FIRST AMENDED TRUST DEED AND RULES

DATED 29TH DAY OF JULY **2022**

DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY
(The "Sponsor")

AND

RAPHAEL ANAMPIU

DR. ROSEMARY KAGONDU

DR. CYPRIAN OMARI

DR. ESTHER NTHIGA

ROBERT NGATIA

And

ERIC MURAGE GACHOKI
(The "Trustees")

OF

DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY
STAFF RETIREMENT BENEFITS SCHEME

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INDEX

AMENDED TRUST DEED AND RULES

THE FIRST SCHEDULE HEREIN BEFORE REFERRED TO 6

1. DEFINITIONS 6

2. NAME OF THE SCHEME 16

3. COMMENCEMENT OF THE SCHEME 16

4. DECLARATION OF TRUST 16

5. MAIN PURPOSE OF THE SCHEME 16

6. COMPOSITION OF THE SCHEME 16

7. SPONSOR'S COVENANT 16

8. SPONSOR'S RIGHT TO DISCONTINUE CONTRIBUTIONS 17

9. MANAGEMENT OF THE SCHEME AND APPOINTMENT OF TRUSTEES 17

10. TRUSTEES COVENANTS 17

11. NOMINATION OF TRUSTEES BY MEMBERS 18

12. CORPORATE AND INDEPENDENT TRUSTEE 18

13. REMOVAL OF TRUSTEES FROM OFFICE 18

14. REMUNERATION OF TRUSTEES 19

15. APPOINTMENT OF ADVISERS 19

16. TRUSTEES' ADMINISTRATIVE ARRANGEMENTS 20

17. POWERS OF TRUSTEES 22

18. DUTY TO KEEP RECORDS 23

19. PROTECTION OF TRUSTEES 23

20. INDEMNIFICATION AND PROTECTION AGAINST FINANCIAL LOSS 24

21. POWERS CONFERRED BY LAW 24

22. EXPENSES OF ADMINISTRATION AND MANAGEMENT 25

23. PROFESSIONAL CHARGING CLAUSE 25
24. AMENDMENT OF DEED AND RULES 25
25. PERPETUITY PERIOD 26
26. TRANSFERS INTO THE SCHEME FUND 26
27. TRANSFERS OUT OF OR WITHIN THE SCHEME 26
28. REORGANISATION OR RECONSTRUCTION OF SPONSOR 27
29. WINDING-UP OF THE SCHEME ON CERTAIN EVENTS 28
30. DETERMINATION OF TRUSTS 28
31. LAW AND CURRENCY 28
32. CLAIMS ONLY IN ACCORDANCE WITH THIS DEED 28
33. INTERPRETATION OF TRUST DEED 28
34. ARBITRATION 29
35. REGISTERED OFFICE 29
36. ADHERENCE BY ASSOCIATED COMPANIES 29
37. NOTICES 30
38. HEADINGS 30
THE SECOND SCHEDULE HEREINBEFORE REFERRED TO: 31
RULE 1 - MEMBERSHIP 31
RULE 2 - CONTRIBUTIONS 31
RULE 3 - BENEFITS PAYABLE ON NORMAL RETIREMENT 35
RULE 4 -BENEFITS ON DEATH 36
RULE 5 – LEAVING SERVICE PRIOR TO NORMAL RETIREMENT DATE 37
RULE 6 - BENEFITS PAYABLE UPON DISMISSAL 38
RULE 7 - RETIREMENT DUE TO ILL HEALTH 38
RULE 8 - NOMINATION OF BENEFICIARY 38

RULE 9 - LUMP SUM BENEFIT ON RETIREMENT 38

RULE 10 - DISCRETIONARY BENEFITS 39

RULE 11 - METHOD OF PAYMENT OF PENSION 39

RULE 12 - ACCOUNTS, ANNUAL REPORTS AND ACTUARIAL VALUATIONS.. 40

RULE 13 - TAXES AND DUTIES 40

RULE 14 – ASSIGNMENT OF BENEFITS FOR MORTGAGE GUARANTEE 40

RULE 15- ASSIGNMENT OF BENEFITS FOR PURCHASE OF RESIDENTIAL HOUSE 42

RULE 16- INCAPACITY OF BENEFICIARY 42

RULE 17-PROHIBITED PAYMENTS AND BENEFITS 43

RULE 18 - TRANSFERS TO OTHER SCHEMES 43

RULE 19 - TRANSFERS FROM OTHER SCHEMES 43

RULE 20 - EFFECT ON TERMS OF EMPLOYMENT 43

RULE 21 - LIMITATION OF TRUSTEES' LIABILITY 43

RULE 22 - REGISTER 44

RULE 23 - RIGHT TO DOCUMENTS 44

RULE 24 - RULES TO BE ACKNOWLEDGED AS BINDING 44

RULE 25 - OTHER PROVISIONS 44

RULE 26 - RELATIONSHIP TO STATUTORY SCHEMES 44

RULE 27 - HEADINGS 44

FIRST AMENDED TRUST DEED AND RULES

THIS FIRST AMENDED TRUST DEED AND RULES is made on the _____ day of _____ 2022 **BETWEEN:**

(1) **DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY** a body corporate established in the Republic of Kenya situated at Nyeri and whose postal address is Post Office Box Number Private Bag 10143– Dedan Kimathi, Nyeri, Kenya in the said Republic (hereinafter referred to as the "Sponsor") of the first part; and

(2) **RAPHAEL ANAMPIU, DR. ROSEMARY KAGONDU, DR. CYPRIAN OMARI, DR. ESTHER NTHIGA, ROBERT NGATIA and ERIC MURAGE GACHOKI** jointly acting as the Trustees of Dedan Kimathi University Of Technology Staff Retirement Benefits Scheme and all of Post Office Box Number Private Bag 10143– Dedan Kimathi, Kenya (hereinafter referred to as the Trustees)

WHEREAS:

(a) The Sponsor is empowered by its Memorandum and Articles of Association to set up an Occupational Retirement Benefits Scheme for the benefit of its employees;

(b) By the Trust Deed and Rules dated 19th August 2009 ("*Original Deed*") the Sponsor resolved to establish the **KIMATHI UNIVERSITY COLLEGE OF TECHNOLOGY (KUCT) - STAFF RETIREMENT BENEFITS SCHEME** which later changed its name to **DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY STAFF RETIREMENT BENEFITS SCHEME** (hereinafter referred to as "the Scheme");

(c) The Original Deed declared that the Scheme was to be established by the Sponsor for such of its eligible employees present and future employees of such other companies as may adhere to the Scheme for purposes of providing pensions and other retirement benefits;

(d) The Original Deed provides for the Trustees with the consent of the Sponsor to amend any provisions of the Original Deed;

(e) The Original Deed was further amended through Deeds of Amendment dated 27th May 2014 and 27th December 2018;

(f) The Trustees are the present Trustees of the Scheme;

(g) The Trustees wish to amend the Original Deed in the manner hereinafter appearing and has requested the Sponsor to join in this Deed for the purpose of signifying their consent.

NOW THIS DEED WITNESSETH that pursuant to the powers conferred upon the Sponsor by the Original Deed and all other enabling powers, the Trustees with the consent of the Sponsor hereby amend the Original Deed in the manner specified in this Deed with effect from ..... The Original Deed is hereby replaced with the Amended Trust Deed set out in Schedule 1 and the Rules set out in Schedule 2 to this Deed but without prejudice to any benefits or increases granted before the effective date hereof.

THE FIRST SCHEDULE HEREIN BEFORE REFERRED TO

1. DEFINITIONS

(a) In this Deed and the Rules, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Act"	means the Retirement Benefits Act (Act No. 3 of 1997) and/or any statutory restatement or re-enactment or amendment thereof and includes any regulations made thereunder;
"Actuary"	means a fellow of the Institute of Actuaries of England or of the Faculty of Actuaries of Scotland, or of the Canadian Institute of Actuaries, or the Society of Actuaries of the United States of America or the Institute of Actuaries of Japan or the Institute of Actuaries of Australia or a person holding such equivalent qualification as the Authority may by notice in the Gazette prescribe and has been appointed by the trustees as an actuary of the scheme;
"Administrator"	means the person appointed under an instrument by Trustees to administer a scheme in accordance with such terms and conditions of service as may be specified in the instruments of appointment;
"Anniversary Date"	shall in relation to a particular member mean 1st of July in each year;
"Approved Issuer"	means an insurer registered under the provisions of the Insurance Act or any other issuer approved in writing under the provisions of the Capital Markets Authority Act or any other

written law;

"Auditor"	Means the auditor of the Scheme appointed by the Board of Trustees being a person who is, or a firm a director or partner of which is a member of the Institute of Certified Public Accountants of Kenya pursuant to the provisions of the Act;
"Authority"	means the Retirement Benefits Authority established under the Act;
"Beneficiary"	means the member and includes a dependant of the member;
"Board"	means the Board of Trustees of the Scheme;
"Building Society Act"	means Chapter 489 of the Laws of Kenya and any subsidiary legislation made thereunder;
"Closed Scheme"	means a retirement benefits Scheme, which is closed, to new members but which otherwise functions as a normal scheme for its continuing members;
"Commencement Date"	means 1st July 2009;
"Commissioner"	means the Commissioner General appointed under section 11(1) of the Kenya Revenue Authority Cap 469 or the Commissioner to whom the administration and the collection of income tax under the under the Income Tax Act is delegated by the Commissioner General pursuant to section 11(4) of the Kenya Revenue Authority Act;
"Continuous Service"	means the period during which an Employee has been continuously in the service of the Sponsor from the date of confirmation of his employment with the Sponsor and shall include all authorised leave of absence whether or not the Employee is in receipt of a salary during such absence and such leave of absence of not more than nine (9) months shall not be

	regarded as breaks in service by the Sponsor for the purposes of the Scheme.
"Contribution Year"	means the period of twelve calendar months ending on the 30th day of June of every year;
"Custodian"	means a person registered by the Authority as a custodian and appointed as such by the Trustees of the Scheme;
"Capital Markets Act"	means Chapter 485 of the Laws of Kenya and any subsidiary legislation made thereunder;
"Capital Markets Authority"	means the Capital Markets Authority established under the Act;
"Dependants"	in relation to a particular Member, means or includes the Member's Spouse, adopted children, sons, daughters, grandsons, granddaughters, step-children, parents, grand-parents, nephews, nieces, uncles, aunts, brothers and sisters in each case whether related in the whole or the half blood, living at the time of the Member's death and such other person or persons as were, in the opinion of the Trustees, immediately before the Member's death substantially dependent upon the Member (whether alone or with others) for the provision of the necessaries of life **PROVIDED THAT** the class shall be closed at the death of the Member except that it shall include person *en ventre sa mere* who if already born would have been dependants;
"Early Retirement Age"	means the fiftieth (50th) birthday or such other birthday thereafter when the member retires before the Normal Retirement Date;
"Eligible Child"	shall mean the child of a Member who is entitled to receive a pension benefit under these rules and shall include a posthumous child, a stepchild, an illegitimate child and an adopted child **PROVIDED THAT** a child shall only be an eligible child if and for so long as he is not married and is under the age of 18 years (or at the Trustee's discretion the age of 23 years if he is a full time student at an approved educational establishment)

