

CIC UMBRELLA RETIREMENT BENEFITS SCHEME

4th Annual General Meeting held on Friday 08 October 2021 via Virtual Electronic Means,
14h00

MINUTES

Present:

Kevin Aricha - Kingsland Court, Corporate Trustee
Brian Mwangi - Kingsland Court, Corporate Trustee

In attendance:

Meshack Miyogo - CIC Life Assurance Limited, Managing Director
Jane Gitau - CIC Life Assurance Limited, Pensions Administration Manager
Michael Wanyeki - CIC Life Assurance Limited, Administrator
Lucilla Nyaseda - CIC Life Assurance Limited, Administrator
Nicholas Ngumunu - CIC Life Assurance, Approved Issuer
Wycliffe Maosa - PKF Kenya Limited, Auditor
Yvonne Muthwii - Retirement Benefits Authority

Member Attendance

The AGM started with a word of prayer from Shem Mai.

The attendance list of the members who attended the meeting is annexed.

Approval of the Notice and Agenda

The Pensions Administration Manager welcomed the members present to the meeting and introduced the various service providers to the members. The Notice and Agenda had been circulated earlier and was adopted as it was.

Minute 01/2021 – Welcome Note by the Managing Director

Mr. Meshack Miyogo welcomed the members present and opened the years AGM. He passed greetings from the Group Chief Executive Officer and further urged the members to continue the journey of saving for their retirement through the CIC Umbrella Retirement Benefits Scheme. He also reiterated the need for members to make use of the Member online services that provide convenience to the members from wherever they may be.

Minute 02/2021 – Statement by the Trustee

Kevin Aricha representing the Corporate Trustee, read the Trustees Statement to the members. He noted that the Statement was part of the annual report to members that been circulated to the members. He also confirmed the minutes and the content there in as a true record of what was discussed during the last AGM.

Minute 03/2021 – Audited Financial Statements

Wycliffe Maosa, representing PKF Kenya, took the meeting through the audited accounts and auditor's report as of 31 December 2020. Summarized audited accounts for the year ended 31 December 2020 had been circulated to members as part of the Annual Report to Members. It was also confirmed that a full copy of the Financial Statements is available to members through the Scheme's website.

He also read the Auditor's opinion that gave the Scheme an unqualified report.

Minute 04/2021 – Approved Issuer's Report

Nicholas Ngumunu presented the Guaranteed Fund Report from CIC Asset Managers as the Approved Issuer. He confirmed that even under the tough economic period occasioned by the COVID 19 pandemic, the Scheme managed to declare an interest rate of 7% for the financial year 2020.

He also informed the members that their funds are held under a guaranteed fund at a guaranteed rate of 5% which cushions the members against capital depletion. He also provided an outlook on the economy and the impact to the Scheme performance.

He reported that all these asset classes were within the RBA limits and the tactical range as per the Investment Policy Statement.

Minute 05/2021 – Administration Report

a) Administration Report

Lucilla Nyaseda gave the Administrator's presentation. She touched on the Scheme structure, membership, funding, and investments all whose details can be accessed from the Scheme's website. She also took the members through a presentation of life in retirement as well as the process of accessing member benefits.

She also emphasized on the importance of updating the nomination of beneficiaries' form which gives an opportunity for members to express their wish on how their benefits should be shared out in the unfortunate event that they pass on while still scheme members. Whilst a member's Nomination of Beneficiaries is not binding on the Trustee it is important and will be taken as an expression of the members wishes regarding disbursement of funds.

Minute 07/2021 – Retirement Benefits Authority

Yvonne Muthwii representing the Retirement Benefits Authority gave a presentation on industry developments and the highlights are as below:

a) The Post-Retirement Medical Fund

These were Introduced in 2018 under the Retirement Benefits (PRMF) Guidelines 2018 and they allow for scheme members to additionally save for medical expenses arising in retirement. The members as well as employers can voluntarily make contributions towards this fund. Members can also transfer part of their accumulated benefits in the Scheme towards this post-retirement medical fund.

b) The Retirement Benefits (Mortgages)(Amendment) Regulations

A member can utilize up to 40% of his / her accrued scheme benefits subject to a maximum of Kshs 7 million for purposes of purchasing a residential house. This term "accrued scheme benefits" does not include any accumulated AVCs and a member may add such AVCs on top of the accrued scheme benefits. The exclusions to access are as below:

- Available where mortgage is from an "Approved Institution".
- Available for a house certified for occupation.
- Available before retirement
- Can only be used once.
- Cannot be used to offset an existing mortgage.

Minute 08/2021 –Remuneration of the Trustee

The Trust Secretary confirmed that the Corporate Trustee was remunerated at the rate of 0.2% per annum of the fund value in the year 2020.

Minute 09/2020 – Questions from Members

Q: Is the previous mortgage regulation where a member could use retirement benefits as a guarantee to access a mortgage facility still applicable given the new amended regulation allowing for access?

A: *Members can utilize either of the two regulations but not both. The regulations also exclude any member from accessing this facility more than once.*

Q: Given that members with existing Mortgages are not eligible to utilize the Mortgage Facilities, what happens if the member has already begun the process, but the funds are yet to be provided?

A: *We confirm that a member is eligible to access this facility because the regulations only refer to members who are already servicing a mortgage. If you are in the process of acquiring a mortgage facility, then kindly get in touch with the Administrator or the pensions team at Old Mutual to guide you further on the way forward.*

Minute 10/2020 – Any Other Business

The Pensions Administration Manager gave a vote of thanks to all the members and the service providers present for taking time out of their schedules to attend the Scheme annual general meeting. There being no further business the meeting ended at 15h30 with a word of prayer from Shem Mai.