

29 June 2015

TO: Principal Officers of all registered Pension Funds
The Board of Trustees of all registered Pension Funds

CC: All Pension Fund Administrators
The Chairperson of RFIN

DIRECTIVE: PI/PF/DIR/05/2015

EFFECTIVE DATE: 29 July 2015

SUBJECT: RULE AMENDMENTS THAT MAY NEGATIVELY AFFECT MEMBERS' BENEFITS

1 Introduction

1.1 This Directive is issued by virtue of NAMFISA's functions and powers and those of its CEO in his capacity as the Registrar of Pension Funds in terms of the Namibia Financial Institutions Supervisory Authority Act, no. 3 of 2001 ("NAMFISA Act"), and is applicable to all registered pension fund organizations registered under the Pension Funds Act, no. 24 of 1956 ("PF Act").

1.2 The purpose of this Directive is to direct Principal Officers of all registered funds to submit proof to the effect that all relevant members were informed of rule amendments that may negatively affect their benefits.

2 The current practice

The Registrar has observed an increasing trend in the submission of rule amendments by registered funds which may result in members' benefits being negatively affected. However, no



proof is furnished to the Registrar to indicate that relevant members were informed of the implications of such amendments on their benefits.

3 The law

- 3.1 Section 12 of the PF Act allows a registered fund to, in the manner directed by its rules, alter or rescind any rule or make an additional rule, subject to certain conditions as prescribed in section 12 of the PF Act.
- 3.2 In terms of section 3(a) of the NAMFISA Act, one of the functions of NAMFISA is to exercise supervision over the business of financial institutions and over financial services.
- 3.3 In terms of section 4(2)(h) of the NAMFISA Act, NAMFISA may do anything which is necessary or expedient to perform its functions.

4 Conclusion

For the proper execution of NAMFISA's mandate as illustrated above, the Registrar deems it necessary to require registered funds to submit proof to the effect that all relevant members of the fund were informed of rule amendments which may result in their benefits being negatively affected.

5 The Directive

- 5.1 All Principal Officers of registered funds are hereby directed to submit, together with the application for the registration of rule amendments that may negatively affect members' benefits, a signed affidavit by the Chairperson of the Board of Trustees, on the form annexed hereto, marked "Annexure A", confirming that all relevant members were informed of the implications of such amendments on their benefits as provided for in the rules of the fund.



5.2 All Principal Officers of registered funds are further directed to submit to the Registrar a copy of the communication between the fund and the relevant members which shows that relevant members were accordingly informed as required in paragraph 5.1 above.

The Registrar therefore requires full cooperation and support in this process by all industry players and stakeholders at large.

Should you require more clarity on this Directive, kindly contact the Manager of the Pension Funds Department at telephone number 061-290 5000.



Phillip N. Shiimi
Registrar of Pension Funds

Affidavit of the Chairperson of the Board of Trustees

I, (Full name of Chairperson of the Board of Trustees), with Identity / Passport number, in my capacity as the Chairperson of the Board of Trustees of (Full name of fund), hereby declare and confirm under oath that -

The implications of rule amendments number(s)..... to the registered rules of the abovementioned fund, specifically the impact it may have on members' benefits as provided for in the rules of the fund, have been properly communicated to all the members of the fund whose benefits may be negatively affected by the said rule amendment(s). I accordingly annex hereto the communication between the fund and the relevant members.

.....
**Signature of the Chairperson of the Board of Trustees
(Deponent)**

I hereby certify that the deponent has acknowledged that he/she knows and understands the contents of this affidavit, which was signed and sworn to before me aton the.....day of....., the regulations contained in Government Notice No R1268 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been duly complied with, that he/she has no objection to taking the prescribed oath and that he/she regards same as binding on his/her conscience and declared as follows:



"I swear that the contents of this affidavit are true, so help me God"

.....

Commissioner of Oaths

Full names:

Capacity:

Address:

