

FISHING INDUSTRY MEDICAL SCHEME

RULES

EFFECTIVE FROM 1 JANUARY 2008

1. NAME

The name of the Scheme is **Fishing Industry Medical Scheme**, hereinafter referred to as the "Scheme".

The abbreviated name is **Fishmed**.

2. LEGAL PERSONA

The Scheme, in its own name, is a body corporate, capable of suing and of being sued and of doing or causing to be done all such things as may be necessary for or incidental to the exercise of its powers or the performance of its functions in terms of the Medical Schemes Act and regulations and these Rules.

3. REGISTERED OFFICE

The registered office of the Scheme is situated at Irvin and Johnson Limited's Cape Town Trawling Division, Southarm Road, Cape Town Harbour, Cape Town, but the Board may transfer such office to any other location in the Republic of South Africa, should circumstances so dictate.

4. DEFINITIONS

In these rules, a word or expression defined in the Medical Schemes Act (Act 131 of 1998) bears the meaning thus assigned to it and, unless inconsistent with the context—

- (a) a word or expression in the masculine gender includes the feminine;
- (b) a word in the singular number includes the plural, and *vice versa*; and
- (c) the following expressions have the following meanings:

4.1 "Act"

the Medical Schemes Act (Act No 131 of 1998), and the regulations framed thereunder.

4.2 "Administrator"

any person who has been accredited by the Council in terms of section 58, and shall, where any obligation has been placed on a medical scheme in terms of this Act, also mean a medical scheme.

4.3 "Admission date"

the date on which a person becomes a member, or in respect of a dependant, the date on which such dependant is admitted as a dependant in terms of these Rules and in the case of an employer, the date on which such employer participates in the Scheme in terms of these Rules.

4.4 "Additional Adult Dependant"

any dependant, over the age of 21, who is not the spouse or partner of a member, or a child over the age of 21 but less than 25 years registered as a full time student at an educational institution with the exception of a child over the age of 21, who due to mental or physical disability is dependant upon the member.

- 4.5 “Applicant”**
a person who applies for membership for himself and/or for the registration of his dependants.
- 4.6 “Application”**
a completed application form for membership and/or for registration of a dependant for approval by the Scheme.
- 4.7 “Approval”**
prior written approval of the Board or its authorised representative.
- 4.8 “Auditor”**
an auditor registered in terms of the Public Accountants' and Auditors' Act, 1991, (Act No. 80 of 1991).
- 4.9 “Beneficiary”**
a member or a person admitted as a dependant of a member.
- 4.10 “Benefit year”**
the period commencing 1 January each year until 31 December.
- 4.11 “Board”**
the Board of Trustees constituted to manage the Scheme in terms of the Act and these rules.
- 4.12 “BHF”**
the Board of Healthcare Funders of South Africa.
- 4.13 “Case Management”**
the process whereby a beneficiary's specific health care needs are identified and management plans or programmes are implemented to achieve optimum patient care in the most cost- effective way.

4.14 "Child"

a member's natural child, or a stepchild or legally adopted child or a child in the process of being legally adopted or a child who has been placed in the custody of the member or his spouse or partner and who is not a beneficiary of any other medical scheme.

4.15 "Condition specific waiting period"

a period during which a beneficiary is not entitled to claim benefits in respect of a condition for which medical advice, diagnosis, care or treatment was recommended or received within the twelve-month period ending on the date on which an application for membership was made.

4.16 "Continuation member"

a member who retains his membership of the Scheme in terms of rule 6.2 or a dependant who becomes a member of the Scheme in terms of rule 6.3.

4.17 "Contracted fee"

the fee determined in terms of an arrangement between the scheme and a service provider or group of providers in respect of the payment of relevant health services.

4.18 "Contribution"

in relation to a member, the amount, exclusive of interest, paid by or in respect of the member and his registered dependants if any, as membership fees.

4.19 "Cost"

in relation to a benefit, the net or final amount payable in respect of a relevant health service.

4.20 "Council"

the Council for Medical Schemes as contemplated in the Act.

