



**PRIVATE SECURITY SECTOR PROVIDENT FUND
ROUND ROBIN RESOLUTION OF THE BOARD OF TRUSTEES**

AMENDMENT NO. 3

Extract from a round robin resolution of the Trustees of the Private Security Sector Provident Fund (comprising of the resigning Trustees and the remaining Trustees, in agreement with the two Statutory Managers) dated 20 November 2018.

RESOLVED THAT the Rules shall be amended with effect from 1 December 2018 as set out in paragraphs 1 to 9 below for the following reasons:

The Financial Sector Conduct Authority ("FSCA") applied to the Gauteng High Court to place the Private Security Sector Pension Fund ("The Fund") under curatorship;

The FSCA and the Fund settled the FSCA's High Court application on 13 September 2018 on the basis that two Statutory Managers will be appointed to the Fund with effect from 21 September 2018 instead of the Fund being placed under curatorship; and

One of the terms of the settlement agreement which was made an order of the High Court was that certain of the members of the Board of Trustees of the Fund will tender their resignations with effect from 30 November 2018 and the Rules of the Fund will be amended to reduce and restructure the size of the Board of Trustees of the Fund.

1. By deleting Rule 12.2.1 and replacing it with the following new Rule 12.2.1:

"12.2.1 The TRUSTEES must at all times, subject to RULE 12.5.1, comprise nine (9) TRUSTEES, of whom at least one (1) must be an INDEPENDENT TRUSTEE.

2. By deleting Rule 12.2.2 in its entirety.

3. By deleting Rule 12.3.1 and replacing it with the following new Rule 12.3.1:

"12.3.1 There shall at all times be six (6) MEMBER TRUSTEES appointed to the board, in the manner set out in RULE 12.3.2, subject to the provisions of RULE 12.3.3."

4. By deleting Rule 12.3.2 and replacing it with the following new Rule 12.3.2:

"12.3.2 For the time being, and until such time that the Statutory Managers have been discharged by a High Court order and the RULES of the FUND have been amended to provide otherwise, the six (6) MEMBER TRUSTEES shall comprise of the five (5) remaining MEMBER TRUSTEES who are not resigning in terms of the settlement agreement made an order of court on 13 September 2018 plus one MEMBER TRUSTEE appointed by NASUWU."

5. By deleting Rules 12.4.1 and replacing it with the following new Rule 12.4.1:

"12.4.1 There shall at all times be two (2) EMPLOYER TRUSTEES appointed, in the manner set out in RULES 12.4.2 and 12.4.3, subject to the provisions of RULE 12.4.4. "

6. By deleting Rule 12.4.2 and replacing it with the following new Rule 12.4.2

"12.4.2 For the time being and until such time that the two Statutory Managers have been discharged by a High Court Order and the RULES have been further amended by agreement with the FSCA, the two (2) EMPLOYER TRUSTEES referred to in RULE 12.4.1, one (1) of which shall be the remaining EMPLOYER TRUSTEE who is not resigning in terms of the settlement agreement made an order of court on 13

September 2018, shall come from the ranks of SASA and SANSEA respectively. In addition, SASA and SANSEA may appoint alternates to serve as TRUSTEES only when each organisation's appointed EMPLOYER TRUSTEE is not available to attend a TRUSTEE meeting for whatever reason."

7. By deleting Rules 12.4.3 and 12.4.4 in their entirety.

8. By deleting Rule 12.4.5 and replacing it with the following new Rule 12.4.5:

"12.4.5 At every meeting of the TRUSTEES where a decision is taken by means of a vote, Each EMPLOYER TRUSTEE shall have three (3) votes."

9. By deleting Rule 12.10.1 and replacing it with the following new Rule 12.10.1:

"12.10.1(a) For the time being and until such time as the Statutory Managers have been discharged in terms of a High Court Order, one of the two statutory managers shall be the chairperson of the TRUSTEES.

(b) Once the statutory managers have been discharged in terms of a High Court Order and the RULES have been amended to provide for that, the TRUSTEES will elect one of their number as chairperson of the TRUSTEES. The chairperson so elected shall hold office for 2 and half (2 ½) years, provided that the chairperson shall be elected alternately from the ranks of the EMPLOYER TRUSTEES and the MEMBER TRUSTEES. If the chairperson is absent from any meeting, the TRUSTEES shall elect a chairperson for that meeting from their number."

10. By deleting Rule 12.10.3 and replacing it with the following new rule 12.10.3:

*12.10.3(a) Until such time that the two Statutory Managers have been discharged by the High Court and the RULES of the FUND have been amended to provide otherwise, a quorum shall consist of at least one of the two Statutory Managers, at least one (1) EMPLOYER TRUSTEE, at least three (3) MEMBER TRUSTEES and the INDEPENDENT TRUSTEE.

11. By deleting Rule 12.10.9.1 and 12.10.9.2 and replacing them with the following new Rules 12.10.9.1 and 12.10.9.2:

"12.10.9.1(a) Until such time that the two Statutory Managers have been discharged by the High Court and the RULES of the FUND have been amended to provide otherwise, all decisions of the TRUSTEES (including round robin decisions) must be taken with the agreement of the two Statutory Managers. In the absence of an agreement, the two Statutory Managers shall together have a veto power over all decisions taken by the TRUSTEES.

12.10.9.1(b) Once the two Statutory Managers have been discharged by the High Court, a decision of the TRUSTEES will be valid, if taken at a lawfully constituted TRUSTEES meeting, if the TRUSTEES whose votes together

represent at least 50 + 1 % of the votes (a simple majority), have voted in favour of that decision.

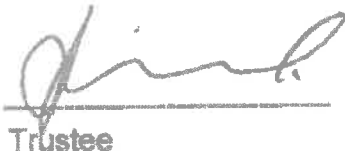
12.10.9.1(c) For the purposes of this RULE, each EMPLOYER TRUSTEE shall have three (3) votes and each MEMBER TRUSTEE shall have one (1) vote.

12.10. 9.2 If the decision was not taken at a formal TRUSTEES meeting but was taken by way of "round robin", then at least one (1) EMPLOYER TRUSTEE and at least (3) MEMBER TRUSTEES and the INDEPENDENT TRUSTEE must agree to the decision."

Certified that the above resolution has been adopted by the Trustees of the Private Security Sector Pension Fund, in agreement with the Statutory Managers, in accordance with the provisions of the Rules of the Fund and settlement agreement referred to above.




Chairman of the board of trustees



Trustee



Principal Officer



Statutory Manager: S Khumalo




Statutory Manager: I Serithi

Certified that the above amendments are financially sound.

PETER JOHN THEUNISSEN
Actuary of the Fund



Signature

REGISTERED in terms of
Pension Funds Act, No. 24 of 1956
30 NOV 2018

FOR THE FINANCIAL SECTOR CONDUCT AUTHORITY

FASSA
Qualifications

CERTIFICATE IN TERMS OF SECTION 12(3) OF THE ACT

I, the undersigned, in my capacity as appointed valuator of the Private Security Sector Provident Fund (12/8/37197), hereby certify that the Rule Amendment 3 is financially sound.



Valuator

22 November 2018
Date

PETER JOHN THEUNISSEN, FASSA
Name