Eligible Child shall be a proportionate payment from the date of the Member or Pensioner's death until the last day of the month in which the Pension becomes payable; provided that in the case of a Pensioner who dies within five years of the date of

commencement of his Pension, payment of his Pension shall be continued until the end of the five-year period and the Pension payable to an Eligible Spouse or other beneficiary shall commence on the last day of the month which follows the end of that five-year period.

The last payment of Pension shall be the full monthly payment in respect of the month in which the Eligible Spouse dies or the Eligible Child dies or otherwise ceases to be an Eligible Child. No payment of a Pension payable to an Eligible Spouse shall become due after the Eligible Spouse's death and no payment of a Pension payable to an Eligible Child shall become due after the Eligible Child dies or otherwise ceases to be an Eligible Child.

- 7.5 Each person in receipt of a Pension shall provide such evidence of his survival or continued eligibility as the Administrators may require. If such evidence is not produced, then the Trustees may direct that payment of the Pension be suspended until such evidence is produced.

8. INCREASES IN BENEFITS

Pensions paid from the Fund shall be increased in terms of the pension increase policy adopted by the Trustees in consultation with the Actuary from time to time. Any such increases shall be payable from the date set out in the pension increase policy, subject to the minimum Pension increase in terms of the Act.

9. LEAVING SERVICE AND THE INDUSTRY

9.1 Benefit

If a Contributory Member or a Non-Contributory Member who is not qualified to retire in terms of Rule 5, leaves the Industry in circumstances for which no benefit is specifically provided elsewhere in the Rules, he shall become entitled to a lump sum benefit equal to his Fund Credit.

9.2 Payment of Benefit

9.2.1 The benefit in terms of this Rule shall be paid as a lump sum. Subject to the provisions of Rule 13.2 and unless the Member elects to become a Deferred Member in terms of Rule 9.2.2, payment shall be made as soon as possible after the date of such Member leaving the Industry.

9.2.2 Instead of receiving the benefit as a lump sum on leaving the Industry, a Contributory Member and a Non-Contributory Member may elect either to

- (a) transfer all or, subject to (ii) below, part of the benefit to another Approved Pension Fund, Preservation Pension Fund, Approved Provident Fund or Approved Retirement Annuity Fund; or
- (b) retain his benefit in the Fund as a Paid-Up Benefit, on the understanding that his benefit shall not be payable to him from the Fund prior to his retirement or his death prior to retirement, and in such case, the provisions of the Rules relating to Deferred Members shall apply;

provided that

- (i) in the case of transfer to an Approved Provident Fund, the amount so transferred shall be less any tax payable thereon; and
- (ii) transfer to a Preservation Pension Fund is subject to the requirements of the Revenue Authorities as specified from time to time.

9.2.3 When a benefit has been paid to the Member as a lump sum in terms of Rule 9.2.1 or transferred in terms of Rule 9.2.2(a), the Member shall have no further claim on the Fund.

9.2.4 Notwithstanding any other provisions of this Rule, it is specifically provided that if a Non-Contributory Member leaves the Service of an Employer and does not elect to become a Deferred Member within 6 months after the date of leaving Service, his benefit shall be dealt with in terms of Rule 19, with effect from the date on which he left Service.

10. ABSENCE

10.1 When a Member is on leave with full pay or with pay less than full pay, he shall contribute to the Fund in accordance with Rule 4.1.1 and the Employer shall continue to contribute in respect of him in accordance with Rule 4.2 and all benefits under the Fund in respect of him shall be maintained.

10.2 If a Member is on leave without pay, he may, with the agreement of the Trustees, elect whichever of the following options is acceptable to the Employer in his case:

(a) to cease his contributions in terms of Rule 4.1.1. In this case, the contributions made by the Employer in respect of him shall be limited to those required to maintain the death and disability benefits payable in terms of Rule 6.1.1(a) and Rule 6.2.2 respectively, which benefits shall continue to be payable

(i) throughout the period of leave, if the Member's leave is due to sickness; or

(ii) for not longer than six months, if the Member's leave is due to reasons other than sickness;

or

(b) to maintain his contributions under Rule 4.1.1 by reference to his Fund Salary immediately prior to the commencement of the period of leave whereupon he shall be deemed to remain in Service. In this case, the Employer's contributions in respect of him shall be maintained in full.