4.21 “Creditable coverage”

any period during which a late joiner was –

- 4.21.1** a member or a dependant of a medical scheme;
- 4.21.2** a member or a dependant of an entity doing the business of a medical scheme which, at the time of his membership of such entity, was exempt from the provisions of the Act;
- 4.21.3** a uniformed employee of the South African National Defence Force, or a dependant of such employee, who received medical benefits from the South African National Defence Force; or
- 4.21.4** a member or a dependant of the Permanent Force Continuation Fund, but excluding any period of coverage as a dependant under the age of 21 years.

4.22 “Date of service”

- 4.22.1** in the event of a consultation, visit or treatment, the date on which each consultation, visit or treatment took place, whether for the same illness or not;
- 4.22.2** in the event of an operation, procedure or confinement, the date on which such operation or procedure was performed or confinement occurred;
- 4.22.3** in the event of hospitalisation, the date of each discharge from a hospital or nursing home, or date of cessation of membership, whichever date occurs first;

4.22.4 in the event of any other service or requirement, the date on which such service was rendered or requirement obtained or received.

4.23 "Dependant"

4.23.1 a member's spouse or partner who is not a member or a registered dependant of a member of a medical scheme;

4.23.2 a dependent child

4.23.3 the immediate family of a member in respect of whom the member is liable for family care and support;

4.23.4 such other persons who are recognised by the Board as dependants for purposes of these Rules.

4.24 "Dependent" - in relation to a child

4.24.1.1 a dependant under the age of 21 who is not in receipt of a regular remuneration of more than the maximum social pension per month;

4.24.1.2 a child who, due to a physical disability, is dependent upon the member and who is not in receipt of a regular remuneration of more than the maximum social pension per month;

4.24.1.3 a member's child over the age of 21 years but younger than 26 who is unmarried and not self supporting;

4.24.1.4 a member's child over the age of 21 years but younger than 26 who owing to mental or physical defects;

4.24.1.5 a member's child over the age of 21 years but younger than 26 who owing to being in full time study at a duly accredited tertiary educational institution.

4.25 “Designated service provider”

a healthcare provider or group of providers selected by the scheme as preferred provider/s to provide to the members, diagnosis, treatment and care in respect of one or more prescribed minimum benefit conditions.

4.26 “Domicilium citandi et executandi”

the member's chosen physical address at which notices in terms of rules 11 and 13 as well as legal process, or any action arising therefrom, may be validly delivered and served.

4.27 “Emergency medical condition”

the sudden and, at the time, unexpected onset of a health condition that requires immediate medical or surgical treatment, where failure to provide medical or surgical treatment would result in serious impairment to bodily functions or serious dysfunction of a bodily organ or part, or would place the person's life in serious jeopardy.

4.28 “Emergency room (ER) / Casualty department”

a hospital unit or primary care facility that provides initial treatment to patients with a broad spectrum of acute illnesses or injuries, some of which may be life threatening and which may require immediate attention.

4.29 “Employee”

any person employed within the South African fishing industry.

4.30 “Employer”

a participating employer who has contracted with the Scheme for purposes of admission of its employees as members of the Scheme.

4.31 General waiting period”

a period during which a beneficiary is not entitled to claim any benefits.

4.32 Immediate family”

a parent, brother or sister of a member, in respect of whom the member is liable for family care and support.

4.33 "Income”

for the purposes of calculating contributions in respect of –

4.33.1 an individual member – gross monthly salary or weekly wages;

4.33.2 a member who registers a spouse or partner as a dependant – the higher of the member or spouse’s or partner’s earnings.

4.34 “Late joiner”

an applicant or the adult dependant of an applicant who, at the date of application for membership or admission as a dependant, as the case may be, is 35 years of age or older but excludes any beneficiary who enjoyed coverage with one or more medical schemes as from a date preceding 1 April 2001, without a break in coverage exceeding 3 consecutive months since 1 April 2001.

4.35 "Member”

any person who is admitted as a member of the Scheme in terms of these rules.

4.36 "Member family”

the member and all the registered dependants;

4.37 “National Health Reference Price List (NHRPL)”

the reference price list for health services published by the Council for Medical Schemes;

4.38 “Partner”

a person with whom the member has a committed relationship based on objective criteria of mutual dependency, irrespective of the gender of either party.

