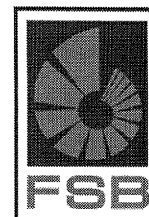


FINANCIAL SERVICES BOARD

Riverwalk Office Park Block B 41 Matroosberg Road Ashlea Gardens Extension 6
Pretoria South Africa 0081 PO Box 35655 Menlo Park Pretoria South Africa 0102
Tel +27 12 428 8000 Fax +27 12 346 6941 E-mail info@fsb.co.za
Toll free 0800 110443/0800 202087 Website: www.fsb.co.za



ENQUIRIES:	Alta Marais	D. DIALLING NO.:	012 428 8065
OUR REF:	12/12/25	FAX:	
DATE:	27 September 2016	E-MAIL:	Alta.Marais@fsb.co.za

INFORMATION CIRCULAR PF NO. 3 OF 2016

FILLING OF VACANCIES ON THE BOARD OF A FUND

1. Introduction

Section 7A(1A) of the Pension Funds Act, 1956 ("the Act") determines that-

"The composition of the board shall at all times comply with the requirements of the rules of the fund and any vacancy on such board shall be filled within such period as prescribed."

Notice No. 3 of 2016 prescribes the period within which a vacancy must be filled as a maximum of 90 days, calculated from the day the vacancy arises.

2. Rules of the fund

In order for a board of a fund to take a valid decision during the 90 day period when there is a vacancy on the board, the fund must continue to comply with section 7A(1) of the Act and the rules of the fund must specifically provide for such a decision to be valid.

For illustrative purposes, a fund may consider including the following in the rules of the fund:

"Even though a vacancy on the Board may arise, when a decision is taken during the period prescribed in section 7A(1A) of the Act, it will not make that decision invalid provided the fund still complies with the provisions of section 7A(1) of the Act."

3. Decisions by a board not fully constituted

Provided there is compliance with section 7A(1) of the Act, the fund's rules permit it and there is a quorum at meetings, the board may take valid decisions despite the vacancy on the board during the 90 day period.

Yours sincerely

A handwritten signature in black ink, appearing to read 'DUBE TSHIDI', with a long horizontal line extending from the end of the signature.

**DUBE TSHIDI
REGISTRAR OF PENSION FUNDS**