ANNEXURE A
(Circular PF130)
CODES & FORMS

[NAME OF FUND]

("the fund")

CODE OF CONDUCT

PREAMBLE

1. We, the trustees and principal officer of the fund acknowledge that –

   1.1. The objects of the fund are to provide retirement, death and ill health benefits to or in respect of the fund's members and pensioners (being employees and retired employees of any employer participating in the fund), as well as their dependants (such members, pensioners and dependants being collectively referred to as "beneficiaries"). Such benefits are promised in terms of the rules of the fund.

   1.2. Whilst our primary duty is to ensure the solvency of the fund in order that the promised benefits of the fund may be paid out to the beneficiaries, we also consider ourselves to hold a position of trust and we therefore acknowledge further that -

      1.2.1. irrespective of whether any of us may be in the employment of X as the sponsor of the fund ("the sponsor") or may be an independent trustee, we each owe the same fiduciary duty to the fund and the beneficiaries;

      1.2.2. as trustees we are required to act independently, and in particular may not submit to influence by any party, whether the sponsor, an employer participating in the fund ("an employer"), any service provider or other, to act differently from that which the office of trustee requires us;

      1.2.3. we must avoid conflicts of interest.

   1.3. Our respective functions as trustees and principal officer require us not only to fulfil all the requirements imposed on us by law in the fulfilment of our duties, but also to ensure that the fund is governed by us in such a way as will –

      1.3.1. ensure that the benefits promised in terms of the rules are actually delivered;

      1.3.2. these benefits are optimal with minimal associated risk; and

      1.3.3. the process of delivery of these benefits is credible and worthy of the trust of the beneficiaries, and can also be demonstrated to each employer, the sponsor and the Registrar of Pension Funds ("the Registrar").

      ("the governance purposes")

   1.4. We are accountable for our governance of the fund.

2. We accordingly bind ourselves to govern the fund to the best of our ability, both individually and collectively, and now set out how we intend to do this so that the beneficiaries, each employer, the sponsor, the Registrar and those service providers serving the fund can know and understand what we

expect of ourselves and what we will require of the service providers of the fund in order to ensure that we achieve the governance purposes.

MANAGEMENT OF OURSELVES AS TRUSTEES AND PRINCIPAL OFFICER

3. We acknowledge that as trustees we are obliged to act jointly and we understand that if any of us comprise a minority in respect of a majority decision which is carried then the minority must respect the majority decision. As trustees, furthermore, we undertake to work together, notwithstanding that some of our number may be in the employment of the sponsor and some of our number may be independent trustees; and we undertake to trust each other and to be trustworthy.

4. We look to the chairperson of the trustees to lead us proactively to ensure that trustee meetings are run effectively, to ensure that sub-committees fulfil their responsibilities, to be responsible for communication with an employer or the sponsor on matters of interest to it, and to act as spokesperson of the fund where required.

5. We as trustees look to the principal officer for effective liaison with the service providers and the beneficiaries, being the repository of much of the institutional history of the fund and providing support to the chairperson and to us as trustees in their responsibilities. I as principal officer accept responsibility for the above and acknowledge that although I have no vote at trustee meetings I nevertheless am expected to make contributions to those meetings and to provide input particularly, in my compliance function, to the risk management responsibilities of the trustees.

6. We undertake

   6.1. to record our acceptance of the responsibilities as trustee and principal officer in terms of both the legal duties we have and our commitment to the governance of the fund as reflected in this code, in terms of an acceptance of trust document attached hereto as "**A**";

   6.2. to agree a policy on gifts offered to any of us as trustees or principal officer on the lines of the document annexed hereto as "**B**" which may be revised from time to time by us;

   6.3. to declare annually or more frequently as we may decide, as trustees, our interests on the lines of the document annexed hereto as "**C**" which may be revised from time to time.

7. We acknowledge as trustees that every trustee is entitled to receive such training and orientation, at the expense of the fund if necessary, as is necessary or desirable in order for that trustee to fulfil his or her responsibilities as such.

8. We undertake as trustees to ensure that our skills and learnings as trustees are, to the extent possible, passed on to those trustees who succeed us, and we undertake to be available to provide information about what has happened during our tenure as trustees notwithstanding our vacation of office.

9. We acknowledge that information about the fund, the beneficiaries, each employer, the sponsor, the service providers and the proceedings of the trustees are confidential and may only be disclosed to a third party, unless there is a contrary duty in law, in such manner and through such person as we as trustees may agree.

10. We undertake to submit ourselves, individually and collectively, to such assessment as is appropriate, acknowledging that the purpose of any such assessment is to ascertain our performance, particularly in fulfilling our governance purposes.

11. We acknowledge that each of us as a trustee may be sanctioned, whether in the form of censure, suspension subject to any terms determined by the other trustees, or expulsion from office, for any breach of this code; and that any such sanction may only be imposed after that trustee accused of such breach has been furnished with the opportunity to defend himself or herself.