4.39 “Practise Code Number”

the number allotted to a supplier of a relevant health service as a practice number by an organization or body approved by the Council.

4.40 “Principal Officer”

means the Principal Officer appointed in terms of section 57 (4) (a).

4.41 “Pre-Authorisation”

shall mean authorisation in advance, of the medical necessity, efficiency and or appropriateness of health care services and treatment plans for specified services.

4.42 “Pre-existing sickness condition”

means a condition for which medical advice, diagnosis, care or treatment was recommended or received within the twelve-month period ending on the date on which an application for admission as a beneficiary was made.

4.43 “Registrar”

the Registrar or Deputy Registrar/s of Medical Schemes appointed in terms of section 18 of the Act.

4.44 “Restricted membership scheme”

means a medical scheme, the rules of which restrict the eligibility for membership by reference to –

4.44.1 employment or former employment or both employment or former employment in a profession, trade, industry or calling;

4.44.2 employment or former employment or both employment or former employment by a particular or by an employer included in a particular class of employers;

4.44.3 membership or former membership or both membership or former membership of a particular profession, professional association or union; or

4.44.4 any other prescribed matter.

4.45 “Rules”

the rules of the Scheme and shall include all Annexures and any other documented provisions relating to benefits granted and the contributions payable, as agreed by the Board from time to time.

4.46 “Scale of Fees”

a negotiated tariff fee payable to various Service Providers including those listed on the Network.

4.47 “Scheme Rate”

the rate set by the Scheme for reimbursement of claims (based on the National Reference Price List for 2006 plus 4.9 percent plus 6.5 percent), in the absence of any other agreed or contracted tariff with any service provider.

4.48 “Social pension”

the appropriate maximum basic social pension prescribed by regulations promulgated in terms of the Social Assistance Act, 1992 (Act No. 59 of 1992).

4.49 "Spouse"

the person to whom the member is married in terms of any law or custom.

4.50 "Trauma centre / unit"

Is a hospital or facility equipped to perform as a casualty receiving station for the provision of emergency medical services by providing the best possible medical and surgical care for traumatic injuries 24 hours a day, 365 days a year.

5. OBJECTS

The objects of the Scheme are to

- (a) undertake liability, in respect of its members and their dependants, in return for a contribution or premium
- (b) to make provision for the obtaining of any relevant health service;
- (c) to grant assistance in defraying expenditure incurred in connection with the rendering of any relevant health service; and/ or
- (d) to render a relevant health service, either by the Scheme itself, or by any supplier or group of suppliers of a relevant health service or by any person in association with, or in terms of an agreement with, the Scheme.

6. MEMBERSHIP

6.1 Eligibility

Subject to rule 8, membership of the Scheme is restricted to employment or former employment of the member by an employer in the Fishing Industry or his predecessor or successor in title as defined in these rules and is either voluntary or compulsory, depending on the employee's conditions of employment.

6.2 Retirees

- 6.2.1** A member shall retain his membership of the Scheme with his registered dependants, if any, in the event of his retiring from the service of his employer or his employment being terminated by his employer on account of age, ill-health or other disability.
- 6.2.2** The Scheme shall inform the member of his right to continue his membership and of the contribution payable from the date of retirement or termination of his employment. Unless such member informs the Scheme in writing of his desire to terminate his membership, he shall continue to be a member.

6.3 Dependants of deceased members

- 6.3.1** The dependants of a deceased member who are registered with the Scheme as his dependants at the time of such member's death, shall be entitled to continued membership of the Scheme without any new restrictions, limitations or waiting periods.
- 6.3.2** The Scheme shall inform the dependant of his right to membership and of the contributions payable in respect thereof. Unless such person informs the Board in writing of his intention not to become a member, he shall be admitted as a member of the Scheme.
- 6.3.3** Such a member's membership terminates if he becomes a member or a dependant of a member of another medical scheme.
- 6.3.5** Where a child dependant/s has been orphaned, the eldest child may be deemed to be the member, and any younger siblings, the child dependant/s.

7 REGISTRATION AND DE-REGISTRATION OF DEPENDANTS

7.1 REGISTRATION OF DEPENDANTS

7.1.1 A member may apply for the registration of his dependants at the time that he applies for membership in terms of Rule 8.

