

DURBAN MUNICIPAL THRIFT ASSOCIATION

RULES OF THE ASSOCIATION AND THE THRIFT FUND

1. These rules shall, subject to the provisions hereof, come into operation on the 1st October 1966, and replace all previous rules, and all amendments thereto, provided that notwithstanding their cancellation:
 - (a. (1) Any action or omission under such previous rules and amendments shall be valid.
 - (b.
 - (c. (2) Any payments made to, or charges against, a member up to the date of these rules coming into operation shall remain unchanged.

(3) In these rules, unless inconsistent with the context, all words and expressions importing the masculine gender shall mean and include the female as well as the male, and unless there is something in the context repugnant thereto, every word importing the singular number shall mean and include the plural number and vice versa. The word month shall mean a calendar month, not a lunar month, and words importing persons shall include incorporated and unincorporated associations, groups or bodies of persons.

NAME

2. The name of the Association shall be DURBAN MUNICIPAL THRIFT ASSOCIATION.

OBJECT

3. The object of the Association is to encourage thrift.

MEMBERSHIP

4. The Management Committee may, at its discretion, admit to membership any member of the Municipal Service, ex-members who have retired from the Service on account of age limit or prematurely retired by the Municipality for any reason and the spouses of deceased members. The Management Committee shall not be bound to disclose the reasons in the event of any applicant being rejected from membership. The Annual General Meeting may, on a recommendation from the Management Committee, grant honorary life membership to a member.

DEATH BENEFIT

5. Each member's account shall be debited with an amount of R3, 00 per annum or part thereof as a contribution to a Death Benefit Fund which shall be established. The contributions paid to and interest earned by the Death Benefit Fund shall be utilised for the payment of a sum of money as determined by the Management Committee towards the expenses in connection with the death or funeral of any member.

MANAGEMENT COMMITTEE, OFFICERS, STAFF AND TRUSTEES

6. (1) The Officers of the Association shall consist of a Chairman, Vice-Chairman and Secretary / Treasurer, who, together with six other members, shall form a Management Committee which shall conduct the affairs of the Association and shall meet at least once a quarter, five to form a quorum. Nominations for the Management Committee and all the Officers of the Association, signed by at least six members, for each position to be in the Secretary / Treasurer's hands at least ten (10) days prior to the Annual General Meeting. The Officers of the Association, together with members of the Management Committee, shall be elected by ballot. The list of nominations to be circulated with the notice of the Annual General Meeting. If the number of nominations received should be less than the number of vacancies arising, the Management Committee as elected at the

Annual General Meeting shall appoint from the membership persons to fill the remaining vacancies. Should any position on the Management Committee become vacant during the year the Management Committee shall have power to make an appointment and the person so appointed shall serve for the remainder of the term of office of the member whose vacant position he had taken. The duties of the Secretary / Treasurer shall be assigned to him by the Management Committee, which shall fix the amount of monthly remuneration to be paid to the Secretary / Treasurer.

- (a. (2) In addition to the Officers provided for in Rule 6(1) the Management Committee may, at its discretion, engage the following assistants, define their duties and determine and pay the remuneration of each:

Assistant Secretary / Treasurers and such additional staff as the Management Committee may deem to be necessary from time to time.

- (3) The Officers referred to in Rule 6(1) shall be the Trustees who shall hold office for two years. A fourth Trustee shall be elected by the Management Committee from its members. The members of the Management Committee shall hold office for one year.

ANNUAL GENERAL MEETING

- 7. The Annual General Meeting shall be held before the 15th December of each year, when a report and statements of account will be presented to the members, twelve to form a quorum, and at least seven (7) days notice of such meeting to be given to the members. Should any Annual General Meeting be adjourned owing to there being no quorum, the number of members in attendance at the adjourned meeting shall constitute the quorum.

FIDELITY GUARANTEE

- 8. The Management Committee shall insure the Association and Fund at the Association's expense against loss resulting from dishonesty or fraud of any of its officers having receipt or charge of monies belonging to the Association or Fund.

PAYMENT APPROVAL PROCEDURE

- 9. All payments made via the Association's banking account shall be signed / approved jointly by any two of the following:

Chairman, Vice-Chairman, Secretary / Treasurer

Such members of the Management Committee as may be duly authorised by the Management Committee from time to time.

One of the Assistant Secretary / Treasurers.

All cheques issued by the Association shall be crossed and marked "Not Negotiable".

BANK ACCOUNT

- 10. All monies received excluding savings deposits (which are dealt with separately in Rule 19 infra) shall be deposited with a banking institution or a building society as the Management Committee may direct from time to time.

APPOINTMENT OF AUDITORS

- 11. A firm of Registered Auditors shall be appointed by the Management Committee and the fees payable shall be decided at the Annual General Meeting. These Auditors shall carry out, quarterly, such examination of the accounting records of the Association and the Thrift Fund as is deemed necessary by them, so that the final

accounts to be presented at the Annual General meeting may be certified.

MATTERS FOR ATTENTION

12. Any member wishing to bring any matter forward for attention shall do so in writing to the Secretary / Treasurer who, in his turn, shall place same before the Management Committee for necessary action.

NOTICE OF MEETING

13. Notice of all meetings shall be given to the members by means of a circular to each Department.

DECISIONS AT MEETINGS

14. All decisions shall be made at meetings by show of hands except as otherwise provided in these Rules.

AMENDMENT TO RULES

15. The Management Committee may make new rules and alter or repeal any existing rule subject to the consent in writing of not less than two-thirds of the members voting within such period as is determined by the Management Committee, which shall not be less than thirty (30) days.