PROVIDED THAT a child who is over 18 years shall be deemed to be an "Eligible Child" where the Trustees are satisfied that by reason of disability the child was dependent on a Member;

"Eligible Date" means the day of the month when an employee of the Sponsor or the Employer becomes an Eligible Employee;

"Eligible Employee" means a full time permanent employee of the Sponsor who has successfully completed his probation period or one year's service whichever is earlier with the Sponsor and who has attained the age of eighteen;

"Eligible Widow" shall mean the widow of a Member who is entitled to receive a pension benefit under the Rules and who in the case of the widow has not remarried and if such Member or had more than one wife shall mean that one of those wives who was nominated by him to be his Eligible Widow for the purposes of the Rules **PROVIDED** that if no such wife is so nominated the Trustees shall in their absolute discretion determine which one of two or more wives is deemed to be the Eligible Widow. For the purpose of this definition nomination shall be by notice in writing delivered to the Trustees and may be revoked by the like notice;

"Eligible Widower" shall mean the widower of a Member who is entitled to receive a pension benefit under the Rules and who in the case of the widower has not remarried and if such Member or had more than one husband shall mean that one of those husbands and who was nominated by him to be his Eligible Widower for the purposes of the Rules **PROVIDED** that if no such husband is so nominated the Trustees shall in their absolute discretion determine which one of two or more husbands is deemed to be the Eligible Widower. For the purpose of this definition nomination shall be by notice in writing delivered to the Trustees and may be revoked by the like notice;

"Employer" means an Employer (and such of its subsidiary companies as determined by the Employer from time to time) who has signed a Deed of Adherence and has been admitted to the Scheme as a participating Employer and whose employees have become Eligible Employees;

"Employer's Portion" means in relation to each Member at any particular date an amount equal to the sum of

a) the contributions made by the Employer towards the Member's retirement benefit;

b) in relation to each Member who was a member of a Previous Scheme, a portion of the amount transferred to the Scheme;

Increased or decreased by the same rate applied by the Trustees to the Member's Portion.

"Entry Date" means initially the Commencement Date and thereafter the first day of the month coincident with or next following the date of becoming eligible for membership of the Scheme under the Rules;

"Financial Year" means the period of twelve months ending on 30th day of June in each year;

"Facility" means a retirement benefits mortgage facility or house ownership loan arrangement.

"House" means a dwelling built wholly or in part for the provision of residential accommodation in urban or rural areas;

"Income" means:

a) any income (received and accrued), including interest less an allowance for any tax and, if applicable, part or all of any expenses (paid and accrued); and

b) any capital appreciation or depreciation (realised and unrealised).

Income may be positive or negative.

"Income Tax Act"	means Chapter 470 of the Laws of Kenya or any statutory restatement or re-enactment thereof or any regulations made thereunder;
"Independent Trustee"	means a Trustee who has been nominated by the Sponsor and who does not have a material or pecuniary relationship with the Scheme;
"Interest"	interest at a rate determined by the Trustees on the advice of the Fund Manager;
"Institution"	means: a) a bank, mortgage or financial institution licensed under the banking Act Cap. 488, a building society licensed under the Building Societies Act Cap.489, a Microfinance institution under Microfinance Act, 2006 the National Housing Corporation; or b) any other institution, including an issuer of a tenant purchase arrangement that is specifically approved by the Authority for the purpose of providing a facility; and c) any other entity offering a residential house for sale.
"Levy"	means the Retirement Benefits Levy imposed under Section 16 of the Retirement Benefits Act;
"Medical Cover Provider"	means a Post-Retirement Medical Fund; the National Hospital Fund established by the National Hospital Fund Act 1998 or an Insurer, Broker or medical insurance provider registered under the Insurance Act;
"Medical Fund"	means a fund into which all contributions, investment earnings, income and all other moneys payable under the scheme rules or the provisions of this Act and subsidiary Regulations shall be paid for the purposes of accessing medical benefits in retirement;

"Medical fund rules"	means the rules relating to the establishment, administration and management of post-retirement medical funds;
"Member"	means an Eligible Employee who having been admitted to Membership of the Scheme in accordance with the Rules and includes any person who is entitled to or in receipt of a benefit under the Scheme and has not ceased to be a member in terms of these Rules;
"Member's Portion"	means in relation to each Member at any particular date the accumulated value of: a) his contributions as specified in the Rules; b) in the case of each Member who was a member of a Previous Scheme, a portion of the amount transferred to the Scheme; c) any contributions transferred in. increased or decreased at such rate that the Trustees, in consultation with the Actuary, shall in their reasonable discretion from time to time declare, at least annually, having regard to the Income on the Scheme's assets.
"Micro Finance Act"	means Act 19 of 2006 of the Laws of Kenya and any such subsidiary legislation that may be made thereunder;
"Manager"	means a person registered as such by the Authority and appointed by the Trustees to render fund management services to the scheme;
"Normal Retirement Date"	means the seventieth (70th) birthday for academic staff, and the Sixtieth 60th birthday for non-academic staff where the exact date of birth is known and where it is not known the first day of the month in the year in which the 70th or 60th birthday shall be deemed by the Sponsor to occur. PROVIDED THAT a Member shall retire on 30th June immediately following attainment of the Normal Retirement Age;

"Participation Date"	means the date on which the Employer commences participation in the Scheme as specified in the Rules;
"Person"	Means and individual and includes a body corporate;
"Policy"	Shall mean any Insurance Policy effected by the Trustees in order to secure the liabilities undertaken under the Scheme or for protection against any loss;
"Previous Scheme"	means any Registered Scheme in which an Employer participates or participated;
"Registered Insurer"	means an insurer registered under the provisions of the Insurance Act Cap 487;
"Registered Scheme"	means a pension scheme or provident Scheme, which has been registered by the Commissioner under the provisions of the Income Tax Act relating to such registration;
"Residential House"	means a dwelling built wholly or in part for the provision of residential accommodation in urban or rural areas;
"Rules"	means the Rules contained under Schedule 2 as may be amended from time to time;
"Scheme"	means the **DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY STAFF RETIREMENT BENEFITS SCHEME;**
"Salary"	shall mean the basic yearly salary or wages of a Member as determined by the Sponsor from time to time excluding housing allowances, bonuses, commission, overtime, director's fees and any other fluctuating emoluments being received by the Member on that date. PROVIDED THAT for the purposes of death in service benefits, the salary shall be fixed for any member for a

period of one year or at the entry date for a new member.

"Scheme Credit" means for each Member at any particular date the sum of:

a) the Member's Portion; and

b) the Employer's Portion.

c) any accrued income and/or losses arising out of investing (a) and (b) above

"Service" means employment with the Sponsor or the Employer as specified in the Rules;

"Shillings" means the lawful currency of the Republic of Kenya;

"Sponsor" means **DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY;**

"Spouse" means a wife or husband to whom a Member is married or was so married immediately before his death by any ceremony (whether monogamous or not), which would be recognised by a Court of Law in Kenya;

"Total Cost of Employment" means the total annual cost of employing the Member as determined by the Sponsor or the Employer from time to time;

"Trivial Pension" means the amount, from time to time determined by the Authority, which shall not be less than fifty per cent (50%) of the average of the minimum wage prescribed by the Minister for the time being responsible for matters relating to labour in the year in which the benefit becomes due;

"Trust Corporation" means a company incorporated under the Companies Act having a subscribed capital of not less than Ten Million Shillings (Kshs. 10,000,000.00) and which is for the time being empowered (by or under any written law, its charter, memorandum of association, deed of settlement or other instrument constituting it or defining its powers), to undertake trusts, provided that such company does

not, by any prospectus, circular, advertisement or other document issued by it or on its behalf, state or hold out that any liability attaches to the Public Trustee or to the Consolidated Fund in respect of any act or omission of that body corporate when acting as an executor or administrator;

"Trust Deed"	means this Deed and to which the Rules constitute the Schedules (being an integral part of the Deed) and any deed expressed to be supplemental thereto; references to the "**Trust Deed**" or to "**this Deed**" shall be deemed to include the Rules;
"Trustees"	means and includes the survivor or survivors of the Trustees or the Trustee or Trustees for the time being of the trusts of this Trust Deed;
"Unclaimed Assets"	means assets that have been presumed abandoned and have become unclaimed assets or have been transferred to the Unclaimed Financial Assets Authority or have been deemed under any other law to be unclaimed assets;
"Voluntary Contribution"	means the contribution made by a member over and above the basic contribution and may be discontinued;
"Voluntary Medical Benefits Contributions"	means the contribution made by a member over and above the basic contribution to be used for purposes of purchasing a post-retirement medical cover;
"Years of Pensionable Service"	means the total number of continuous years and months during which an Eligible Employee has been in service from first joining the Sponsor; absences of nine continuous months or less shall be ignored for the purposes of calculating this period of service.

(b) The singular includes the plural and *vice versa* and the masculine includes the feminine and *vice versa*.

2. NAME OF THE SCHEME

The name of the Scheme shall be **DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY STAFF RETIREMENT BENEFITS SCHEME**

3. COMMENCEMENT OF THE SCHEME

The Scheme shall be deemed to have commenced on the Commencement Date.

4. DECLARATION OF TRUST

The Scheme shall be deemed to have been established under the irrevocable trusts declared hereby from the Commencement Date. The Trustees shall stand possessed of the moneys, assets and investments from time to time forming part of the Scheme and the income thereof respectively as and when received by them upon irrevocable trust and out of the capital or the income thereof or both as they may think proper pay to the Members or their dependants such benefits payable under and in accordance with the Rules.

5. MAIN PURPOSE OF THE SCHEME

The main purpose of the Scheme is to provide retirement and other benefits for employees of the Sponsor and the participating Employers or the members' respective dependants

6. COMPOSITION OF THE SCHEME

The Scheme shall consist of all sums paid into the Scheme by or in respect of the Members and the investments for the time being representing the same and the interest, dividends and income derived from such sums and investments and any other sum or sums which may, under this Deed or the Rules, be paid to the Trustees for payment into the Scheme.

