THE RETIREMENT BENEFITS ACT
(No. 3 of 1997)

IN EXERCISE of the powers conferred by section 55 of the Retirement Benefits Act, 1997, the Minister for Finance, in consultation with the Retirement Benefits Authority, makes the following Regulations—

THE RETIREMENT BENEFITS (OCCUPATIONAL RETIREMENT BENEFITS SCHEMES) (AMENDMENT) REGULATIONS, 2007

1. These Regulations may be cited as the Retirement Benefits (Occupational Retirement Benefits Schemes) (Amendment) Regulations, 2007.

2. Regulation 7 of the Retirement Benefits (Occupational Retirement Benefits Schemes) Regulations, 2000, in these Regulations referred to as “the principal Regulations”, is amended in paragraph (oo) by deleting the word “ninety” in the proviso and substituting therefor the word “sixty”.

3. Regulation 8 of the principal Regulations is amended—

(a) in paragraph (1) (c)-

(i) by deleting the phrase “no defined benefit scheme shall have less than three trustees” appearing in proviso (i) and substituting therefor the phrase “a defined benefit scheme shall not have less than three and not more than nine trustees”;

(ii) by deleting the words “no defined contribution scheme
shall have less than four trustees" appearing in proviso (ii) and substituting therefor the words "a defined contribution scheme shall not have less than four and not more than nine trustees";

(c) in paragraph (1) (e) by inserting the words "of the scheme or chief executive officer of the sponsor" immediately after the word "administrator" in the proviso;

(d) inserting the following new paragraph immediately after paragraph (2) (g)-

(gg) ensuring that scheme funds are being invested by a manager, duly appointed by the trustees, as specified in the Act, these Regulations and the scheme rules;

4. Regulation 10 of the principal Regulations is amended by inserting the following new paragraph immediately after paragraph (7)-

“(8) Scheme funds shall at all times be invested by the manager of the fund on behalf of the trustees or the pooled fund.”

5. Regulation 19 of the principal Regulations is amended—

(a) in paragraph (4), by inserting the words "and a provision that the benefits arising from the employer's contribution shall be treated as vested benefits arising from employer's contribution at the point of receipt for
the purpose of paragraph (5) below” immediately after the words “benefits of a member”.

(b) in paragraph (5)-

(i) by deleting the words “three years” and substituting therefor the words “one year”;

(ii) by inserting the following proviso immediately before subparagraph (a)-

“Provided that in a defined benefits scheme the amount of the refund shall be equivalent to one third of the accrued benefit as determined by an actuary”;

(iii) by deleting the words “three years” appearing in subparagraph (b) (i) and substituting therefor the words “one year”;

(iv) by deleting subparagraph (b) (ii) and substituting therefor the following new subparagraph—

“(ii) the member retires on grounds of ill-health or, subsequently during deferment, becomes incapacitated on grounds of ill-health which if the member was in employment,
would occasion the member's retirement;"

6. Regulation 20 of the principal Regulations is amended by deleting the words "three years" and substituting therefor the words "one year".

7. Regulation 25 of the principal Regulations is amended in paragraph (4) by inserting the words "two-thirds of the average of" immediately after the words "not be less than".

8. Regulation 36 of the principal Regulations is amended by inserting the following new paragraph immediately after paragraph (b)-

(bb) fees and expenses paid by any other party, including the sponsor of the scheme, on behalf of the scheme;

Dated the 14th June, 2007.

AMOS KIMUNYA.
Minister for Finance.