SPECIAL GENERAL MEETING

16. A Special General Meeting may be called for by the Management Committee or by a requisition signed by not less than twelve members, twelve to form a quorum. Should any Special General Meeting be adjourned owing to there being no quorum, the number of members in attendance at the adjourned meeting, of which at least seven (7) days notice must be given by departmental circular, shall constitute the quorum.

RULES NOT PROVIDED FOR

17. Rules not provided for shall be formulated by the Management Committee, and shall remain in operation until the Annual General Meeting when they shall be confirmed or otherwise dealt with.

THE FOLLOWING SPECIAL RULES SHALL APPLY TO THE THRIFT FUND

NAME

18. The Fund shall be called the DURBAN MUNICIPAL THRIFT FUND.

DEPOSITS AND REPAYMENTS

19. All savings deposits by members and interest received on investments shall be paid into a Trust Account as provided for in the Notarial Deed of Trust entered into by and between the Association and the Trustees of the Thrift Fund.

INVESTMENT OF FUNDS

20. The funds may not be used for any purpose other than that stated in the Trust Deed.

AUTHORISATION / REALISATION OF INVESTMENTS

21. New investments, in terms of Rule 20 above, and the realisation of investments shall be authorised by the Trustees, and all documents requiring signature in connection therewith shall be signed jointly by any two

Trustees.

FINANCIAL YEAR

22. The Financial Year of the Fund shall end on the 30th September of each year.

MEMBERS LEAVING AND REJOINING

23. Any member resigning from the Thrift Fund shall withdraw his contributions and shall be paid interest at the rate of interest declared for the previous financial year less 50% to date of resignation. He may only rejoin the Fund at the commencement of the next financial year.

MEMBERS LEAVING THE SERVICE

24. Any member leaving the Service (except on retirement on account of age or premature retirement for any reason) shall be refunded his contribution together with interest thereon at the rate of interest declared for the previous financial year less 50%. Members who retire from the Municipal Service due to retirement on account of age limit or premature retirement for any reason shall, if they desire to do so, be permitted to continue their membership of the Fund subject to the payment by them on the due date of the annual contribution to the Association in terms of Rule 5. In the event of a balance standing to the credit of any ex-member not being claimed within three years of the date of termination of membership of the Fund, such credit balance shall be transferred to the Revenue Account of the Fund provided that:

- (a. (1) Before any such credits are so transferred, a schedule of the name of the ex-members concerned shall be circulated for the information of members with the Agenda for the Annual General Meeting.
- (b. (2) In the event of any ex-member, or the legal representative of his estate, subsequently claiming such amount and being able to provide proof to the satisfaction of the Trustees of his right to any such amount so transferred, the amount shall be paid to him but only interest to the said date of transfer to the Revenue Account of the Fund.

WITHDRAWAL LIMIT

25. No member shall obtain a withdrawal of more than the sum lying to his credit in the Thrift Fund.

WITHDRAWALS FROM CURRENT FINANCIAL YEAR'S DEPOSITS

26. Withdrawals from the current financial year's deposits will be made to members contributing to the Thrift Fund subject to the provisions of Rule 27 infra under the following conditions:

- (a. (1) A randage fee of 5c in the rand shall be paid by all members. Members shall be debited with this fee when monies are withdrawn from time to time.
- (b. (2) No member shall be allowed more than one withdrawal under this rule per calendar month provided that should a member require a second withdrawal in a calendar month, then such a member must submit an application stating on it the reason why a second withdrawal is required and, if this reason is satisfactory, the Secretary/ Treasurer shall pass the second withdrawal. Under no circumstances shall an application for a third withdrawal in a calendar month be accepted.

The randage collected in terms of this rule shall be used towards the cost of administering the Fund.

WITHDRAWALS FROM PREVIOUS YEAR'S BALANCE

27. All contributions deposited with the Thrift Fund shall remain an investment until the end of the financial year,

when members, subject to the provisions of Rule 26 supra, may make withdrawals as hereinafter provided.

Applications for withdrawal in terms of Rules 26 and 27, shall reach the offices of the Thrift Fund before 10h00 on day one (i.e. the working day prior to the day on which the funds are required). All funds withdrawn will be available from 07h30 on day two, either in the form of a cheque (to be collected) or via a direct deposit into the member's bank account.

All payments made in terms of Rules 26 and 27, whether by cheque or by electronic funds transfer, shall be authorized by signature or electronic password by any two incumbents of the following posts:

Secretary/Treasurer;

Assistant Secretary/Treasurer.

No member may make more than two withdrawals in any one month.

The free balance at the end of the financial year is the only free balance and may not be replenished by deposits in the current year.

INTEREST ON MONIES

28. 28. Interest on monies invested in the Trust Account shall be credited to members' accounts pro rata to the amount of their accounts.

RESERVE AND CONTINGENCY FUND

29. 29. A Reserve and Contingency Fund may be established out of the revenue, including interest. This fund shall be charged with any losses incurred on the realisation of investments of the Thrift Fund.

CASES NOT PROVIDED FOR

30. 30. The Management Committee or Trustees, as the case may be, shall deal with any cases that are not provided for in these Rules.

(Revised: 1 February 2004)