10.3 An option provided for in Rule 10.2 shall be exercisable by the Member's giving notice of the option elected in writing to the Trustees before the date on which his leave commences.

If the Member fails to exercise the option he shall be deemed to have exercised option (a) in Rule 10.2.

11. TRANSFERS

11.1 Transfers into the Fund

11.1.1 The Fund received such amount as became payable to the Fund by the Pension Fund of the National Industrial Council of the Printing and Newspaper Industry of South Africa as the result of the transfer of active members of that fund to the Fund. Of the amount so transferred

- (a) an amount equal to an amount determined in terms of the rules of the Pension Fund of the National Industrial Council of the Printing and Newspaper Industry of South Africa at the date of transfer to be equal to the Member's contributions under that fund, increased or decreased until the date of transfer by the investment return earned by such fund but less any tax payable thereon, was transferred in respect of each Member and applied under the member's portion, as defined in terms of the Rules as they applied immediately prior to 1 January 2002; and
- (b) a amount equal to the difference between the Member's benefit entitlement under that fund and the amount transferred in (a) above was transferred to the Fund and applied towards such Member's retirement benefit under the employer's portion, as defined in terms of the Rules as they applied immediately prior to 1 January 2002.

It is specifically provided that with effect from

1 January 2002, the value of that part of the amounts transferred in terms of (a) and (b) vested in each Member on that date who transferred previously from the Pension Fund of the National Industrial Council of the Printing and Newspaper Industry of South Africa and was applied towards the Member's retirement benefit under the Fund Credit.

- 11.1.2 A Member who was a member of an Approved Pension Fund, any Approved Provident Fund, a Preservation Provident Fund or a Preservation Pension Fund prior to becoming a Member of the Fund may, subject to the agreement of the Trustees and after providing such information relating to his membership of the applicable fund as the Trustees may require, transfer the benefit to which he is entitled on leaving that fund into the Fund. The amount so transferred shall be applied under the Member's Fund Credit.

11.2 Transfers out of the Fund

- 11.2.1 If a Member, including a Non-Contributory Member, joins the service of a company or other organisation where the Union does not have representation then, if the transferred Member becomes a member of an Approved Pension Fund or an Approved Provident Fund established for the benefit of the employees of the organisation to which he is transferred, the Member may elect, in writing to the Trustees

(a) to have his Fund Credit transferred to such fund and he shall have no further claim on the Fund;
or

(b) to retain his Fund Credit in the Fund as a Paid-Up

Benefit on the understanding that his benefit shall not be payable to him from the Fund prior to his retirement or his death prior to retirement, and in such case, the provisions of the Rules relating to Deferred Members shall apply.

11.2.2 If an Employer, with the agreement of the Union and the Members who are in the Service of that Employer, ceases to participate in the Fund and decides to participate in or to establish another Approved Pension Fund or an Approved Provident Fund, then the Fund Credit of each Member in the Service of that Employer who is eligible for membership of such fund on a date determined by the Trustees shall be transferred in terms of Section 14 of the Act to such Approved Pension Fund or Approved Provident Fund; provided that if such fund is an Approved Provident Fund the following shall apply:

- (a) each such Member may elect that the Trustees shall transfer an amount equal to his own contributions to the Fund, increased or decreased by the Investment Return on such contributions to an Approved Retirement Annuity Fund or, after payment of any tax thereon, to the Approved Provident Fund; and
- (b) the Trustees shall transfer the balance of the Member's Fund Credit to such Approved Provident Fund.

The Employer shall cease to participate in the Fund on finalisation of the transfer. On transfer of his Fund Credit in terms of this Rule, the Fund shall have no further liability in respect of such Member.

11.2.3 Any transfer in terms of Rule 11.2.1 or Rule 11.2.2 shall be subject to such terms and conditions as are agreed

between the Trustees and the other fund concerned and set out in an amendment to the Rules, provided that in no case shall any amounts be transferred to the other fund unless

(a) the other fund has provided evidence acceptable to the Trustees that the Members concerned have formally confirmed that they wish such transfer to be made;

(b) the other fund has provided evidence to the Trustees that provisions ranking as entrenched provisions exist in its rules, and have been registered in terms of the Act, to the effect that

(i) the amount transferred by the Fund to the other fund will always be treated under that fund as vesting entirely in the Member himself and no portion thereof will in any circumstances be applied under any reserve or similar account operated in terms of the rules of that fund; and

(ii) if a Member of the Fund who becomes a member of the other fund subsequently ceases to be a member of that fund and becomes a member of a further Approved Pension Fund or Approved Provident Fund, no part of the amount transferred by the Fund to the fund which he is leaving may be transferred to the further fund unless that fund gives the same undertaking as set out in (i);

(iii) members of that other fund and the benefits that are vested in them in terms of the rules of the fund may be

transferred from that fund to the Fund, in accordance with the provisions of the rules of the other fund as agreed to by the Trustees.