7.1.2 If a member applies to register a new born or newly adopted child as a dependant, within 30 days of the date of birth or adoption of the child, increased contributions shall then be due as from the first day of the month following the month of birth or adoption and benefits will accrue as from the date of birth or adoption.

7.1.3 If a member who marries subsequent to joining the Scheme, applies within 30 days of the date of such marriage to register his spouse as a dependant, his spouse shall thereupon be registered by the Scheme as a dependant. Increased contributions shall then be due as from the first day of the month following the month of marriage and benefits will accrue as from the date of marriage. The spouse shall not qualify for benefits until such time as the member qualifies for benefits.

7.1.4 In the event of any person becoming eligible for registration as a dependant other than in the circumstances set out in Rules 7.1.1 to 7.1.3, the member may apply to the Scheme for the registration of such person as a dependant, whereupon the provisions of Rule 8 shall apply *mutatis mutandis*.

7.2 De-registration of Dependants

7.2.1 A member shall inform the Scheme within 30 days of the occurrence of any event which results in any one of his dependants no longer satisfying the conditions in terms of which he may be a dependant.

7.2.2 When a dependant ceases to be eligible to be a dependant, he shall no longer be deemed to be registered as such for the purpose of these Rules or entitled to receive any benefits, regardless of whether notice has been given in terms of these Rules or otherwise.

8. TERMS AND CONDITIONS APPLICABLE TO MEMBERSHIP

- 8.1** A minor may become a member with the consent of his parent or guardian.
- 8.2** No person may be a member of more than one medical scheme or a dependant:
- 8.2.1** of more than one member of a particular medical scheme; or
 - 8.2.2** of members of different medical schemes or;
 - 8.2.3** claim or accept benefits in respect of himself or any of his dependants from any medical scheme in relation to which he is not a member or a dependant of a member.
- 8.3** Prospective members shall, prior to admission, complete and submit the application forms required by the Scheme, together with satisfactory evidence in respect of himself and his dependants, of age, income, state of health and of any prior membership or admission as dependant of any other medical scheme. The Scheme may require an application to provide the Scheme with a medical report in relation to any proposed beneficiary in respect of a condition for which medical advice, diagnosis, care or treatment was recommended or received within the twelve-month period ending on the date on which an application for membership was made. The costs of any medical tests or examinations required to provide

such medical report will be paid for by the Scheme. The Scheme may however designate a provider to conduct such tests or examinations.

8.4 Waiting periods

8.4.1 The Scheme may impose upon a person in respect of whom an application is made for membership or admission as a dependant, and who was not a beneficiary of a medical scheme for a period of at least 90 days preceding the date of application –

8.4.1.1 a general waiting period of up to three months; and

8.4.1.2 a condition-specific waiting period of up to 12 months.

8.4.2 The Scheme may impose upon any person in respect of whom an application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme for a continuous period of up to 24 months, terminating less than 90 days immediately prior to the date of application –

8.4.2.1 a condition-specific waiting period of up to 12 months, except in respect of any treatment or diagnostic procedures covered within the prescribed minimum benefits;

8.4.2.2 in respect of any person contemplated in this sub-rule, where the previous medical scheme had imposed a general or condition-specific waiting period, and such waiting period had not expired at the time of termination, a general or condition-specific waiting period for the unexpired duration of such waiting period imposed by the former medical scheme.

8.4.3 The Scheme may impose upon any person in respect of whom an application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme for a continuous period of more than 24 months, terminating less than 90 days immediately prior to the date of application, a general waiting period of up to three months, except in respect of any treatment or diagnostic procedure covered within the prescribed minimum-benefits.

8.5 No waiting periods may be imposed on:

8.5.1 a person in respect of whom application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme, terminating less than 90 days immediately prior to the date of application, where the transfer of membership is required as a result of –

8.5.1.1 change of employment; or

8.5.1.2 an employer changing or terminating the medical scheme of its employees, in which case such transfer shall occur at the beginning of the financial year, or reasonable notice must have been furnished to the scheme to which an application is made for such transfer to occur at the beginning of the financial year.