7. SPONSOR'S COVENANT

The Sponsor here by covenants with the Trustees:-

a) to collect all sums contributed by the Members in accordance with the Rules and together with its own contributions and such other payments as on its own behalf are to be made under the Rules and to pay any such sums to the Trustees or as they shall direct;

b) subject to Clause 22 hereof, to pay all necessary charges and expenses incurred by the Trustees in connection with the execution of the trusts hereby created and the management and administration of the Scheme;

c) Appoint Sponsor- appointed Trustees as per the Scheme's Appointment, Election and Removal Policy; and

d) Provide key member data to the Trustees and Scheme Administrator.

8. SPONSOR'S RIGHT TO DISCONTINUE CONTRIBUTIONS

The Sponsor shall have the right to discontinue payment of contributions to the Scheme upon six (6) months written notice to the Trustees and the Members. In the event of such discontinuance and the Trustees, upon taking into account all relevant circumstances, resolving that the Scheme shall be wound up, the Scheme shall be dealt with in accordance with the provisions of the Act.

9. MANAGEMENT OF THE SCHEME AND APPOINTMENT OF TRUSTEES

a) The Scheme shall be managed by the Board of Trustees who are responsible for performing or causing to be performed the obligations and duties as set out in the Act and in this Trust Deed.

b) Subject to the Sponsor deciding to appoint a Corporation as a sole Trustee under the provisions of Clause 12, the number of Trustees shall always not be less than four (4), and not more than nine (9), half (1/2) of whom shall be nominees of the Sponsor and the other half (1/2) by the Members PROVIDED THAT the appointment of any person as a Trustee shall be subject to the approval of the Authority and PROVIDED FURTHER THAT all Trustees must have been vetted by the Authority to undertake Trust service. Except in the case of death or removal of a Trustee each Trustee shall hold office for a period of three (3) years but shall be eligible for re-appointment for a second and final term of three (3) years.

c) Each Trustee shall be appointed and may be removed by the Sponsor pursuant only to a resolution of the Board of Directors of the Sponsor except a Trustee appointed pursuant to a nomination of the Members who may be removed in accordance with Clause 11 thereof. A copy of such resolution certified by the Company Secretary of the Sponsor or a Director shall be sufficient evidence thereof.

d) Upon such appointment or removal of a Trustee, any assurance or thing requisite for vesting the trust property or any part thereof jointly in the persons who are continuing trustees shall be executed or done.

10. TRUSTEES COVENANTS

The Trustees hereby covenant with the Sponsor:

(a) to manage and administer the Scheme in accordance with the terms hereof and the Rules;

(b) to pay out from or provide for under the Scheme the pensions and other benefits prescribed by the Rules and to observe and perform the terms and conditions thereof;

(c) to comply with the provisions of the Trust Deed and the Rules; and

(d) to comply with the provisions of the Act, the Income Tax Act or any other legislation for the time being in force relating to the management and administration of the Scheme.

11. NOMINATION OF TRUSTEES BY MEMBERS

The nomination of the requisite number of Trustees by the Members and the removal of such Trustee or Trustees shall be conducted in such manner and in accordance with the provisions of the Scheme's Appointment, Election and Removal Policy.

12. CORPORATE AND INDEPENDENT TRUSTEE

a. The Sponsor may pursuant to a resolution of its Board of Directors appoint by deed a Trust Corporation to be a Trustee or sole Trustee hereof upon such terms as to remuneration as at or prior to its appointment may be agreed in writing between such Trust Corporation and the Sponsor or in default of such agreement in accordance with the Trust Corporation's published terms and conditions as to acceptance of trusts current at the date of such appointment; and

b. The Sponsor may also remove such Corporate Trustee in a similar manner.

c. The Sponsor may appoint an Independent Trustee and the terms of appointment shall be as prescribed in the Scheme's Appointment, Election and Removal Policy.

13. REMOVAL OF TRUSTEES FROM OFFICE

A person shall cease to be a Trustee and shall vacate office as such if:

(a) he has been or is sentenced to imprisonment by a court of competent jurisdiction for a period of six (6) months or more; or

(b) he becomes bankrupt or makes an arrangement or composition with his creditors generally; or

(c) he becomes of unsound mind; or

(d) he fails to attend two (2) consecutive meetings of the Trustees; or

(e) he resigns by notice in writing to the Trust Secretary; or

(f) he is forbidden to act as a Trustee pursuant to the Act or any other written law; or

(g) he is removed either by the Sponsor or Members pursuant to the Scheme's Appointment, Election and Removal Policy; or

(h) he becomes a director or other officer of a Corporation appointed as sole Trustee under Clause 12;

(i) he was previously involved in the management or administration of a scheme which was deregistered for any failure on the part of management or the administration thereof; or

(j) fails to undergo statutory training within the period stipulated under the Act or regulations thereunder; or

(k) he dies.

14. REMUNERATION OF TRUSTEES

A Trustee may be remunerated as follows:

(i) A Trust Corporation in accordance with the instrument of appointment;

(ii) A Trustee may be remunerated as per the provisions of the Scheme's Remuneration Policy approved by the Members at the Annual General Meeting of the Scheme every three (3) years subject to the Authority's approval.

15. APPOINTMENT OF ADVISERS

(a) The Trustees:

(i) shall appoint in writing a Scheme Manager(s) in accordance with the provisions of the Trustees' Procurement Policy provided that where there is a Corporate Trustee it shall not appoint a Manager who is related to the Trust Corporation by way of ownership, directorship and employment;

(ii) shall appoint in writing a Custodian in accordance with the provisions of the Trustees' Procurement Policy, provided that where there is a Corporate Trustee it shall not appoint a Custodian who is related to the Trust Corporation by way of ownership, directorship and employment;

(iii) may appoint in writing an Actuary to be the Scheme Actuary;

(iv) shall with the approval of the Authority appoint in writing the Auditor to the Scheme. The Trustees shall notify the appointment of the Auditor to the Authority within thirty (30) days thereof;

(v) shall with the approval of the Authority appoint a Liquidator in the event of the Trustees resolving to voluntarily dissolve or wind-up the Scheme.

(vi) shall appoint an Administrator to manage the administrative affairs of the Scheme on behalf of the Trustees. No person shall be eligible to be appointed as an Administrator of the Scheme if that person is related to the Fund Manager of the Scheme.

(vii) may appoint as necessary legal and other appropriate advisers.

(b) The terms and conditions for each appointment shall be set out in the document or

other instrument pursuant to which such appointment has been made.

(c) The Trustees may remove any person appointed pursuant to this Clause, and on the removal of a Scheme Manager, the Actuary, the Custodian, the Administrator or the Auditor, the Trustees shall without undue delay appoint a replacement.

16. TRUSTEES' ADMINISTRATIVE ARRANGEMENTS

In each and every case where a corporate body is not a Trustee of the Scheme, the following provisions shall apply.

a) The Board of Trustees shall at its first meeting elect a chairman from among their number. The administrator of the Scheme, the Chief Executive Officer of the Sponsor or the Chairman of the Board of Directors shall not be appointed chairman of the Board of Trustees. If the chairman is late or absent from any duly convened meeting, the Trustees shall appoint a chairman for that meeting from their number.

b) The Trustees shall appoint a Secretary to the Board. ("**The Trust Secretary**").

c) The Trustees shall hold regular meetings to transact the business of the Scheme as they shall decide. The quorum necessary for the transaction of business shall be half of the number of Trustees which shall include a Sponsor – appointed Trustee and at least one elected Trustee.

d) The Trust Secretary on being instructed in writing by a Trustee or Trustees at any time shall convene a meeting of the Trustees upon fourteen (14) days' written notice to the Trustees.

e) Questions arising at any meeting of the Trustees shall be decided by a majority of votes on a show of hands of those present and in case of any equality of votes the chairman shall have a second or casting vote.

f) A resolution in writing signed by all the Trustees or no less than two (2) Trustees in respect of any Rules applicable to a participating Employer shall be as valid and effectual as a resolution properly passed at a duly convened meeting of the Trustees.

g) The Trust Secretary shall keep minutes of all meetings of the Trustees and the exercise by the Trustees of all powers and discretions vested in them and the passing of resolutions shall be recorded in such minutes. A document certified by the chairman of the Trustees or the Trust Secretary to be a true copy of a resolution of the Trustees shall be sufficient evidence of the resolution. The Trustees shall ensure that the minutes of the Annual General Meeting are available for review to the Members not later than three (3) months after the date of the meeting.

(h) The Trustees shall have power to Act notwithstanding any vacancy in their number.

(i) The Trustees shall make such banking arrangements as they shall think fit provided always that no cheques drawn on the moneys of the Scheme or other documents relating thereto may be signed by less than two Trustees or by a Trust Corporation or other corporate Trustee if it shall be a sole Trustee.

(j) Contracts and other documents shall be signed by all the Trustees (unless resolved otherwise by a resolution of the Trustees) or by a Trust Corporation if it shall be a sole Trustee.

(k) The Trustees shall hold an annual general meeting of members once in every year. Notwithstanding anything herein contained, the Trustees may hold any other meetings of the members except that any such meeting shall be called Extraordinary General Meeting. The following matters shall, inter alia, constitute the agenda for each and every annual general meeting of members:

i. Reports on changes to structure of contributions and benefits
ii. Audited accounts.
iii. Investments
iv. Remuneration of Trustees
v. Questions from members
vi. Net rate of return credited to Members' accounts.

(l) The Trustees shall every three years submit to the authority a document outlining the investment policies which the Trustees have pursued and intend to pursue.

(m) The Trustees shall on a quarterly basis submit to the authority contributions they have received from the sponsor in respect of the contributions from the members and from the sponsor.

(n) The Trustees shall meet at least two (2) times in every calendar year and the interval between Trustees meetings should not be more than six (6) months.

(o) Trustees shall maintain up-to-date records of the bank accounts of their members for the purpose of payment of benefits.

(p) The Trustees shall have an investment policy prepared on the written advice from either, a registered Chartered Financial Analyst, an Actuary, an Investment advisor or Fund manager registered under the Capital Markets Act and Retirement Benefits Act, Provided that the advisor shall not be the scheme fund manager, a related company or employee of the scheme. The Trustees and the advisor shall sign the statement jointly.