- (c) the other fund has provided the trustees with
 - (i) a copy of its most recent balance sheet together with a certificate setting out the market value of its assets and details of its investment performance over the preceding five years;
 - (ii) if the fund has an investment reserve, details of the amount and adequacy thereof certified by the actuary of that fund;
 - (iii) evidence of its approval as a provident fund or, as the case may be, a pension fund by the Revenue Authorities;
 - (iv) details of whether its retirement benefits are determined by reference to salary and qualifying service or are of the amounts secured by contributions paid; and
 - (v) evidence acceptable to the Trustees that its benefits on leaving service are better or similar to those provided by the Fund.

12. TERMINATION

12.1 If the Fund is to be terminated, then the following conditions shall apply:

- (a) the Trustees shall, subject to the approval of the Registrar, appoint a liquidator who must liquidate the Fund with effect from the date of the Registrar's approval of his appointment;
- (b) in accordance with the instructions of the liquidator, the total moneys available under the Fund after payment of all expenses incurred in the liquidation shall be applied to provide benefits for all Contributory Members, Pensioners and Deferred Members on an equitable basis recommended by the Actuary and approved by the liquidator;
- (c) the amount available for a person prospectively entitled to a Pension under (b) above shall, as directed by the liquidator, either:
 - (i) be transferred for his benefit to another Approved Pension Fund, Preservation Pension Fund, Approved Provident Fund or Approved Retirement Annuity Fund of which he is currently a member;
 - (ii) be applied to purchase an annuity for such person from a Registered Insurer; or
 - (iii) if such Member so requests, be paid to the Member as a lump sum benefit;

provided that:

- (aa) in the case of transfer to an Approved Provident Fund, the amount so transferred shall be less any tax payable thereon; and
 - (bb) transfer to a Preservation Pension Fund is subject to the requirements of the Revenue Authorities as specified from time to time;
- (d) the amount available for a Pensioner under (b) above shall, as directed by the liquidator,
 - (i) be applied to purchase an annuity for such person from a Registered Insurer; or
 - (ii) be transferred to another Approved Pension Fund in which his former Employer participates;
- and
- (e) if a person to whom an amount is payable cannot be traced, any such amount shall be paid to the Guardian's Fund.

12.2 In making an apportionment in terms of Rule 12.1(b) the liquidator shall take into consideration every former Member who left Service during the period of at least twelve months ending on the date of commencement of liquidation. The former Member's apportionment shall be reduced by the amount of the benefit which he received on leaving Service.

12.3 When all payments have been made by the Fund in terms of Rule 12.1, the Fund shall have no further liability to any person and the Fund's registration in terms of the Act shall be cancelled

12.4 It is specifically provided that the provisions of the Pension Funds Second Amendment Act, Act No.39 of 2001, shall over-ride any

conflicting provisions in this Rule 12, in particular with regard to payment of minimum benefits and the rights of the stakeholders.

- 12.5 Subject to changes to legislation and any requirements of the Registrar, there shall be no circumstances in which this Fund shall be required to undergo partial termination in accordance with the provisions of Section 28 (1) of the Act.

13. DEDUCTIONS FROM BENEFITS

- 13.1 The Trustees shall have the right to make such deductions from the benefit to which a Member or other beneficiary is entitled in terms of the Rules as are permitted in terms of Section 37D of the Act and in respect of which a claim has been lodged in writing within such reasonable time of the event giving rise to the benefit as the Trustees may from time to time fix for making such claims.
- 13.2 Notwithstanding any other provisions of these Rules, the Trustees may, where an Employer has instituted legal proceedings in a court of law and/or laid a criminal charge against the Member concerned for compensation in respect of damage caused to the Employer as contemplated in Section 37D of the Act, withhold payment of the benefit until such time as the matter has been finally determined by a competent court of law or has been settled or formally withdrawn; provided that:
- (a) the amount withheld shall not exceed the amount that may be deducted in terms of Section 37D(b)(ii) of the Act;
 - (b) the Trustees in their reasonable discretion are satisfied that the Employer has made out a prima facie case against the Member concerned and there is reason to believe that the Employer has a reasonable chance of success in the proceedings that have been instituted;
 - (c) the Trustees are satisfied that the Employer is not at any stage of the proceedings responsible for any undue delay in the prosecution of the proceedings;
 - (d) once the proceedings have been determined, settled or withdrawn, any benefit to which the Member is entitled is paid forthwith; and