Where the former medical scheme had imposed a general or condition specific waiting period in respect of persons referred to in this rule, and such waiting period had not expired at the time of termination of membership, the Scheme may impose such waiting period for the unexpired duration of a waiting period imposed by the former medical scheme.

- 8.5.2** a beneficiary who changes from one benefit option to another within the Scheme unless that beneficiary is subject to a waiting period on the current benefit option in which case the remaining period may be applied;
- 8.5.3** a child dependant born during the period of membership;
- 8.6** The registered dependants of a member must participate in the same benefit option as the member.
- 8.7** Every member will, on admission to membership, receive a detailed summary of these rules which shall include contributions, benefits, limitations, the member's rights and obligations. Members and their dependants, and any person who claims any benefit under these Rules or whose claim is derived from a person so claiming are bound by these Rules as amended from time to time.
- 8.8** A member may not cede, transfer, pledge or hypothecate or make over to any third party any claim, or part of a claim or any right to a benefit which he may have against the Scheme. The Scheme may withhold, suspend or discontinue the payment of a benefit to which a member is entitled under these rules, or any right in respect of such benefit or payment of such benefit to such member, if a member attempts to assign, transfer, cede, pledges or hypothecate such benefit.

9. TRANSFER OF EMPLOYER GROUPS FROM ANOTHER MEDICAL SCHEME

If the members of a medical scheme who are members of that scheme by virtue of their employment by a particular employer, terminate their membership of such scheme with the object of obtaining membership of this Scheme, the Board will admit as a member, without a waiting period, any member of such first-mentioned scheme who is a continuation member by virtue of his past employment by the particular employer and admit any person who has been a registered dependant of such member, as a dependant.

10. MEMBERSHIP CARD AND CERTIFICATE OF MEMBERSHIP

- 10.1** Every member shall be furnished with a membership card, containing such particulars as may be prescribed. This card must be exhibited to the supplier of a service on request. It remains the property of the Scheme and must be returned to the Scheme on termination of membership.
- 10.2** The utilisation of a membership card by any person other than the member or his registered dependants, with the knowledge or consent of the member or his dependants, is not permitted and is construed as an abuse of the privileges of membership of the Scheme.
- 10.3** On termination of membership or on de-registration of a dependant, the Scheme must, within 30 days of such termination, furnish such person with a certificate of membership and cover, containing such particulars as may be prescribed.

11. CHANGE OF ADDRESS OF MEMBER

A member must notify the Scheme within 30 days of any change of address including his domicilium citandi et executandi. The Scheme shall not be held liable if a member's rights are prejudiced or forfeited as a result of the member's neglecting to comply with the requirements of this rule.

12. TERMINATION OF MEMBERSHIP

12.1 Resignation

- 12.1.1** A member who, in terms of his conditions of employment is required to be a member of the Scheme, may not terminate his membership while he remains an employee.

12.1.2 A member who resigns from the service of the participating employer shall, on the date of such termination, cease to be a member and all rights to benefits shall thereupon cease, except for claims in respect of services rendered prior thereto.

12.1.3 A member whose employment is terminated for reasons related to the operational requirements of the employer may, in the discretion of the Board, be allowed continued membership for a period of up to six months after termination of employment, provided that if such member should obtain alternative employment, his membership shall terminate with immediate effect.

12.2 Voluntary termination of membership

12.2.1 A member, who is not required in terms of his conditions of employment to be a member, may terminate his membership of the Scheme on giving one months written notice. All rights to benefits cease after the last day of membership.

12.2.2 Such notice period shall be waived in substantiated cases where membership of another medical scheme is compulsory as a result of a condition of employment.

12.2.3 A participating employer may terminate its participation with the Scheme on giving three months written notice.

12.3 Death

Membership of a member terminates on his death.

12.4 Failure to pay amounts due to the Scheme

If a member fails to pay amounts due to the Scheme, his membership may be terminated as provided in these rules.

12.5 Abuse of privileges, False claims, Misrepresentation and Non-disclosure of Factual information

The Board may exclude from benefits or terminate the membership of a beneficiary whom the Board finds guilty of abusing the benefits and privileges of the Scheme by presenting false claims or making a material misrepresentation or non-disclosure of factual information required in terms of the Act. In such event he may be required by the Board to refund to the Scheme any sum which, but for his abuse of the benefits or privileges of the Scheme, would not have been disbursed on his behalf.