(q) The Trustees shall submit to the Sponsor a report on the Scheme in accordance with the Act and the regulations thereunder at least once in every quarter;

(r) The Scheme Trustees shall maintain the confidentiality of the minutes of its meetings but comply with reasonable requests for information from Members and other

stakeholders as provided under the Access to Information Act, 2015 as amended from time to time;

(s) Regularly review the processes and mechanisms that the Sponsor shall use to provide information with the aim of constantly improving the processes or mechanisms;

(t) Inform the Sponsor of the potential impact on Trustees and additional cost of operations of the Scheme if the Sponsor and Trustees fail to meet their obligations as provided for under this Deed, the Act and the regulations thereunder; and

(u) Trustees shall comply with the provisions of the Unclaimed Financial Assets Act, 2011 relating to the management and administration of the Scheme as amended from time to time.

17. POWERS OF TRUSTEES

Subject to the provisions of the Act, the Trustees shall in addition and without prejudice to all powers conferred upon Trustees by law have the following powers:

a) from time to time to delegate any of their administrative functions or any business relating to the Scheme (including the receipt or payment of money) to any one or more of their number and may delegate any matters relating to the collection of contributions and the administration and investment of the assets from time to time comprising the Scheme and of the income generated by such assets to such agents, administrators, advisers, custodians and managers or other professional advisers (whether remunerated or not) as they may determine provided that they shall not delegate any matter requiring the exercise of their discretion or trusts to any person. The Trustees may register or vest any of the assets from time to time comprised in the Scheme in the names of any other person as nominee of the Trustees.

b) to determine whether or not any person other than a member is entitled from time to time to any benefit under the Scheme.

c) to lease, mortgage, exchange, sell or otherwise deal with any interest in land forming part of the assets of the Scheme.

d) to commence, carry on or defend proceedings relating to the Scheme or the determination of any rights or obligations of the Members and others therein;

e) to raise or borrow any sum or sums of money and to secure the repayment thereof in such manner and upon such terms as the Trustees may deem advisable;

f) to invest any moneys forming part of the Scheme in the purchase of or at interest upon the security of such stocks, shares, securities or other investments of whatever nature and howsoever as the Trustees shall in their absolute discretion think fit to the intent that the

Trustees shall have the same full and unrestricted powers of investing and transposing investments in all respects as if they were absolutely entitled thereto beneficially;

g) to underwrite or sub-underwrite and to enter into any agreement or agreements for underwriting or sub-underwriting any investments or securities whether on issue or sale and whether jointly with other persons or not and to do all things incidental thereto;

h) to apply any moneys forming part of the Scheme in effecting or maintaining any insurance which in the opinion of the Trustees is suited for the purposes of the Scheme and to vary the terms of surrender, sell or otherwise dispose of any such insurance or exchange the same for a substituted insurance;

i) generally to execute and do all such acts and things as the Trustees may consider necessary or expedient for the maintenance and preservation of the Scheme and of the rights of the Members and others therein.

18. DUTY TO KEEP RECORDS

(a) The Trustees shall have the responsibility for general management and administration of the Scheme and they shall keep all proper books and records of account showing the position in respect to contributions, other income, expenditure, liabilities and assets of the Scheme and all other matters relevant to its management and shall prepare or cause to be prepared and furnish to the Sponsor an audited account of all such transactions and matters at such intervals as the Sponsor may from time to time determine.

(b) The Trustees shall keep at the registered office of the Scheme a register of the Members of the Scheme showing the particulars of all such Members and of the contributions made from time to time in respect of each Member and of the investment and disposition thereof and of the date on which each Member shall cease to be a Member and the method of disposal of the amount payable out of the Scheme to or in respect of each such Member. The account of each member shall be kept separate and distinct from the account of every other Member. Every Member of the Scheme shall have a right to inspect his own account in the register during usual business hours on giving reasonable notice.

19. PROTECTION OF TRUSTEES

a) None of the Trustees shall be liable for the act, neglect, default, fraud or misconduct of any agent, officer, servant or other person employed by them or otherwise engaged or

occupied in connection with the Scheme notwithstanding that it may not have been strictly necessary or expedient for any person to be so employed, engaged or occupied or by reason of any mistake or omission made in good faith or by reason of any other matter or thing except wilful fraud or wrong-doing on the part of any of the Trustees.

b) No decision of or exercise of a power by the Trustees shall be invalidated or questioned on the ground that the Trustees or any of them or any director or officer of any body corporate, which is a Trustee, had a direct or indirect interest in such decision or in the exercise of such power.

c) A Trustee (or any director or officer of a body corporate which is a Trustee) who is or has been a Member shall be entitled to retain for himself any benefit to which he is entitled by virtue of such membership.

d) A Trustee shall not be victimized, removed from office or discriminated against for having performed the functions of office in accordance with the Trust Deed and Rules of this Scheme or any law, without due process of the law.

20. INDEMNIFICATION AND PROTECTION AGAINST FINANCIAL LOSS

(a) The Trustees may take such steps as they deem appropriate to protect the Scheme and the individual assets comprising the Scheme fund against any manner of insurable risk or financial loss which might arise out of the negligence or default (wilful or otherwise) of the Scheme's trustees, officers, administrator, manager or custodian or other professional advisers by way of such insurance and in such amount as the Trustees shall determine.

(b) The Trustees shall be indemnified out of the Scheme fund against all proceedings, costs and expenses incurred by reason of any claim in connection with the Scheme not arising from their gross negligence, breach of trust; provided that the costs of any indemnity in respect of the Sponsor or a particular Employer shall be met by the Sponsor or that Employer.

21. POWERS CONFERRED BY LAW

It is declared that, in addition to any powers or provisions for the indemnity or otherwise for the protection of the Trustees conferred by or contained in this Deed, the Trustees shall be entitled to exercise any powers conferred by law on trustees if and in so far as a contrary intention is not expressed in this Deed and to have the benefit of any indemnity or other protection given by law to trustees.

22. EXPENSES OF ADMINISTRATION AND MANAGEMENT

Except where otherwise provided, the Trustees shall pay from the Scheme fund all remuneration, fees, commission, costs and other expenses of administering and managing the Scheme, including investment expenses, fees for professional services or any levy payable pursuant to any regulations for the time being in force.

23. PROFESSIONAL CHARGING CLAUSE

Any person being an Actuary, Advocate, Accountant or other Person engaged in any profession or business shall be entitled to charge and be paid all usual professional or other charges for business done by him or his firm in relation to the Scheme and also his reasonable charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with the administration of the Scheme including matters which might or should have been attended to in person by a Trustee not being an advocate, accountant or other professional person but which such Trustee might reasonably require to be done by an advocate, accountant or other professional person PROVIDED THAT no Trustee engaged in any profession or business shall be engaged in professional services done by him or his firm in connection to the scheme PROVIDED FURTHER THAT the Sponsor, employer, member, or Trustee shall not be appointed Scheme Auditor.

24. AMENDMENT OF DEED AND RULES

The Trustees may at any time and from time to time with the consent of the Sponsor amend by deed any of the provisions of this Deed or the Rules **PROVIDED THAT** no such amendment shall be made which:

(a) Varies the main purpose of the Scheme;

(b) Authorises the payment of any part of the moneys of the Scheme to any Employer (otherwise than upon the dissolution of the Scheme or with the consent of the Commissioner and the Authority) or to any Member while still in service of the Employer;

(c) Diminishes any rights or interests of any Member which shall have accrued to each prospective beneficiary in respect of benefits secured under the Scheme up to the date on which such alteration takes effect unless such alteration (whether retrospective or otherwise) is necessary in order to secure approval or continued approval under the Act and the Income Tax Act;

(d) Extends the operation of the Scheme beyond the Trust Period (as defined in 25);

(e) Prejudices or causes withdrawal of approval or registration of the Scheme under the Income Tax Act or the Act.

PROVIDED FURTHER THAT no amendment to the Rules shall be made without the consent of the Sponsor **PROVIDED ALSO THAT** (i) no amendment shall become effective until it shall have been approved by the Authority and Commissioner (if the Scheme shall then be a Registered Scheme) and (ii) any amendment affecting the financial position of the Scheme shall be referred to the Actuary before being adopted and a certificate from the Actuary submitted to the Authority certifying that the financial soundness of the Scheme shall not be affected thereof.

25. PERPETUITY PERIOD

In the event that a perpetuity period is applicable to any disposition made under the provisions of this Deed or the Rules the perpetuity period shall be the life of the Applicable Member and eighteen years (the "**Trust Period**"). For the purposes of this Clause "**Applicable Member**" shall mean the Member making the relevant disposition or the Member in respect of which the Sponsor has made the relevant disposition.

26. TRANSFERS INTO THE SCHEME FUND

(a) The Scheme Fund shall receive such amount as becomes payable to the Scheme by a Previous Scheme as a result of the transfer of members of that scheme to the Scheme. The amount transferred in respect of each Member shall be allocated to the Member's Portion and the Employer's Portion in respect of the Member in such proportions as the Previous Scheme advises to the Scheme.

(b) If a Member who was a member of a Registered Scheme prior to becoming a Member of the Scheme chooses to transfer the benefit to which he is entitled on leaving that Scheme into the Scheme, the amount so transferred shall be applied under the Member's Portion.

(c) Any amount transferred to the Scheme from another scheme in terms of Clause 26 (a) or (b) shall be deemed to be applied to extend the Member's period of service recognised for vesting purposes by the period of service ranking for the determination of such amount in terms of the rules of that previous scheme.

27. TRANSFERS OUT OF OR WITHIN THE SCHEME

(a) If a Member:

(i) is compulsorily transferred to the service of a company or other organisation which is not a subsidiary employer of the Sponsor or the participating

Employer under the Scheme, and if the transferred Member becomes a member of another Registered Scheme established for the benefit of the employees of the organization to which he is transferred, or

(ii) While remaining in Service, becomes a Member of another Registered Scheme in which the Sponsor or Employer participates;

the Member's Scheme Credit calculated at the date of his transfer, less (if applicable) any tax payable thereon.

(b) If a Member is compulsorily transferred to the service of a company or other organisation which is a participating Employer under the Scheme, then the Member's Scheme Credit calculated at the date of his transfer shall be transferred and allocated in the manner in terms of Clause 26(a) to the Member's Portion and Employer's Portion in the records of the new participating Employer under the Scheme and he shall have no further claim on the Scheme Fund with regard to the previous participating Employer.

(c) Where the Sponsor's participation in the Scheme ceases and the termination is regarded as a transfer of business, the Scheme Credit of each Member in the Service of the Sponsor shall be

(i) transferred to the new Scheme; or

(ii) transferred to the records of the new participating Employer.