MANAGEMENT OF THE BUSINESS OF THE FUND

12. We acknowledge that we must exercise an oversight responsibility over the administration of the fund, in particular those service providers involved in providing services to the fund. In particular we undertake to ensure that every service provider reports appropriately and timeously to us, that the

contractual relationships with service providers are on terms which are not disadvantageous to the fund and are reviewed periodically; that there is a periodic revision of the rules; and that there is a periodic review and assessment of the service providers of the fund.

13. We undertake to ensure, as far as is possible, that our service providers avoid or remove any conflicts of interest.

14. We acknowledge as trustees that we do not have all the skills necessary for the proper administration of the fund and undertake to seek expert advice, which we will interrogate and test, in order to ensure that the benefits of the fund are optimal and the risks associated with that minimal.

15. We undertake as trustees to have in place a risk management policy, which we on request will be available to any employer, the sponsor, and any beneficiary. This risk management policy must deal with the assessment and management of each type of risk to which the fund is exposed, including but without being limited to, accounting and administrative risk, investment risk and legal risk. As part of this we undertake as trustees to ensure that there are appropriate rights of recourse against our service providers and that appropriate insurance cover is enjoyed by the fund.

16. We undertake as trustees to devise an investment policy which is appropriate for the needs of the fund and, in particular, entails an acceptable level of risk and is appropriate to meet the benefits promised by the fund.

MANAGEMENT OF RELATIONSHIPS

17. We undertake as trustees to communicate regularly with relevant and clear information about the fund to every beneficiary. We understand the importance of such communication for each beneficiary and that good communication about the fund, particularly the governance arrangements in place, plays an important role in the promotion of the trust we wish the beneficiaries to have in us.

18. We undertake to deal with any communication from, query or complaint by any beneficiary, any employer, the sponsor or the Registrar timeously, thoroughly and with respect.

19. We acknowledge that the fund owes a duty of good faith to the sponsor, but that this duty does not extend to ensuring that the sponsor's business proposition in respect of the fund is viable.

20. We acknowledge that the fund owes a duty of good faith to each employer which has an interest in the governance of the fund. Accordingly, we undertake as trustees to communicate on matters to an employer which are relevant to it or on which it may request information; and we as trustees undertake to be available to discuss with each employer any aspect of the fund, the fund benefits, the fund investment arrangements, the fund operations and the fund governance arrangements generally in which an employer may express an interest. We acknowledge too that the fund should not intrude on an employer / employee relationship which exists between an employer and those of its employees who are members of the fund. We look also to the employer to support the fund in certain of its responsibilities such as in the research necessary for the proper determination of any benefit payable on the death of a beneficiary, to the extent that an employer is able to provide such support.

21. We commit the fund to a constructive, co-operative and open relationship with the Registrar and any other regulatory authority, including SARS, with which the fund may have dealings.

The date of approval by the trustees of the fund of this code is _____.

_____ CHAIRPERSON OF THE FUND

_____ PRINT NAME (BLOCK LETTERS)

(NAME OF FUND)

"A"

ACCEPTANCE OF APPOINTMENT

as trustee of the

[NAME OF FUND]

("the fund")

In respect of my appointment as a trustee of the above fund for the period from ..... to ..... I declare that -

1. I accept the appointment of trustee of the above fund. I appreciate the responsibilities and duties attaching to the office of trustee of a retirement fund, in particular the fiduciary nature of those responsibilities.

2. I undertake to abide by the rules of each fund, any decision of the board of trustees of the fund, any policy document or practice note issued by the fund (in particular any code of conduct, investment policy statement and any other policy document) as determined by the board of trustees from time to time. I acknowledge that I may not divulge any confidential information about the fund, any employer, the sponsor, service provider or any beneficiary of the fund unless such information is in the public domain or I am authorised by the party to whom such information relates to release it.

3. I am not disqualified from acting as trustee in terms of the rules or any law.

4. I understand and accept that my ongoing competence and performance as trustee will be evaluated in a frequency and manner to be prescribed by the board of trustees of the fund from time to time.

5. I understand that I can be removed as a trustee of the fund in the manner prescribed by the rules of the fund and that I can resign as a trustee by written notice of resignation to the chairperson of the trustees.

6. I certify as correct the details of my personal information, experience and any interests in the fund, the employer, the administrator, any service provider to the fund and my appointment to any other retirement funds that I have recorded in the *Trustee Details and Declaration of Interests* forms attached.

I undertake to provide the fund and the administrator with any changes to these details from time to time.

Signed at: .....

Trustee name: .....

Trustee signature ..... Date: .....