- (e) the Trustees, at the express written request of a Member whose benefit is withheld, may, if applicable and practical, permit the value of the Member's benefit as at the time of such request to be isolated, in whatever manner the Trustees believe appropriate, from the possibility of a decrease therein as a result of poor investment performance.

13.3 If a Member is retiring on Pension in terms of Rule 5.2, the Trustees shall have the right to commute for a lump sum an amount of the Pension up to the maximum amount which may be commuted in terms of Rule 5.3 and to make the deduction from such lump sum.

14. MANAGEMENT OF THE FUND

14.1 Trustees

14.1.1 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 comprising Internal and External Trustees.

14.1.2 The Internal Trustees and their alternates appointed in terms of these Rules shall not be entitled to any remuneration for their services as such.

14.1.3 The External Trustee and his alternate appointed in terms of these Rules shall be entitled to such remuneration for his services as recommended by the Administrators and decided by the Fund from time to time.

14.1.4 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 and to make bye-laws prescribing the form and the manner in which claims are to be lodged and dealt with by the Fund.

14.2 Internal Trustees

14.2.1 The Employers' Organisations shall appoint six Internal Trustees from among representatives of the Employers' Organisations participating in the Fund and shall also appoint an alternate to each such Internal Trustee to act in the absence of that Trustee (hereafter these Trustees shall be referred to as "Internal Trustees").

The Governing Board of the Union shall appoint six Internal

Trustees from among the members of the Union, and shall also appoint an alternate to each such Internal Trustee to act in the absence of that Trustee (hereafter these Trustees shall be referred to as "Internal Trustees").

14.2.2 An Internal Trustee shall cease to hold office

- (a) if he gives written notice of resignation of his appointment as a Trustee to the Fund; or
- (b) if he has failed to attend three consecutive Trustees' meetings without leave from the other Trustees; or
- (c) if the other Trustees, the Employers or the Union resolves that he be removed from office.

14.3 External Trustees

14.3.1 The Trustees shall appoint one Trustee who is not a representative of any one of the participating Employers nor of the governing body of the Union (hereinafter referred to as the "External Trustee") and may also appoint an alternate to act during the absence of the External Trustee.

14.3.2 The External Trustee shall cease to hold office:

- (a) if he gives written notice of resignation of his appointment as a Trustee to the Fund; or
- (b) if he has failed to attend three consecutive Trustees' meetings without leave from the other Trustees; or
- (c) if the other Trustees resolve that he is to be

removed from office.

14.4 Disqualification from holding office as Trustee

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

- (a) a minor or any person who is insane or otherwise incapable of acting;
- (b) any person who is disqualified from being a director in terms of an order under the Companies Act, 1973;
- (c) an unrehabilitated insolvent;
- (d) any person removed from an office of trust on account of misconduct;
- (e) any person who has been convicted and sentenced either to imprisonment without the option of a fine or to a fine exceeding R100 for one of the following:- theft, fraud, forgery or uttering a forged document, perjury, an offence under the Corruption Act, 1992, any offence involving dishonesty or any offence in connection with the promotion, formation or management of a company.

14.5 Meetings of Trustees

- 14.5.1 The Trustees shall meet from time to time to conduct the business of the Fund, but not less than twice in any calendar year. Five Trustees shall form a quorum; provided that at least two Trustees are from among the representatives of the Employers' Organisations, at least two Trustees are from among representatives of the Union and the External Trustee or his alternate is present.
- 14.5.2 Minutes of all meetings must be kept and at least 15 days' notice of each ordinary meeting shall be given to each

Trustee; provided that at the discretion of the Trustees this notice period may be waived or reduced.

14.5.3 The chairman shall be elected annually by all the Trustees from among their number. If the chairman of the Trustees is absent from any meeting, the Trustees shall elect a chairman for that meeting from their number.

