PRINTING INDUSTRY PENSION FUND FOR SATU MEMBERS

Amendment No. 1

Extracts from the minutes of a meeting of the Trustees of the Printing Industry Pension Fund for SATU Members held at ...Pretoria..................... on ....17...August...2006..

Resolved that with effect from 1 January 2004, the Rules of the Printing Industry Pension Fund for SATU Members shall be amended to recognise the impact of the Pension Funds Second Amendment Act, Act 39 of 2001, by:

(a) *allowing for minimum benefits to be payable when a Member ceases to be a Member of the Fund prior to retirement;*

(b) *revising the provisions of the Rule allowing for actuarial valuations to reflect that the Fund is not valuation exempt;*

(c) *establishing Member and Employer surplus accounts and an account to pre-fund the Fund's liability to increase Pensions paid by the Fund in line with the Pension increase policy adopted by the Trustees; and*

(d) *clarifying how any surplus arising in the Fund after apportionment will be dealt with;*

by:

1. *adding the definition "Minimum Individual Reserve" to Rule 2:*

"Minimum Individual Reserve" means the Minimum Individual Reserve for a Member as defined in the Act and as determined by the Actuary using methods and assumptions prescribed by the Registrar of Pension Funds by notice in the Government Gazette.

2. *adding the definition "Surplus Apportionment Date" to Rule 2:*

"Surplus Apportionment Date" means 31 December 2003.

3. *replacing Rule 4.6.1 with the following:*

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;

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

(d) transfers from the Future Pension Increase Contingency Account in terms of Rule 4.7.3.

4. *replacing Rule 4.6.3 with the following:*

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;

(b) in accordance with Rule 8, to increase Pensions paid from the Fund; and

(c) if so decided by the Trustees, on the advice of the Actuary, to be transferred to the Future Pension Increase Contingency Account.

5. *adding Rule 4.7 to Rule 4:*

4.7 Future Pension Increase Contingency Account

4.7.1 A Future Pension Increase Contingency Account shall be maintained under the Fund to which shall be credited any amount transferred from the Pensions Account in terms of Rule 4.6.3 (c).

4.7.2 The Future Pension Increase Contingency 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.

4.7.3 The assets in the Future Pension Increase Contingency Account shall be transferred to the Pensions Account from time to time on the advice of the Actuary to provide for the Fund's liability to pay Pension increases to Pensioners in terms of the Pension increase policy adopted by the Trustees as contemplated in Rule 8.

6. *adding Rule 4.8 to Rule 4:*

4.8 Employer Surplus Account

4.8.1 The Employer Surplus Account shall be credited with:

(a) the amount, if any, apportioned in terms of a surplus apportionment scheme approved by the Registrar in terms of Section 15B of the Act;

(b) any amount credited in terms of Section 15C (1) of the Act, as provided for in Rule 15.5.4.

4.8.2 The amount standing to the credit of the Employer Surplus 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.

4.8.3 The amount standing to the credit of the credit of the Employer Surplus Account may be used in the manner and for any of the purposes set out in Section 15E of the Act.

7. *adding Rule 4.9 to Rule 4:*

4.9 Member Surplus Account

4.9.1 The Member Surplus Account shall be credited with:

(a) the amount, if any, apportioned in terms of a surplus apportionment scheme approved by the Registrar in terms of Section 15B of the Act;

(b) any amount credited in terms of Section 15C (1) of the Act, as provided for in Rule 15.5.4.

4.9.2 The amount standing to the credit of the Member Surplus 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.

4.9.3 The amount standing to the credit of the credit of the Member Surplus Account may be used in the manner and for any of the purposes set out in Section 15D of the Act.

8. *replacing Rule 9.1 with the following:*

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 the greater of his Minimum Individual Reserve and his Fund Credit.

9. *replacing Rule 11.2.1 (a) with the following:*

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

10. *replacing Rule 11.2.2 with the following:*

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 greater of the Minimum Individual Reserve and 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 greater of the Member's Minimum Individual Reserve and his Fund Credit to such Approved Provident Fund.

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

11. *replacing Rule 15.5 with the following:*

15.5 Actuarial Valuation

15.5.1 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 Employer who participates in the Fund.

15.5.2 If the valuation discloses that there is a deficit, the manner of funding the deficit shall be considered by the Trustees in consultation with the Actuary. The decision on how the deficit is to be funded shall be taken by the Trustees on the advice of the Actuary.

15.5.3 If a valuation as at the Surplus Apportionment Date discloses that there is an actuarial surplus, such surplus shall be equitably apportioned between the stakeholders contemplated in the Act in accordance with a scheme for apportionment to be submitted to the Registrar within 18 months after the Surplus Apportionment Date, or such later date as approved by the Registrar. A Member Surplus Account and an Employer Surplus Account shall be established in terms of Rule 4.8 and Rule 4.9 and any amounts allocated to the Members and/or the Employer in terms of the surplus apportionment scheme shall be credited to the applicable account.

15.5.4 If a valuation after the implementation of a scheme for surplus apportionment in terms of Rule 15.5.3 discloses surplus, such amount shall be credited to the Employer Surplus Account and/or the Member Surplus Account in terms of Section 15C(1) of the Act.

12. adding Rule 21 to the Rules:

21. MINIMUM BENEFIT PAYABLE

Notwithstanding any other provisions of these Rules, it is specifically provided that the benefit paid to or in respect of a Member of the Fund prior to retirement shall, subject to the provisions of Section 14A(1)(b) of the Act, not be less than his Minimum Individual Reserve.

To facilitate SARS approval it is hereby confirmed that:

(a) the contribution structure of the Fund has not been affected by this amendment;

(b) this amendment will not have the effect of introducing a salary sacrifice scheme.

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

.... **Chairman of Trustees**

.... **Trustee**

.... **Principal Officer**

Certified that the above amendments are financially sound.

P.J. Geldenhuys
....
Actuary to the Fund

....
Signature

BSc FFA
....
Qualifications

DEUR MY GEREGISTREER OP HEDE DIE
REGISTERED BY ME ON THIS THE
24th
DAG VAN
DAY OF OCTOBER 2006
Registrateur van Pensioenfondse
Registrar of Pension Funds