[NAME OF FUND]

("the fund")

DETAILS OF TRUSTEE

Surname: _____

Full Names: _____

ID Number: _____

Telephone Numbers:

Work: _____

Home: _____

Cell: _____

Email Address: _____

Residential Address: _____

_____

_____

Employer: _____

Employment Address:_____

_____

_____

I am [delete which is not applicable]:

- employed by the sponsor
- employer appointed trustee (if not exempted)
- member or pensioner elected trustee (if not exempted)
- an independent trustee

"B"

[NAME OF FUND]

("the fund")

BOARD OF TRUSTEES POLICY ON GIFTS

1. This document sets out the policy of the fund applicable to each trustee and the principal officer in respect of any gift received by or offered to him or her by virtue of holding his or her office as trustee. For the purpose of this document "gift" means any property of whatsoever nature and any benefit, direct or indirect, which has a financial value; but does not include agreed remuneration for services to the fund. A gift may include but is not limited to –

   - a movable item, such as a book or bottle of wine;
   - the payment of the costs, including travelling costs, to attend a conference, whether or not convened by a service provider to the fund;
   - an invitation to attend any sporting, social or recreational event.

   For the purposes of this policy, the payment by the sponsor, or any company associated with the sponsor, of the costs, including travelling and subsistence costs, of any trustee to attend a conference or seminar related in any way to the retirement fund industry does not constitute a gift.

2. The purpose of this policy is to determine appropriate conduct in relation to any gift offered to or received by any trustee or the principal officer. In this way the governance of the fund is intended to be demonstrated as one of integrity, independence and accountability.

3. Any trustee who is offered a gift must notify in writing that offer to the other trustees before acceptance. A gift may only be accepted by a trustee if so decided by the board of trustees by resolution. Only thereafter may the gift be accepted by the trustee.

4. The board of trustees may from time to time determine that any gift below a certain monetary amount need not require a resolution of the board of trustees in order to be accepted. Any gift less than this amount must, nevertheless, be disclosed to the board of trustees at the first trustee meeting after its receipt. It is recorded that at the date of approval by the board of trustees of this policy it was determined that any gift below R100-00 (one hundred Rand) does not require a resolution of the board of trustees in order to be accepted.

5. Non-compliance with this policy by a trustee constitutes a breach of his or her duties to the fund and renders that trustee liable to such sanction as the trustees may consider appropriate. This sanction may include, at the discretion of the board of trustees, the forfeiture of the gift to the fund or its financial equivalent, as well as the suspension for a limited period of time or the expulsion of the trustee from the board of trustees.

"C"

[NAME OF FUND]

("the fund")

TRUSTEES DECLARATION OF INTERESTS

1. I acknowledge that the purpose of this declaration is for me as a trustee of the fund to declare my interest in any matter or entity which may compromise the impartiality and independence I am required to possess, to demonstrate and to be seen to demonstrate as trustee.

2. For the purposes of this declaration the following words or phrases have the meanings indicated –

   2.1. "financial interest" means any shares held by me directly or indirectly (an indirect shareholding includes one held through a trust, company or legal entity controlled by me or members of my immediate family or, in respect of a trust, of which I or members of my immediate family are the primary beneficiaries), but excludes any shareholding held through a collective investment scheme;

   2.2. "independent trustee" means a trustee of a retirement fund who is not appointed by the employer participating in that fund or elected by the members of that fund;

   2.3. "last financial year" means the last day of the month of February preceding the date of signature of this declaration;

   2.4. "professional fees" means those fees in respect of any type of work, including acting as a trustee of a retirement fund, in or related to the retirement fund industry including and without being limited thereto, for services to asset managers, administrators, consulting actuaries, life insurers and retirement funds;

   2.5. "service provider" means an administrator, auditor, provider of risk benefits, provider of short term insurance, brokerage or any other entity contracted by the fund to provide any services which, for this purpose, includes the management of any assets of the fund whether in the form of a mandate or an insurance policy.

   2.6. "sponsor" means (name of insurer, asset manager, administrator or other entity which sponsors the umbrella fund, preservation fund or RA fund), and any subsidiary of it (as understood in terms of the Companies Act, No. 61 of 1973);

3. The following are retirement funds, apart from the fund, sponsored by the sponsor of which I am an independent trustee –

4. The proportion of my total professional fees billed for acting as an independent trustee over the most recent financial year of the funds listed in 3 above (including the fund) was (express as percentage).

5. Over the most recent financial year the following is the proportion of my total professional fees for services to the sponsor other than in respect of acting as an independent trustee of the fund and the funds referred to in 3 above (express as percentage).

6. If I am a director of or partner of a professional firm, does my firm provide any services on an ongoing basis to the sponsor. Yes/No (circle which is applicable).

6.1. If the above answer is Yes, is my firm the only provider of such services – Yes / No (circle which is applicable).

6.2. Or the predominant provider of such services – Yes / No (circle which is applicable).

7. The following are the retirement funds of which I am an independent trustee which are not sponsored by the sponsor.

8. I have / have not (circle which is applicable) been permanently employed by the sponsor, and if I have been permanently employed by the sponsor that employment terminated on (insert date).

9. I acknowledge that as trustee –

9.1. the incorrect incompletion of this may constitute a breach of the code of conduct of the fund;

9.2. my co-trustees may require more information about any aspect of the declaration made by me in terms hereof.

10. I confirm that there is no other fact which to the best of my knowledge compromises my ability to act independently and impartially as a trustee.

DATED AT on this day of 200

_____

(Insert Name)

Trustee