(d) If a member has attained normal retirement age, he shall be allowed to transfer a portion of his Scheme Benefits (members portion) to a medical cover provider PROVIDED THAT:

(i) shall not transfer more than ten percent of the accrued benefits before commutation to the medical cover provider; and

(ii) may transfer all of his accrued benefits from additional voluntary contributions to the medical cover provider.

28. REORGANISATION OR RECONSTRUCTION OF SPONSOR

If, on reorganisation or reconstruction, the Sponsor (or its successor in title) shall enter into an arrangement for the continuing employer to undertake the Sponsor's rights and obligations under the Scheme or if such successor in title is bound by virtue of any statutory provisions or the order of a competent court to perform the said obligations and, with the consent of the Trustees, the new employer shall enter into a written covenant to assume such rights and obligations, then, subject to such changes as may be necessary and so as the approval of the

Scheme under the Act or the Income Tax Act will not be affected, the trusts hereby created shall continue to have effect as though the new employer had been a party to this Deed and the Sponsor shall be released from all obligations under this Deed and the Rules.

29. WINDING-UP OF THE SCHEME ON CERTAIN EVENTS

If the Sponsor shall be dissolved or wound-up or its undertaking (whether for the purposes of amalgamation or reconstruction or otherwise) shall be acquired or become vested in any other body corporate and such body corporate shall not enter into a deed to undertake the rights and obligations of the Sponsor or if the Sponsor shall cease to contribute to the Scheme for any reason and the Trustees shall, after taking into account all relevant circumstances, resolve to wind-up the Scheme then, the Trustees shall cause the Scheme to be wound-up in the manner required by the Act in so far as it relates to the Members who are or were employees of the Sponsor and shall make provision for such Members in the manner required by the Act.

30. DETERMINATION OF TRUSTS

Upon the commencement of any winding up of the Scheme hereof or the expiration of the Trust Period the trusts constituted by this Deed shall determine. Upon the determination of the trusts, the affairs of the Scheme shall be wound up in accordance with the Act.

31. LAW AND CURRENCY

This Deed shall be interpreted in accordance with and governed by the Laws of Kenya and all contributions and benefits payable shall be made in Kenya in Shillings.

32. CLAIMS ONLY IN ACCORDANCE WITH THIS DEED

No person whether a Member or otherwise shall have any claim right or interest upon to or in respect of any lump sum payment or other benefit or any contribution made to the Scheme or any interest therein or any claim upon or against the Scheme, the Sponsor, the Trustees, the Administrators, except under and in accordance with the provisions of this Deed and the Rules made pursuant to the provisions of this Deed.

33. INTERPRETATION OF TRUST DEED

(a) Subject to the Act and the Authority, the decision of the Trustees as to the meaning of or interpretation of the Rules and the decision of the Trustees as to the meaning of or interpretation of the applicable Rules or part of the Rules shall be final and binding on the Sponsor, Employers, Members and every person claiming to be entitled to a benefit under this Deed.

(b) Any question which may arise with regard to a claim by any person under this Deed shall be decided by the Trustees.

34. ARBITRATION

Save where the decision of the Trustees is made final under the provisions of this Deed, if at any time hereafter any dispute, difference or question shall arise between the Sponsor, the Trustees, the Employer, the Members, the Members' Dependants or other persons or their personal representatives or any of them respectively touching the construction, meaning or effect of this Deed or any cause or thing therein contained or the rights or liabilities of any of them under this Deed or otherwise howsoever in relation to the Scheme then every such dispute or question shall be referred to arbitration by a single arbitrator to be appointed by agreement between the parties in dispute or in default of such agreement within fourteen (14) days of the notification of the dispute, upon application of any party to the dispute, by the Chairman for the time being of the Kenya Chapter of the Chartered Institute of Arbitrators of the United Kingdom.

(i) Such arbitration shall be conducted in Kenya in accordance with the provisions of the Arbitration Act, 1995.

(ii) To the extent permissible by law, the determination of the Arbitrator shall be final and binding upon all parties to the dispute

35. REGISTERED OFFICE

The registered office of the Scheme shall be the principal office for the time being situated at Dedan Kimathi University of Technology at Nyeri and of Post Office Box Number Private Bag– 10143 Dedan Kimathi, Nyeri, Kenya or such other place as the Trustees may from time to time determine and notify to the Authority.

36. ADHERENCE BY ASSOCIATED COMPANIES

Upon application to join the Scheme being made by any other company or organization which is certified by the Sponsor to be directly or indirectly controlled by or associated with the Sponsor and upon such other company or organization binding itself by a Deed of Adherence to be bound by this Deed and the Rules with effect from a date specified in such Deed of Adherence then, subject to the consent of the Sponsor and the Commissioner of Income Tax where required, the Trustees shall admit to membership of the Scheme with effect from the date so specified such of the employees of such company or organisation as are eligible under the Rules and thereupon such company or organization shall become a Sponsor for all purposes of the Scheme and be included within the definition of the term "the Sponsor".

37. NOTICES

Any notice which under the provisions of this Deed is required to be given to or served upon the Trustees shall be served in writing and delivered or addressed to the Trustees care of the principal office for the time being of the Sponsor or, if a Corporation shall be a sole trustee, at the place of business of such Corporation.

38. HEADINGS

The headings in this Deed are for convenience of reference only and are not to be construed as part of this Deed.

THE SECOND SCHEDULE HEREINBEFORE REFERRED TO:

The Rules of the Scheme as herein contained are applicable to the Sponsors, the Employees and any other person in receipt of or claiming any benefit under the Scheme

RULE 1 - MEMBERSHIP

a) Any person employed by the Sponsor on becoming an Eligible Employee shall become a Member of the Scheme and such membership shall be effected by completion and submission to the Sponsor of a form prescribed by the Trustees and shall be effective from the Entry Date coincident with or next following the date upon which the Sponsor receives such completed form.

b) A Member may not thereafter cease to be a Member whilst he is employed by the Sponsor and no moneys shall be payable to a Member while he remains in the service of the Sponsor.

c) An Eligible Employee who fails to join the Scheme when he becomes eligible may elect to become a Member within a period not exceeding twelve (12) months of becoming so eligible, failing which he shall not be entitled to become a Member at a later date without the special permission of the Trustees and the Sponsor and subject also to the approval of the Authority.

d) A Member who leaves employment of the Sponsor and ceases to be a Member as a result thereof, shall on being re-employed by the Sponsor and becoming an Eligible Employee, become a Member again on the Entry Date coincident with or next following the date on which he again becomes an Eligible Employee.

e) Every Member shall produce to the Trustees evidence of age satisfactory to the Trustees for himself and such of his Dependants or beneficiaries as the Trustees may require and shall give the Trustees such other information as they may require for the purpose of the Scheme Provided that if satisfactory evidence of age of such Member or Dependant or beneficiary is not produced the Trustees may at their absolute discretion determine the date of birth for the purposes of the Scheme.

RULE 2 - CONTRIBUTIONS

(a) **Member's Contributions**

With effect from his Entry Date, each Member shall contribute to the Scheme in each Contribution Year an amount equal to **seven and a half percent (7.5%)** of his Salary. Each Member's contribution shall be deducted by the Sponsor each month from his Salary and paid to the Trustees or in accordance with the Trustees' direction.

(b) **Additional Voluntary Contributions**

i. A Member may elect to pay additional voluntary contributions. The amounts of these contributions shall be above the contributions in Rule 2 (a) and the intervals at which they are paid shall be agreed with the Trustees. If the Trustees so require, a Member shall give notice of his intention to start, reduce, or stop paying additional voluntary contributions.

ii. Each Member's additional voluntary contributions will be invested separately from all the other assets of the Scheme. The proceeds will be used to provide additional benefits for, Or in respect of, the Member and shall be fully commutable. The additional benefits will comply so far as possible with any wishes made known by the Member in writing to the Trustees.

iii. A Member may elect to pay Voluntary Medical benefits contributions in respect of funding of a Medical Fund to be accessed at retirement. The Fund shall be segregated and invested as per the investment policy of the fund for this purposes; **PROVIDED THAT** a Member may assign up to ten percent (10%) of their pension benefits and up to one hundred percent (100%) of the additional voluntary contributions to a medical-cover provider in the event where the Member has been unable to build a post-retirement medical fund from additional voluntary contributions.

(c) **Limits of Member's Contributions**

The aggregate contributions of a Member in each Contribution Year (including any additional voluntary contributions) to the Scheme or any other Registered Scheme (if any) shall not exceed 30% of the Member's pensionable income (as defined in the Income Tax Act) or two hundred and forty thousand Shillings (Shs 240,000/-) (or where contributions are made in respect of a part of a year of service twenty thousand Shillings (Shs 20,000/- per month) whichever is less or such greater amount (if any) as may be agreed from time to time between the Member and the Sponsor after taking into account the limits (if any) for the time being in force relating to deductibility of contributions against tax and other relevant factors (hereinafter called "Excess Contributions"). Any tax liability arising from Excess Contributions by a Member shall be for the account of such Member.

(d) **Sponsor's Contributions**

Subject to the rights reserved to the Sponsor under the Trust Deed, the Sponsor shall contribute to the Scheme in each Contribution Year **fifteen percent(15%)** of the Members Salary. The Sponsor's contributions shall be paid to the Trustees at the same time as the Members

contributions. In addition, the Sponsor shall pay a special contribution of the amount necessary to provide for the Death Benefits in terms of Rule 4 (a).

(e) **Limits of Sponsor's Contributions**

Notwithstanding anything to the contrary herein contained the aggregate contributions of the Sponsor in respect of all Members in each Contribution Year shall- not exceed thirty per cent (30%) of the Members' pensionable income for that Contribution Year or two hundred and forty thousand Shillings (Shs 240,000), reduced by the aggregate contributions in respect of such Members under paragraphs (a) and (b) of this Rule, whichever is less or such other maximum amount as the Sponsor may from time to time determine after taking into account the limits (if any) for the time being in force relating to deductibility of contributions against tax or other relevant factors.

(f) **Temporary Absence**

In the event that a Member is temporarily absent from work the Trustees may, at the request of the Sponsor, permit the contributions payable in respect of the Member to be suspended for a period not exceeding forty-eight consecutive calendar months or such other period authorised in writing by the Sponsor. During the period of such absence, the Member shall be deemed to remain a Member. Following the return to work of the Member, unless the arrears of contributions shall have been paid, the amount of benefit to which the Member will become entitled under the Rules shall be reduced on a basis considered appropriate by the Trustees in consultation with the Actuary. If at the expiration of the period of absence agreed by the Sponsor, the Member has not returned to work, his membership will be deemed to have terminated from the date the period of absence commenced. The provisions of this Clause shall apply mutatis mutandis to the absence of a Member who is seconded by the Sponsor to the service of another employer.