14.5.4 At all meetings of the Trustees the decision of the majority shall be binding and if the votes are equal the matter shall be referred to the next meeting of the Trustees. If the votes remain equal at that meeting, the matter shall either be referred to the Actuary for an opinion or to a person qualified in the matter under dispute for a recommendation. If the matter cannot be settled based on this recommendation, the matter shall be referred to an arbitrator agreed by the Trustees and the arbitrator's decision on the matter shall be final. Any costs incurred in resolving disputes shall be met by the Fund.

14.5.5 A resolution in writing signed by all the Trustees (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 Trustees and must be recorded in the Fund's minute book.

14.6 Other Appointments

14.6.1 The Trustees shall appoint an Actuary, an Auditor and Administrators and may withdraw any such appointment and make another appointment in its place at any time.

14.6.2 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 duties, the Trustees shall within 30 days appoint another person to act as Principal Officer for the period of his absence or inability.

14.6.3 The Principal Officer shall be entitled to such remuneration for his services as recommended by the Administrators and decided by the Fund from time to time.

14.6.4 The Trustees may appoint consultants or advisors on such terms as they may determine and may withdraw any such appointment at any time.

14.7 Indemnification of Officers of the Fund

14.7.1 The 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.

14.7.2 The Trustees must ensure that the Fund is insured against any loss resulting from the dishonesty or fraud of any of its officers.

14.8 Sub-Committees

The Trustees may decide that any power of deliberation 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 deliberation and recommendation of a sub-committee to which a power is so delegated shall be referred to the Trustees for ratification.

15. FINANCIAL PROVISIONS

15.1 Investments

- 15.1.1 All moneys received on account of the Fund must be paid into a banking account opened in the name of the Fund.
- 15.1.2 The Trustees shall have full power, subject to the provisions of the Act and the requirements of the Registrar, to receive, administer and apply the moneys of the Fund and in their absolute discretion to 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.
- 15.1.3 The Trustees shall have power to effect policies of insurance with one or more Registered Insurers for the purpose of investing the Fund's moneys in order to meet the cost of providing benefits in terms of these Rules.
- 15.1.4 The Trustees may, subject to the requirements of the Registrar, obtain an overdraft from a bank, on such terms as they think fit, for the purpose of completing any investment or meeting any temporary cash shortage and for this purpose may give such security as they decide.
- 15.1.5 All title deeds and securities must be registered in the name of the Fund or in the name of such nominee company acceptable to the Registrar as the Trustees may appoint. The documents of title registered in the name of the Fund in connection with any investment or asset of the Fund must be kept in safe custody at the registered office of the Fund

or in a banking institution, as decided by the Trustees. Any documents of title registered in the name of a nominee company in connection with any investment or asset of the Fund must be kept in safe custody at the registered office of that company or in a banking institution, as decided by that company.

15.1.6 The power of the Trustees to make investments and to realise, vary, reinvest or otherwise deal with the securities concerned, may be delegated by the Trustees, on such terms and conditions as they may specify, to

(a) a sub-committee of such of their number as they nominate;

(b) a financial institution as defined in the Financial Institutions (Investment of Funds) Act, 1984;

or

(c) a person approved in terms of Section 4(1)(a) of the Stock Exchanges Control Act, 1985.

The Trustees shall not be liable for the negligence, dishonesty or fraud of an institution referred to in (b) or a person referred to in (c); provided that the Trustees have received written confirmation that the institution referred to in (b) or the person referred to in (c) have arranged insurance cover of an amount satisfactory to the Trustees in respect of any liability which may be incurred by such person or institution in respect of the Fund's investments.

15.1.7 The Trustees shall have the power to transfer the assets and liabilities of the Fund or a portion thereof to another Approved Provident Fund or to an Approved Pension Fund

or to take transfer of the assets and liabilities or a portion thereof of another Approved Provident Fund or an Approved Pension Fund.

15.2 Guarantees on Housing Loans

The Trustees shall have the power to furnish a guarantee in favour of a Contributory Member in respect of a loan granted by such other person to a person referred to in (a) or (b) for a purpose referred to in Section 19(5)(a) of the Act. Such guarantee shall be subject to the provisions set out in Section 19(5)(b), (c) and (d) of the Act and the requirements of the Registrar.