13. CONTRIBUTIONS

13.1 The total monthly contributions payable to the Scheme by or in respect of a member are as stipulated in Annexure A.

13.2 Contributions shall be due monthly in arrears and be payable by not later than the 7th day of each month. Where contributions or any other debt owing to the scheme, have not been paid within thirty (30) days of the due date, the Scheme shall have the right to –

13.2.1 suspend all benefit payments in respect of claims which arose during the period of default;

13.2.2 give the member written notice at his domicilium citandi et executandi that if contributions or such other debts are not

paid within twenty one (21) days of posting of such notice, membership may be cancelled.

A notice sent by prepaid registered post to the member at his domicilium citandi et executandi shall be deemed to have been received by the member on the 7th day after the date of posting. In the event that the member fails to nominate a domicilium citandi et executandi, the member's postal or residential address on his application form shall be deemed to be his doimicilium citandi et executandi.

- 13.3** In the event that payments are brought up to date, and provided membership has not been cancelled in accordance with the rule 13.2.2, benefits shall be reinstated without any break in continuity subject to the right of the Scheme to levy a reasonable fee to cover any expenses associated with the default and to recover interest on the arrear amount at the prime overdraft rate of the Scheme's bankers. If such payments are not brought up to date, no benefits shall be due to the member from the date of default and any such benefit paid may be recovered by the Scheme.

13.4 Premium Penalties for persons joining late in life

- 13.4.1** A medical scheme may apply premium penalties to a late joiner and such penalties must be applied only to the portion of the contribution related to the member or any adult dependant who qualifies for late joiner penalties.

13.4.2 The premium penalties referred to shall not exceed the following bands:

Penalty bands	Maximum penalty
1-4 years	0,05 x contribution
5-14 years	0,25 x contribution
15-24 years	0,5 x contribution
25+ years	0,75 x contribution

13.4.3 To determine the applicable penalty band to be applied to a late joiner in terms of the first column of the table, the following formula shall be applied:

$$A = B \text{ minus } (35 + C)$$

Where:

“A” means the number of years referred to in the first column of the table, for purposes of determining the appropriate penalty band;

“B” means the age of the late joiner at the time of his application for membership or admission as a dependant;
and

“C” means the number of years of credible coverage which can be demonstrated by the late joiner.

13.4.4 Where an applicant or his dependant produces evidence of creditable coverage after a late joiner penalty has been imposed, the scheme must recalculate the penalty and apply such revised penalty from the time such evidence is provided.

13.4.5 Late joiner penalties may continue to be applied upon transfer of the member or adult dependant to another medical scheme

13.4.6 For the purposes of sub regulations (3) and (4), it shall be sufficient proof of creditable coverage if the applicant produces a sworn affidavit in which he or she declares -

a) the relevant period in which he or she was a member or dependant and the name or names of the relevant medical schemes or other relevant entries corresponding with such period or periods; and

b) that reasonable efforts have been made to obtain documentary evidence of such period of creditable coverage, but have been unsuccessful.

13.4.7 A medical scheme must report annually to the Registrar on the number of late joiners enrolled in each band during the previous year and cumulatively.

14. LIABILITIES OF EMPLOYER AND MEMBER

14.1 The liability of the employer towards the Scheme is limited to any amounts payable in terms of any agreement between the employer and the Scheme.

14.2 The liability of a member to the scheme is limited to the amount of his unpaid contributions together with any sum disbursed by the Scheme on his behalf or on behalf of his dependants which has not been repaid to the Scheme.

14.3 In the event of a member ceasing to be a member, any amount still owing by such member is a debt due to the Scheme and recoverable by it.

