

## **AUTO WORKERS' PROVIDENT FUND**

### **AMENDMENT NO. 2**

Extract from the minutes of a meeting of the Board of the Auto Worker's Provident Fund held electronically on 15 February 2023

#### **RESOLVED THAT :**

1. With effect from 19 October 2021, Rule 8.10 shall be replaced with the following:

**"8.10 Disability benefits**

8.10.1 If a MEMBER becomes DISABLED whilst in the SERVICE of his EMPLOYER prior to reaching his NORMAL RETIREMENT AGE, he may retire from SERVICE, in which case he will become entitled to a retirement benefit on his ELECTED RETIREMENT DATE. The retirement benefit will be a PENSION secured by the sum of:

8.10.1.1 His FUND CREDIT; plus

8.10.1.2 Subject to Rules 8.10.3, 8.10.4 and 8.10.5 below, a RISK BENEFIT equal to three (3) times his last determined REMUNERATION.

8.10.2 The provisions of Rules 8.6, 8.7 and Rule 8.8 will apply.

8.10.3 The RISK BENEFIT payable on DISABLEMENT shall, subject to the discretion of the BOARD, be limited to nil in the first year of MEMBERSHIP, twenty percent (20%) of the full benefit in the second year of MEMBERSHIP; forty percent (40%) of the full benefit in the third year of MEMBERSHIP; sixty percent (60%) of the full benefit in the fourth year of MEMBERSHIP and eighty percent (80%) of the full benefit in the fifth year of MEMBERSHIP, provided that if the condition giving rise to the claim has arisen from an accident which occurred after the commencement of MEMBERSHIP and which in the sole and absolute discretion of the BOARD was a bona fide accident and in addition was not caused by a medical condition from which the MEMBER was suffering, then the aforementioned limitations shall fall away.

8.10.4 If the MEMBER became a MEMBER of the FUND due to a transfer as envisaged Rule 9.3.1, the period of membership of the APPROVED FUND from which the assets and liabilities in respect of the MEMBER were transferred will be considered in determining any reduction in the RISK BENEFIT in terms of Rule 8.10.3 above.

8.10.5 If the contributions payable in terms of Rules 5.1.1 and 5.2.1 have not been paid up to date, the benefit referred to in Rule 8.10.1.2 will not be payable.”

The reasons for the amendment are to:

- Remove the provisions that reduce the Risk Benefit payable on Disablement in the five (5) years prior to a Member’s Normal Retirement Age;
  - Provide that membership of another Approved Fund is taken into account when determining the reduction in the Risk Benefit payable on Disablement when a person becomes a Member of the Fund;
- and

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



2 February 2024

CHAIRPERSON

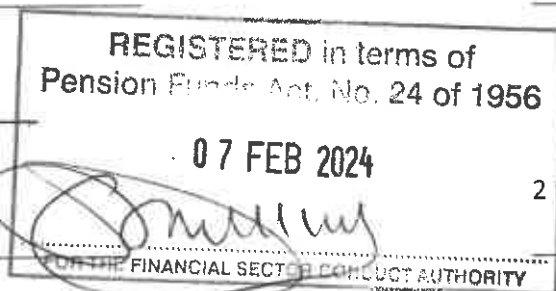
DATE



2 February 2024

BOARD MEMBER

DATE



2 February 2024

PRINCIPAL OFFICER

DATE