15.3 Expenses

Unless specifically provided elsewhere in these Rules, the whole of the expenses in connection with or incidental to the management or administration of the Fund shall be paid by the Fund.

15.4 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, to be audited by the Auditor and then to be submitted to the Registrar.

15.5 Actuarial Valuations

If the Fund is not exempted from valuation in terms of the Act, the financial condition of the Fund, having regard to its assets and liabilities, shall be investigated and reported on by the Actuary at intervals not exceeding three years. A copy of the actuarial valuation report shall be sent to the Registrar and a copy or a summary thereof sent to each Trustee.

16. ADMINISTRATION OF THE FUND

- 16.1 The Fund shall be administered by Administrators appointed by, and acting on the instructions of, the Trustees.
- 16.2 The Employers shall from time to time furnish to the Trustees in respect of those employees who are Members all necessary particulars affecting their benefits or their entitlement to benefits under the Fund and the Trustees shall ensure that such particulars are furnished to the Administrators. The Trustees and the Administrators shall be entitled to act upon such particulars without further enquiry and shall not be responsible to any Member 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.
- 16.3 The Administrators 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.
- 16.4 The Administrators shall keep full and true accounts of the Fund as required in terms of Rule 15.4.
- 16.5 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 must be signed in the manner set out in the Act.
- 16.6 The Administrators shall maintain fidelity cover to indemnify the Fund against any loss resulting from the dishonesty or fraud of any person employed by them.

17. ALTERATIONS

- 17.1 The Trustees may alter these Rules at any time.
- 17.2 No alteration to the Rules which affects the rate of the Employers' contributions or the Members' contributions to the Fund may be made without the approval of all the Internal Trustees.
- 17.3 No alteration to the Rules which affects the financial condition of the Fund may be made until it has been referred by the Trustees to the Actuary.
- 17.4 All alterations to the Rules shall be submitted to the Registrar, the Revenue Authorities and any other statutory authority who so requires.
- 17.5 If the registration of any alteration to these Rules in terms of the Act is effected 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.

18. INTERPRETATION OF RULES AND DISPUTES

- 18.1 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, subject to the provisions of this Rule 18 and Section 30A of the Act, be final and binding on the Employers, Members and every person claiming to be entitled to a benefit under these Rules.
- 18.2 Any dispute that may arise with regard to the Fund, shall be dealt with in a fair, expeditious and economic manner.
- 18.3 In terms of Section 30A of the Act, any person who has a complaint in terms of the Act shall have the right to lodge a written complaint with the Pension Funds Adjudicator as envisaged in Section 30A of the Act. The complaint shall be dealt with in accordance with Sections 30D to 30P of the Act.

19. UNCLAIMED BENEFITS

- 19.1 If a benefit due under the Fund, other than a benefit payable in terms of Section 37C of the Act, is not claimed within three years after the date on which it became due for payment, the benefit shall revert to the Fund; provided that if a potential beneficiary approaches the Fund at any stage thereafter, the Trustees shall consider his claim and if the circumstances so warrant, shall pay to the beneficiary that part of the benefit, increased by such interest as they may allow, that as at the date of payment to the beneficiary is in excess of any costs incurred by the Fund in the administration of such benefit and any amount referred to in Rule 20.6.
- 19.2 If a Pension payable by the Fund is not claimed within two years after the date on which it became due for payment, the Pension shall revert to the Fund; provided that if the Pensioner approaches the Fund at any stage thereafter, the Trustees shall consider his claim and if the circumstances so warrant, shall resume payment of such Pension to him.
- 19.3 A death benefit payable in terms Rule 6.1 that is determined by the Trustees to be payable to the Guardian's Fund in terms of Section 37C of the Act shall not fall within the ambit of this Rule 19, but shall be payable in accordance with the Act.
- 19.4 The provisions of this Rule 19 shall be subject to the provisions of the Act.

20. MISCELLANEOUS PROVISIONS

- 20.1 (a) 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.
- (b) 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 therefrom.
- 20.2 (a) Payment of each benefit in terms of these Rules shall be made to the person entitled thereto at the registered office of the Fund.
- (b) Payment elsewhere than at the registered office of the Fund may be made at the request of the beneficiary in a manner agreed upon by the beneficiary and the Trustees, including
- (i) payment by means of electronic transfer into the bank account of the beneficiary to a bank registered in terms of the Banks Act, 1990, as amended; or
- (ii) postage by ordinary mail of a cheque or cheques; provided that should a beneficiary request postage by ordinary mail of a cheque or cheques, the Fund shall explain in writing to him that in so doing he shall carry the risk of a cheque's being lost in the post or being stolen.
- (c) 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 Administrators shall have any further liability for the benefit to any person.