(g) **Termination of Contributions**

Contributions by and in respect of a Member shall cease to be payable as from the last day of the month in which he reaches his Normal Retirement Age or from any earlier date upon which he ceases to be a Member.

(h) **Schedule of Contributions**

The Trustees shall prepare and maintain a schedule showing the rates of contributions payable by and in respect of the Members (including any additional voluntary contributions). The

schedule shall be certified by the Actuary and approved by the Trustees and the Sponsor. The schedule may be revised with the agreement of the Sponsor and certified by the Actuary. A copy of the revised schedule(s) shall be submitted to the Authority within 30 days of such revision.

(i) **Remittance of Contributions**

Contributions by and in respect of the Members shall, where applicable, be paid to the Trustees before the tenth day of every calendar month or any other day as may be notified or approved by the Authority. Any contributions not remitted within the stipulated period shall attract interest at the rate determined by the Trustees on the advice of the Fund Manager or the Actuary and shall be payable by the Sponsor on demand by the Trustees or otherwise recoverable summarily as civil debt owed by the Sponsor to the Scheme.

(j) **Record of Contributions**

The Trustees shall maintain and submit to the Authority a quarterly record of contributions within fifteen (15) days of the end of every third calendar month. The quarterly record of contributions shall show the total contributions which have not been remitted for a period of more than three months from the date they became due in addition to the un-remitted contributions for the current quarter shall comply with any format issued by the Authority.

(k) **Vesting of Benefits from Contributions**

All benefits derived from contributions made by or on behalf of a Member shall vest immediately in the Member and all benefits in respect of a Member derived from the Sponsor's contributions shall be fully vested in a Member immediately on commencement of pensionable service.

(l) **Cessation of Eligibility**

Should a Member cease to be an Eligible Employee while continuing in the service of the Sponsor no further contributions will be made by him or on his behalf but the total amount of the accumulated contributions up to the date of such cessation will remain in and subject to the trusts of the Scheme until his retirement.

(m) **Variation of Contributions**

Notwithstanding any other provisions of this Rule but subject always to the maximum figures specified in the Income Tax Act the Sponsor may on giving six (6) months' written notice to the Trustees, vary the rate of contributions to be made by or in respect of the Members.

RULE 3 - BENEFITS PAYABLE ON NORMAL RETIREMENT

(a) Amount of Pension

The Pension payable to a Member on his retirement shall be of such amount as can be purchased by his Scheme Credit at the date of his retirement after the exercise of any option in terms of Rule 3(e). The Pension shall be purchased from a Registered Insurer in accordance with Rule 3 (c) **PROVIDED THAT** the Member will have the opportunity of selecting his preferred Annuity service provider or Income Drawdown provider.

(i) Annuity

A pension which becomes payable in terms of Rule 3(a) may be purchased in the Member's name from a Registered Insurer of the Member's choice.

The terms and conditions applicable to such Pension, including options elected by the Member and the determination of any benefits arising on his death, shall be agreed between the Member and the Registered Insurer and shall be set out in writing by the Registered Insurer, **Provided That**

i. The pension so purchased shall be compulsory, non-commutable, non-assignable and payable for life;

ii. On purchase of a pension in terms of this Rule, the Scheme shall have no further liability in respect of the Member, such liability resting with the Registered Insurer from whom the Pension is purchased

iii. Each Member hereby appoints the Trustees to do all things necessary to procure the purchase of the Pension.

(ii) Income Drawdown

At the commencement date of retirement, each Member's Scheme Credit may be used to provide benefits on an income drawdown basis for a period of not less than ten (10) years after retirement **PROVIDED ALWAYS THAT**:

a) Each year after retirement, the Member may select a specific regular amount or percentage of the scheme credit subject to a maximum of 15% from his Scheme Credit.

b) Not later than ten (10) years after the commencement of the drawdown

   i. the remaining fund may be used to purchase an annuity from an insurance company ;

   ii. or converted into a cash lump sum for the member to withdraw;

   iii. or the income drawdown plan can be continued.

c) On the Death of the individual member, the fund can be used to provide an

income to the nominated spouse and or dependant children by purchase of annuity or a continuation of an income draw down plan to the beneficiaries. If income is not taken in this way, the balance may be paid to the nominated beneficiaries in lump sum.

d) In opting to establish an income drawdown plan the trustees shall require advice from an Actuary, a Chartered Financial Analyst, a Fund Manager or an Investment Advisor approved by the Capital Markets Authority in terms of structuring and tailoring their drawdown arrangements.

e) Prior to the commencement of the drawdown , the member is required to sign a member consent form acknowledging that he/she understands the product design and associated risks

(b) Early Retirement

A Member may with the consent of the Sponsor retire from the service of the Sponsor at any time after the attainment of the age of Fifty years. In such event he shall be entitled to:

i) Such part of his Scheme Credit which as at the date of his retirement is attributable to any contributions made by him;

ii) Such part of his Scheme Credit which as at the date of retirement is attributable to the contributions made by Sponsor on his behalf.

(c) Commutation

At the commencement date of his retirement, prior to the purchase of his Pension in terms of Rule 3(a), a Member may elect to commute for a lump sum

(i) if the amount available for the purchase of such Pension results in a Trivial Pension as determined by the RBA and which shall not be less than the minimum wage prescribed by the Ministry of Labour , then the whole amount may be taken as a lump sum, the whole of the available amount; or

(i) if the Pension to be purchased exceeds the Trivial Pension in (i), not more than one third of such amount may be taken as a lump sum.

RULE 4 -BENEFITS ON DEATH

(a) Upon the death of a Member whilst in the service of the Sponsor, the Trustees shall hold a lump sum equal to four (4) times the Member's Salary at the date of death together with own and Sponsor contributions upon trust for the beneficiary or beneficiaries nominated by the Member in accordance with Rule 9 and in such proportions as may have been stipulated by the Member for the absolute use and benefit of such beneficiary or beneficiaries and pay the benefits due to such beneficiary or beneficiaries with all

reasonable expedition once the funds representing the benefits are to hand and subject to the beneficiary or beneficiaries providing such evidence of identity as may reasonably be required by the Trustees in support of such person's or persons' claim. Notwithstanding the above, the Trustees may in their discretion refuse to pay a nominated beneficiary or beneficiaries provided that the reasons for such refusal shall be recorded in writing by the Trustees.

(b) In the event that the Member shall not have made valid nomination of a beneficiary or beneficiaries the Trustees shall exercise their power to refuse to pay a nominated beneficiary or beneficiaries then the Trustees shall hold the benefits payable hereunder upon trust for such of the Member's Dependants in such proportions as the Trustees shall in their absolute discretion decide.

RULE 5 – LEAVING SERVICE PRIOR TO NORMAL RETIREMENT DATE

(a) Where a Member leaves the service of the Sponsor, he may opt to be paid up to a fifty percent (50%) of his total accrued benefits and the investment income thereof that thas accrued in respect of those contributions. The balance of the benefits shall be retained in the Scheme until the Member reaches Early Retirement Age or until he becomes entitled to the Sponsor's contributions on the following grounds:

i. the Member leaves employment as a result of ill-health or subsequently during deferment becomes incapacitated on grounds of ill health which if the Member was in employment would occasion the Member's retirement; or

ii. where the Member transfers the benefits to another scheme; or

iii. where the Member is emigrating from Kenya to another country without any present intention of returning to reside in Kenya. In the case where the Member is emigrating from Kenya, he shall obtain the approval of the Trustees, which shall be copied to the Authority to withdraw his benefits.

(b) A Member who does not opt for payment under paragraph (a) of this Rule shall be entitled to a deferred pension in respect of his own and the Sponsor's contributions. Such pension

shall be calculated in accordance with Rule 3 and shall become payable at Normal Retirement Date or Early Retirement Age.

(c) If a Member entitled to a deferred pension under paragraph should die before his Normal Retirement Date, the provisions of Rule 4 (a) shall apply *mutatis mutandis*.

RULE 6 - BENEFITS PAYABLE UPON DISMISSAL

The provisions of Rule 5 above shall apply *mutatis mutandis* to a Member who is dismissed from the service of the Sponsor.

RULE 7 - RETIREMENT DUE TO ILL HEALTH

If a Member retires or is retired from service of the Sponsor, upon medical evidence of a qualified medical practitioner approved by the Sponsor and the Trustees that he is incapable, by reason of infirmity of mind or body, of discharging his employment duties and that such infirmity is likely to be permanent, he shall be entitled to a Lump Sum Payment equal to his Scheme Credit.

RULE 8 - NOMINATION OF BENEFICIARY

a) A Member may, during his lifetime, nominate a beneficiary or beneficiaries of the lump sum benefits payable by virtue of Rule 4(a) by properly and fully completing the relevant form prescribed by the Trustees from time to time and returning the same to the Trust Secretary at the registered office of the Scheme.

b) If a nominated beneficiary predeceases the Member, then the nomination in that person's favour will fail.

c) A Member is free to revoke the nomination of any beneficiary at any time or to amend the proportion of the benefits payable to such beneficiary but such revocation or amendment shall not be effective until express written notice of it on the form prescribed from time to time by the Trustees is received by the Trust Secretary at the registered office of the Scheme.

RULE 9 - LUMP SUM BENEFIT ON RETIREMENT

Subject only to the provisions of the Act or the Income Tax and the advice of the

Administrator, the Trustees shall at the option of the retiring Member, grant to such Member a lump sum payment not exceeding one third of the Member's Scheme Credit **PROVIDED THAT** benefits arising from any additional voluntary contributions may be taken in full as a lump sum. The balance of the Scheme Credit shall be used to purchase an annuity or drawn down in accordance with the provisions of Rule 3 **PROVIDED THAT** if the amount available for the purchase of such an annuity after exercise of the lump sum option results in a Trivial Pension as determined by the Authority and which shall not be less than the minimum wage prescribed by the Ministry of Labour Social Security and Services then the entire Scheme Credit may be taken as a lump sum.

