



**ELECTRICAL INDUSTRY KWA-ZULU NATAL PENSION FUND**  
Registration No: 12/08/14479  
23 Lennox Road, Greyville, Durban, 4001

**RULE AMENDMENT NUMBER 2 (2023)**

**THE BOARD OF TRUSTEES HAS RESOLVED ON A ROUND ROBIN BASIS THAT:**

The Rules of the Electrical Industry Kwa-Zulu Natal Pension Fund are to be amended with effect from 1 January 2024 as follows:

**SECTION 2 DEFINITIONS**

1) *The definition of RISK RESERVE ACCOUNT shall be replaced as follows:*

**RISK RESERVE ACCOUNT**

The RISK RESERVE ACCOUNT shall be established in the books of the Fund. All benefits payable in terms of SECTION 8.1.1 shall be paid through the RISK RESERVE ACCOUNT. All or part of the risk in respect of the portion of the death benefit referred to in SECTION 8.1.1 may be self-insured through the RISK RESERVE ACCOUNT.

The amounts credited and debited to the RISK RESERVE ACCOUNT shall be such amounts as determined by the BOARD OF TRUSTEES in consultation with the ACTUARY.

**The RISK RESERVE ACCOUNT may be credited with the following:**

- a) An opening balance of such amount may be determined by the BOARD OF TRUSTEES in consultation with the ACTUARY;
- b) The amount deducted from the CONTRIBUTIONS received by the FUND on behalf of the MEMBER in terms of SECTION (e) of the definition of EQUITABLE SHARE;
- c) Amounts, if any, transferred to this account from the CONTINGENCY RESERVE ACCOUNT on recommendation of the ACTUARY and with the approval of the BOARD OF TRUSTEES;
- d) Amounts, if any, transferred to this account from another APPROVED FUND on the recommendation of the ACTUARY and with the approval of the BOARD OF TRUSTEES;
- e) Any proceeds received from the INSURER;
- f) INVESTMENT RETURN earned on the balance in this account.

**The RISK RESERVE ACCOUNT may be debited with the following:**

- a) The benefits payable in terms of SECTION 8.1.1, subject to the provisions of SECTION 8.4.3 and SECTION 8.4.4;
- b) The cost of the premiums payable by the FUND to the INSURER;
- c) Amounts, if any, transferred out of this account to the CONTINGENCY RESERVE ACCOUNT on recommendation of the ACTUARY and with the approval of the BOARD OF TRUSTEES;
- d) The administration and management costs associated with any payments made from this account;
- e) Negative INVESTMENT RETURN earned on the balance in this account.

*SM.*  
*DWA*  
*LC*



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2) **SECTION 8.4.3** shall be replaced by the following:

The FUND will only incur a liability in terms of this RULE to pay any portion of the benefit insured with an INSURER in terms of SECTION 8.3 if the benefit has been admitted by the INSURER. Any portion of the benefit insured with an INSURER shall be subject to the terms and conditions of the policy issued by the INSURER, which shall provide that the cover in respect of those MEMBERS for whom CONTRIBUTIONS are due and payable, but not paid shall cease in the event of the FUND not receiving CONTRIBUTIONS from the EMPLOYER within the period specified.

3) **SECTION 8.4.4** shall be replaced by the following:

The FUND will only incur a liability in terms of this RULE to pay any portion of the benefit that is self-insured by the FUND if the benefit has been admitted by the BOARD OF TRUSTEES. Cover in respect of any portion of the benefit that is self-insured by the FUND in respect of those MEMBERS for whom CONTRIBUTIONS are due and payable but not paid shall cease in the event of the FUND not receiving CONTRIBUTIONS from the EMPLOYER within any period determined by the BOARD OF TRUSTEES.

The reasons for the amendments are as follows:

- 1) To provide that all benefits payable in terms of SECTION 8.1.1 shall be paid through the RISK RESERVE ACCOUNT and to enable the total or part self-insurance of the benefit by the FUND.
- 2) To amend the condition of liability to pay a death benefit to cater for scenarios where part or all of the benefit is insured with an INSURER and/or part or all of the benefit is self-insured by the FUND.

**Certified that the resolution has been adopted in accordance with the provisions of the RULES of the FUND.**

*DW Alcock*

Chairperson: Board of Trustees  
(Mr Dave Alcock)

07 November 2023

Date

*Deon van Deventer*  
Deputy Chairperson: Board of Trustees  
(Mr Deon van Deventer)

*4/11/2023*  
Date

*SM*

*20*



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SIPHO M. MAYISELA  
Trustee  
(Full Name)

[Signature]  
Trustee  
(Signature)

09/11/2023  
Date

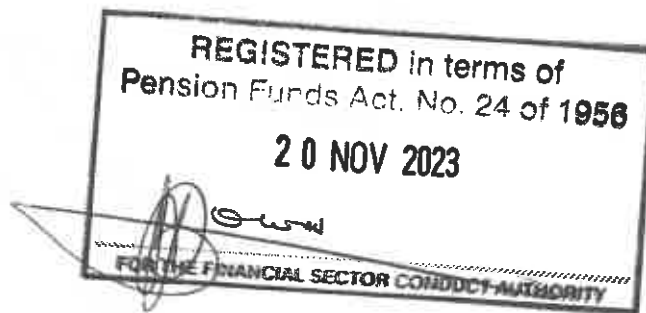
[Signature]  
Principal Officer  
(Ms Lizané van der Merwe)

06-Nov-2023  
Date

I hereby certify that the amendments are financially sound.

Asim Gani  
Valuator  
(Mr Asim Gani)

08 - Nov - 2023  
Date



[Signature] DWA