- 20.3 All benefits and rights to benefits in terms of these Rules shall be subject to the prohibitions as to reduction, cession, etc. contained in Sections 37A and 37B of the Act.
- 20.4 No person shall have any claim concerning the Fund except in accordance with these Rules.
- 20.5 Admission to membership of the Fund shall be regarded as an acknowledgement by the Member that he agrees that these Rules, including any alteration to these Rules, shall be binding upon him and upon any person claiming to derive a benefit under the Fund by virtue of his membership.
- 20.6 If any costs are incurred as a consequence of the Trustees tracing any potential beneficiaries in order to give effect to the provisions of Section 37C of the Act or whose benefits due under the Fund are unclaimed, such reasonable costs may be recovered from the benefits payable to such beneficiaries.

APPENDIX I

EXTRACT FROM UNION'S CONSTITUTION AS AT 27 FEBRUARY 1998

Clause IV - Membership

1. Person Eligible:

Subject to the provisions of Sections 1 and 2(6) of Clause XI, any person employed in the industry or as an official of the Union in the Republic of South Africa shall be eligible for membership.

2. Grades:

The membership of the Union shall consist of four grades, as follows:-

- (a) Grade I: (i) White card; All journeymen. (ii) Red card: Persons, other than Journeymen who are employed on the work of a Journeyman or portion thereof other than by way of exemptions; e.g. Proofreaders, Printers' Attendants, Paper Sack Machine Attendants, Process Mounters, Cutters, Perforator Operators, Repro Compilers, Corrugated Board Originators, Flexible Packaging Originators, Paper Sack Originators.
- (b) Grade II: All apprentices and persons not eligible for Grade I who have been employed in the industry for a period of eighteen months or more, provided that the G.B. may, in special cases, admit to Grade II persons who have not such qualifications.
- (c) Grade III: Persons eligible for transfer to Grades I and II, while serving a probationary period of eighteen months.
- (d) Grade IV: Factory Aids, Drivers of motorised scooters, motorised tricycle, motorised bicycle, or similar vehicle and/or other categories of workers eligible for trade union membership.

3. Employers not Eligible:

No employer in the industry, nor any person who is in business in the industry on his own account, may become a member of the Union.

4. Employees not Eligible:

If a member joins another Union it will be deemed that he/she has resigned.

APPENDIX II

RATE OF MEMBER'S CONTRIBUTION FOR THE PURPOSES OF RULE 4.1.1

The applicable rates of contributions to be made by Members in terms of Rule 4.1.1 shall be calculated in accordance with the following table by reference to their Grades:

Grade	Weekly Contribution (R)
1	27.40
2 A	17.02
2 B	13.88
3	6.20
4 A	4.60
4 B	4.60

APPENDIX III

RATE OF EMPLOYER'S CONTRIBUTION FOR THE PURPOSES OF RULE 4.2.1

The applicable rates of contributions to be made by Employers in terms of Rule 4.2.1 in respect of those Members in their Service shall be calculated in accordance with the following table by reference to the Grades of the Members concerned:

Grade	Weekly Contribution (R)
1	30.91
2 A	19.19
2 B	15.65
3	6.98
4 A	5.20
4 B	5.20

APPENDIX IV

WAGE AND SALARY SCALE FOR THE PURPOSES OF RULE 6.1.1 AND RULE 6.2.2

Instead of the death benefit referred to in Rule 6.1.1(a) and the corresponding disability benefit in Rule 6.2.2 of the main body of the Rules, the benefit payable to the Members referred to in proviso (iii) to Rule 6.1.1 shall be equal to three times his Fund Salary at the date of death; provided that Fund Salary shall not be determined in accordance with Rule 2 of the main body of the Rules, but shall be determined by the Member's Grade at the date of death or disablement, in accordance with the following table:

Grade	Annual Earnings	Lump Sum
1	18 050.76	R54 153
2 A	11 204.44	R33 612
2 B	9 139.52	R27 312
3	7 934.68	R23 805
4 A	7 079.80	R21 240
4 B	7 079.80	R21 240