RULE 10 - DISCRETIONARY BENEFITS

If the Sponsor requests and pays any additional contributions that the Trustees consider prudent (for which purpose the Trustees will seek and consider actuarial advice), the Trustees may provide:

a) increased or additional benefits in respect of any Member or Pensioner or any other person entitled to a benefit under the Rules; or
b) subject to the approval of the Sponsor and the Authority, benefits in respect of any Member or Pensioner or any other person entitled to a benefit under these Rules different from those set out elsewhere in these Rules and being of such amount as the Trustees may, on the advice of the Actuary, determine;

PROVIDED ALWAYS THAT (i) any additional contributions by the Sponsor pursuant hereto shall be subject to the limits referred to in Rule 2 (e)(i) and Rule 2 (e)(ii) no such discretionary payment or benefit shall be made which would be likely to prejudice the registration of the Scheme under the Act or the Income Tax Act.

RULE 11 - METHOD OF PAYMENT OF PENSION

Any benefit payable or to be paid under the Rules shall be made to the Member or other person entitled to such benefit on retirement or withdrawal and the period upon which a Member may receive the benefits shall not exceed thirty (30) days from the date of retirement or of giving notice of withdrawal as the case may be, the Trustees shall pay Interest on the delayed benefit PROVIDED THAT such Interest shall not be less than the investment interest declared in respect of the Scheme in the year the payment to the Member was due.

RULE 12 - ACCOUNTS, ANNUAL REPORTS AND ACTUARIAL VALUATIONS

(a) The Trustees will prepare annual accounts of the Scheme and have them audited by the Auditor and submitted to the Authority together with the trustees' and investment reports within three (3) months from the end of the Financial Year. The audited accounts will comply with the Act **PROVIDED THAT**:

i. The audited accounts shall comply with the provisions Act;

ii. Failure to submit the accounts within the stipulated timeline shall attract a penalty as prescribed under the Act.

(b) The Trustees will prepare annual reports which will contain:

(i) A copy of the audited accounts;

(ii) Trustees' and Investment reports; and

(iii) Such other information as is or may be required under the Act.

(c) The annual audited accounts and reports described in (a) and (b) above will be prepared and made available for inspection by the Members within three (3) months after the end of the Financial Year to which they relate.

(d) Each Member shall within six (6) months after the end of each Financial Year receive from the Trustees a summary of the audited accounts together with a statement showing the Member's and the sponsor's contributions together with the member's share of investment income or losses as the case may be.

RULE 13 - TAXES AND DUTIES

(a) If upon the death of a Member or Pensioner or other person in receipt of benefits under the Scheme, any taxes become payable by the Trustees, the Trustees shall be entitled to recover any such amount (including any interest paid by them in respect of such payment and the cost of paying it) by deducting from any amount due or owing to such Member or Pensioner or other person under the Scheme.

(b) In the event of the Trustees becoming accountable for tax in respect of any payment under the Scheme, the Trustees shall have the right to deduct such tax from the amount payable.

RULE 14 – ASSIGNMENT OF BENEFITS FOR MORTGAGE GUARANTEE

(a) No benefits or contributions accruing from membership of the Scheme or payable under the Rules shall be capable of assignment except for the purpose of securing a mortgage loan issued by an institution approved by the Authority but subject to the provisions of the Retirement Benefits Act and the Regulations made thereunder.

(b) A guarantee issued by the Trustees to a lending institution under these Rules shall not exceed:-

(i) 60% of the Member's accumulated benefits at the time of the application of the said facility;

(ii) Market value of the immovable property whichever is less.

(c) Trustees may issue a guarantee to a lending institution to enable the Member obtain a loan to do the following:-

i. Acquire immovable property on which a house can be erected;

ii. Erect a house on an immovable property in respect of which a Member has title to or is owned jointly together with his Spouse;

iii. Carry out repairs and renovations;

iv. Secure financing or waiver for the deposit, stamp duty, valuation fees, and legal fees (excluding arrangement and commitment fees) in the course of a transaction involving the purchase of a house;

(d) A Member shall make a formal application for the Trustees' consideration before assigning any such benefits.

(e) A Member is eligible to get one guarantee at a time.

(f) The lending institution in respect of which a Member can assign his benefits has to be :-

(i) A bank, mortgage of financial institution licensed under the Banking Act;

(ii) A building society under the Building society Act;

(iii) Micro finance institution established under the Finance Act, 2006 and National Housing Corporation;

(iv) Any other institution including an issuer of a tenant purchase agreement that is specifically approved by the authority.

(g) The Trustees shall not issue a guarantee unless the loan facility is granted pursuant to the facility being secured by first mortgage on the immovable property in respect of which the loan is granted or where the house is in the rural areas, suitable security acceptable to the lender.

(h) The Trustees shall ensure that the financial institution has made adequate insurance arrangements in respect of which the loan is being advanced and shall further obtain evidence of the same.

(i) A guarantee shall be valid until the member authorizes its redemption or return.

(j) In the event of default and liability arising on the Trustees by an institution a guarantee shall be redeemable on demand.

(k) Where a dispute relating to a default arises the Trustees guaranteeing the Loan shall give an opportunity to the Member to show that default has not arisen.

(l) Where a Member notifies the Trustees to redeem a guarantee, the Trustees shall first ensure that the Member's proportion of assigned benefits is enough to clear the outstanding balance of the guaranteed loan. The Trustees shall upon a resolution agree on release of any payment in redemption of a guarantee.

(m) The Trustees shall on a quarterly basis submit a return to the authority on the amount of the guarantees issued and details of the loans repaid and the guarantees redeemed.

RULE 15- ASSIGNMENT OF BENEFITS FOR PURCHASE OF RESIDENTIAL HOUSE

a) Subject to the provisions of the Act, a Member may assign a percentage of his Benefits or Contributions accruing from membership of the Scheme or payable under the Rules for purposes of purchasing a residential house from an Institution as prescribed under the Act and the Regulations thereunder.

b) A Member who wishes to utilize a portion of their member's accrued benefits to purchase a Residential House shall apply in writing to the Trustees and the Trustees shall determine the application within ninety (90) days of the application being lodged and where an application is not granted, the Trustees shall notify the Member in writing of the reasons thereof.

c) The portion of an Eligible Member's accrued benefit available for the purchase of a Residential House shall be an amount not exceeding 40% of the member's accrued benefits or Kenya shillings seven million (KShs. 7,000,000/=) subject to the purchase price and market value factors whichever value is lowest.

d) The purchase price of a Residential House shall not exceed the market value of the Residential House.

e) The Residential House to be purchased by an Eligible Member shall be a house that is certified fit for occupation before the intended purchase.

f) The Rules and Procedures for purchase of a residential house to be followed when a member wishes to utilize a portion of their accrued benefits for the purchase a residential house shall be as prescribed in the Scheme's Mortgage Policy.

RULE 16- INCAPACITY OF BENEFICIARY

If a Member or Member's Dependant or beneficiary or other person to whom the Trustees are making payments or to whom any benefits have become payable shall be suffering from any physical or mental incapacity (as to which a certificate from a qualified medical practitioner to the effect that such Member or Dependant or beneficiary or other person suffering may be accepted by the Trustees as conclusive evidence), the Trustees shall pay the benefit to a nominated beneficiary.

RULE 17-PROHIBITED PAYMENTS AND BENEFITS

a) No payment shall be made to the Sponsor from the Scheme without the prior written consent of the Authority and the Commissioner.

b) No payment shall be made hereunder to a Member while he remains in the service of the Sponsor.

c) No loan, advance or other similar benefit or payment shall be provided out of the Scheme to a Member or any other person.

RULE 18 - TRANSFERS TO OTHER SCHEMES

In the event of an employee ceasing to be a Member and becoming a member of any other scheme, fund or arrangement approved for the purpose of this Clause under the Act and the Income Tax Act, the Trustees may instead of granting to the Member the benefits which he would otherwise be entitled under the Scheme and with the prior consent of the Commissioner transfer to such other scheme, fund or arrangement an amount to be determined by the Trustees on the advice of the Actuary and the Trustees may require *inter alia* as a condition of any such transfer, a discharge of all liabilities in terms satisfactory to them.

RULE 19 - TRANSFERS FROM OTHER SCHEMES

The Trustees may accept from any other scheme or fund of which any Member was previously a member, any moneys, annuity contracts or policies or other assets which the Trustees of such other scheme or fund or other persons having the requisite power are empowered to assign or transfer to the Trustees and in such event the Member may be entitled to such additional benefits under the Scheme as the Trustees, after consultation with the Actuary, may consider appropriate.

RULE 20 - EFFECT ON TERMS OF EMPLOYMENT

Nothing in these Rules shall in any way restrict the right of the Sponsor to terminate the employment of a Member.

RULE 21 - LIMITATION OF TRUSTEES' LIABILITY

The Trustees shall not be required to effect any payment or perform any obligation under the Scheme unless the Trustees shall have been notified by the Sponsor or by the Member or beneficiary concerned of all events giving rise to or affecting the incidence of such liability or obligation.

RULE 22 - REGISTER

(a) The Trustees shall maintain a register in which will be entered the names and dates of birth of all Members and their marital status, i.e. single, married or widowed. A Member shall advise the Trustees forthwith of any change in his marital status and supply the following information as relevant for the registration of potential beneficiaries:

(i) The name, address and the date of birth of his Spouse;

(ii) The date of birth of any child born to him or his Spouse;

(iii) The adoption of any child by him or his Spouse;

(iv) The death of any Dependant; and

(v) The annulment or dissolution of his marriage.

(b) The Trustees may require a Member to make a declaration that there are no persons dependent on him, other than those who have already been registered as Dependants.

(c) The Trustees shall also keep and maintain such registers and records as will enable the Actuary to conduct an actuarial valuation of the Scheme at any time.

RULE 23 - RIGHT TO DOCUMENTS

Any Member shall be entitled at any reasonable time to inspect a copy of the Trust Deed and these Rules and any amendments thereto.

RULE 24 - RULES TO BE ACKNOWLEDGED AS BINDING

Every person admitted to membership and every person whose claim upon the Scheme is derived from such Membership shall be bound by the Trust Deed and these Rules.

RULE 25 - OTHER PROVISIONS

In the event of the occurrence of any event not expressly provided for in these Rules, the appropriate share of the moneys held under the Scheme shall be paid in trust by the Trustees for the Member, or his Dependants or beneficiaries or Personal Representatives as the Trustees may think fit according to the circumstances then applicable.

RULE 26 - RELATIONSHIP TO STATUTORY SCHEMES

The Sponsor and the Trustees reserve the right to amend the terms of the Trust Deed and these Rules to take account of changes in contributions to or benefits under the National Social Security Fund or any other statutory retirement arrangement established in Kenya.

RULE 27 - HEADINGS

The headings to these Rules are for convenience of reference only and are not to be construed as part of the Rules.

THE THIRD SCHEDULE HEREINBEFORE REFERRED TO:

MEDICAL FUND RULES

1. MEMBERSHIP

Membership of the Retirement Medical Fund shall comprise all Members of the Scheme who shall opt to make Additional Voluntary Additional Contributions in respect of the funding of a Retirement Medical Fund.

2. CONTRIBUTIONS

2.1 MEMBER CONTRIBUTIONS

2.1.1 Each Active Member may request the Trustees to maintain within his Member Account a separate portion in respect of the funding of a Retirement Medical Fund upon retirement and make Additional Voluntary Contributions thereto.

2.1.2 The contributions into a post-retirement medical fund may be:

2.1.2.1 a fixed percentage of the member's pensionable emoluments, including other employment-related emoluments; or

2.1.2.2 a shilling amount.

2.1.3 The contribution amount or rates may be based on a target level of retirement medical benefits.

2.2 EMPLOYER CONTRIBUTIONS

The Sponsor may make Additional Voluntary Contributions in respect of a Member in its employ in respect of the funding of a Retirement Medical Fund provided that any contribution by the Sponsor shall be supported by a resolution in writing by the Sponsor which shall be submitted to the Authority.

2.3 VESTING OF BENEFITS

All benefits accrued from Membership of the Scheme and derived from Member Additional Voluntary Contributions and Employer Additional Voluntary Contributions shall vest fully in the Member immediately upon receipt by the Trustees.

3. TRANSFER FROM ACCUMULATED BENEFITS

3.1 The Trustees can allow a Member who has attained retirement age upon receipt of a written request to transfer a portion of his Accumulated Credit to augment the Member's Retirement Medical Fund provided that:

3.1.1 The Member shall apply to transfer not more than ten percent (10%) of his Accumulated Credit before commutation to his Retirement Medical Fund; and

3.1.2 The Member may transfer all the Accumulated Credit from his Additional Voluntary Contributions to his Retirement Medical Fund.

4. TRANSFERS TO THE SCHEME

4.1 At the request of a Member to transfer to the Scheme the value of his Retirement Medical Fund from another retirement benefits scheme registered under the Retirement Benefits Act and Regulations and under the Income Tax Act and Rules, including another registered

retirement benefits scheme established by the Sponsor or a Sponsor, and subject to such consents as may be stipulated in the Retirement Benefits Act and Regulations, the Trustees shall accept from such other scheme any moneys which the trustees of such other scheme are empowered to transfer to the Scheme. In such event the Member shall be granted in respect of such transfer such benefits and on such terms as shall be secured thereby under the Rules and such benefits shall vest fully in the Member from the date of receipt of the moneys transferred.

4.2 When amounts are transferred into the Scheme under the provisions of this Clause the Trustees shall obtain confirmation from the trustees of the other scheme of the portion which derives from Member contributions and the portion which derives from Employer contributions.

4.3 The portion of the amount transferred into the Scheme deriving from Member contributions shall be credited to the Member Portion of the Retirement Medical Fund and the portion of the amount transferred into the Scheme deriving from Employer contributions shall be credited to the Employer Portion of the Retirement Medical Fund.

5. TRANSFERS FROM THE SCHEME

In the event of a Member ceasing to be an Employee of an Sponsor and becoming a member of any other retirement benefits scheme which has been registered under the Retirement Benefits Act and Regulations and the Income Tax Act and Rules including another registered retirement benefits scheme established by the Sponsor or an Adhering Employer, the Trustees shall at the request of the Member and subject to such consents as may be required transfer to such other scheme an amount equal to such portion of the Member's Retirement Medical Fund as the Member shall not have applied otherwise. The Member shall give to the Trustees inter alia, as a condition of any such transfer, a discharge of all liabilities on terms satisfactory to them.

6. RETIREMENT MEDICAL FUND BENEFITS

6.1 BENEFITS ON ILL HEALTH RETIREMENT

A Member may, subject to the approval of the Trustees, be allowed to access the medical benefits on the grounds of ill health if the Member becomes incapacitated due to ill health.

6.2 BENEFITS ON RETIREMENT AT NORMAL RETIREMENT AGE, OR ON EARLY RETIREMENT OR ON LATE RETIREMENT

6.2.1 A Member's Retirement Medical Fund may be applied at the Member's discretion to fund medical care or to the purchase of medical insurance from a Medical Cover Provider of the Member's choice. Any balance of the Retirement Medical Fund not so utilised shall remain deferred and be applied in accordance with these Rules.

6.2.2 Notwithstanding the foregoing a Member may request, and the Trustees shall agree that payment of a Member's benefits expressed under 7.2.1 shall be postponed for up to 12 (twelve) months to allow the Member time to decide on the disposition of his benefits and in particular the choice of a Medical Cover Provider to provide the medical cover.

6.3 BENEFITS ON EARLY LEAVING

A Member who leaves the service of the Sponsor or a Sponsor before attaining Early Retirement Age shall by written notice elect one of the following options for the treatment of his benefit:

Option 1 Transfer

To transfer the whole Accumulated Credit in his Retirement Medical Fund to another retirement medical fund registered under the Retirement Benefits Act and Regulations and the Income Tax Act and Rules and such transfer shall be subject to the provisions of the Retirement Benefits Act and Regulations and the Income Tax Act and Rules.

In such a case the Member shall first request the trustees of the other scheme to accept the transfer of his benefit and furnish to the Trustees such written acceptance. The Trustees shall then transfer the balance of the Retirement Medical Fund to the trustees of the other scheme within 60 days of application by the Member; or

Option 2 Deferral

To leave his Retirement Medical Fund in his Account in the Scheme as a Deferred Retirement Medical Fund which the Member may access on or after attaining the age of 50 years whereupon the Deferred Member shall be entitled to apply any of the options as expressed under Rule 9; or

Option 3 Utilization

To access the Retirement Medical Fund in the form of medical benefits expressed under Rule 9.

6.4 BENEFITS ON EMIGRATION

6.4.1 A Member who has emigrated from Kenya without intention to return shall be entitled upon request to an emigration benefit equal to the value of his accumulated Retirement Medical Fund credit.

6.4.2 The Member may opt to receive as a lump sum payment of his Retirement Medical Fund credit forming his emigration benefit if the Trustees have approved the payment and have submitted their approval to the Authority 14 (fourteen) days prior to payment of the benefit.

6.5 BENEFIT ON DEATH OF A MEMBER

6.5.1 Upon the death of a Member, the Trustees shall have power to pay or apply any benefit due from Retirement Medical Fund to or for the benefit of any other person who in the opinion of the Trustees was wholly or in part dependent upon the Member or for whose maintenance and support the Member was legally liable immediately before his death in such amounts and generally in such manner as the Trustees in their absolute discretion shall from time to time think fit.

6.5.2 Without limitation to the generality of the foregoing the Trustees shall in determining to whom any lump sum benefit due upon the death of a Member shall be paid have due regard to any nomination by the Member in terms of the provisions of the Retirement Benefits Act and Regulations.

7. ACCESS TO POST-RETIREMENT MEDICAL FUND BENEFITS

A member may access his Post-Retirement Medical Fund benefits after attaining Retirement age in any of the following ways:

7.1 Retaining the funds within the Post-Retirement Medical Fund for the purpose of purchasing a medical cover;

7.2 Retaining the funds within the Post-Retirement Medical Fund for the purpose of offsetting any medical expenses incurred as and when they fall due and upon submission of any additional information as may be required by the Trustees for processing such application;

7.3 Transferring the accrued amount to a medical cover provider, other than another post-retirement medical fund, by way of periodic premiums for the purpose of purchasing a medical cover;

7.4 Purchasing an annuity for the purpose of paying annual medical cover premiums; or

7.5 Transferring the accrued amount to another post-retirement medical fund provider and where a Member applies to transfer his benefits under this Rule, the Trustee shall transfer the benefits within sixty (60) days of proper application by the Member.

7.6 The benefits payable under Rules 8.1, 8.3, and 8.4 above may be accessed by a Spouse of a Member at the option of the Member and with the approval by the Trustee.

8. APPLICATION BY MEMBERS TO ACCESS POST-RETIREMENT MEDICAL FUND BENEFITS

8.1 A Member having after attaining Retirement age may apply in writing to utilise his Benefits by filling and submitting to the Trustee a Medical Fund Utilisation Form.

8.2 Such application shall be submitted to the Trustee at least thirty (30) days prior to the intended utilisation date. The Member shall be entitled to obtain a Member Benefit Statement from the Fund Administrator before making such an application.

8.3 The Trustee shall prepare and may amend from time to time and shall make available to Members rules for the submission and processing of applications to utilise a portion of a Member's Post-Retirement Medical Fund Balance provided that such amendments shall not purport to invalidate or reduce the accrued rights or interests of any person already a Member at the date of such amendment.

9. HEADINGS

The headings in these Rules are for convenience of reference only and are not to be construed as part of the Rules.

IN WITNESS WHEREOF the Sponsor has caused its Common Seal to be hereunto affixed and the Trustees have hereunto set their hands and seals the day and year first above written: -

SEALED with the Common Seal of
DEDAN KIMATHI UNIVERSITY
OF TECHNOLOGY)
)
)
in the presence of: -)
)
)
)
NAME: Dr. Jane Nyakang'o)
)
SIGNATURE:)
CHAIRMAN TO COUNCIL)
)
)
)
)
NAME: Prof. P Ndirangu Kioni)
)
SIGNATURE:)
VICE CHANCELLOR)

SIGNED for and on behalf of the Board of Trustees of
DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY
STAFF RETIREMENT BENEFITS SCHEME

SIGNED AND DELIVERED)
by the said **RAPHAEL ANAMPIU**)
)
)
)
in the presence of: -) _____
) Trustee
Name:)
)
)
Address:)
)
)
Signature:)

SIGNED AND DELIVERED)
by the said **DR. ROSEMARY KAGONDU**)

Trustee

in the presence of: -)

Name:)

Address:)

Signature:)

SIGNED AND DELIVERED)
by the said **DR. CYPRIAN OMARI**)

Trustee

in the presence of: -)

Name:)

Address:)

Signature:)

SIGNED AND DELIVERED)
by the said **DR. ESTHER NTHIGA**)

Trustee

in the presence of: -)

Name:)

Address:)

Signature:)

SIGNED AND DELIVERED)
by the said **ROBERT NGATIA**)
)
in the presence of: -)
)
Name:)
)
Address:)
)
)
Signature:)



Trustee

SIGNED AND DELIVERED)
by the said **ERIC MURAGE GACHOKI**)
)
in the presence of: -)
)
Name:)
)
Address:)
)
)
Signature:)



Trustee