15. CLAIMS PROCEDURE

15.1 Every claim submitted to the Scheme in respect of the rendering of a relevant health service as contemplated in these Rules, must be accompanied by an account or statement as prescribed and shall contain the following particulars:

- 15.1.1** the surname and initials of the member;
- 15.1.2** the surname and first name and other initials (if any) of the patient;
- 15.1.3** the name of the Scheme;
- 15.1.4** the membership number of the member;
- 15.1.5** the practice code number as issued by BHF (if applicable) of the supplier of the service, and in the case of a group practice, the name of the practitioner who provided the service;
- 15.1.6** the date on which each service was rendered;
- 15.1.7** the nature and cost of each service rendered, including the item code number that relates to such service (if applicable), and where the supplier of service supplied medicine to the member concerned or to a dependant of that member, the name, quantity, dosage and net amount payable in respect of the medicine;
- 15.1.8** where the account is a photocopy of the original, certification by the supplier of service by way of a rubber stamp or signature on such photocopy;

- 15.1.9** where a pharmacist supplies medicine according to a prescription to a member or a dependant of a member a certified copy of such prescription, if so required by the Board;
- 15.1.10** the name and the practice code number as issued by BHF of the referring medical practitioner or dentist;
- 15.1.11** in the case where such account or statement refers to the use of an operating theatre where an operation was performed on the member or the dependant of that member –
- a)** the name or names and the practice code number as issued by BHF of the medical practitioner or dentist who performed that operation;
 - b)** the name or names and the practice code number as issued by BHF of every medical practitioner or dentist who assisted at such operation; and
 - c)** all procedures carried out; and
- 15.1.12** in the case of a first account or statement in respect of orthodontic treatment, a treatment plan indicating –
- a)** the expected total amount the orthodontist will charge for the treatment;
 - b)** the expected duration of the treatment;

- c) the initial amount the member has to pay; and
- d) the monthly amount the member has to pay.

15.2 If an account, statement or claim is correct or where a corrected account, statement or claim is received, as the case may be, the Scheme must, in addition to the payment contemplated in Section 59 (2) of the Act, dispatch to the member a statement containing at least the following particulars:

15.2.1 the name and the membership number of the member;

15.2.2 the name of the supplier of service;

15.2.3 the final date of service rendered by the supplier of service on the account or statement which is covered for the service concerned;

15.2.4 the total amount charged for the service concerned;
and

15.2.5 the amount of the benefit awarded for such service.

15.3 In order to qualify for benefits, any claim must, unless otherwise arranged, be signed and certified as correct and must be submitted to the Scheme not later than the last day of the fourth month following the month in which the service was rendered.

15.4 Where a member has paid an account, he shall, in support of his claim, submit a receipt.

15.5 Accounts for treatment of injuries or expenses recoverable from third parties, must be supported by a statement, setting out particulars of the circumstances in which the injury or accident was sustained.

15.6 Where the Scheme is of the opinion that an account, statement or claim is erroneous or unacceptable for payment, the Scheme shall notify the member and the relevant health care provider, accordingly within 30 days after receipt thereof. The Scheme shall state the reasons why such claim is erroneous or unacceptable and afford such member and provider the opportunity to return such corrected claim to the Scheme within sixty days following the date which it was returned for correction.

16 BENEFITS

16.1 Members are entitled to benefits during a financial year, as per Annexure B, and such benefits extend through the member to his registered dependants. A member must, on admission, elect to participate in any one of the available options, detailed in Annexure B.

16.2 A member is entitled to change from one to another benefit option subject to the following conditions:

16.2.1 The change may be made only with effect from 1 January of any financial year. The Board may, in its absolute discretion, permit a member to change from one to another benefit option on any other date provided that the member may change to another option in the case of midyear contribution increases or benefit changes.

16.2.2 Application to change from one benefit option to another must be in writing and lodged with the Scheme within the period notified by the Scheme provided that the member has had at least 30 days prior notification of any intended changes in benefits or contributions for the next year.

16.3 The Scheme shall, where an account has been rendered, pay any benefit due to a member, either to that member or to the supplier of the relevant

health service who rendered the account, within 30 days of receipt of the claim pertaining to such benefit. { Sec 59(2) }

16.4 Beneficiaries admitted during the course of a financial year are entitled to the benefits set out in the relevant benefit option chosen, with the maximum benefits being adjusted in proportion to the period of membership calculated from the date of admission to the end of the particular financial year.

16.5 Unless otherwise decided by the Board, benefits in respect of medicines obtained on a prescription are limited to one month's supply for every such prescription or repeat thereof.

17. PAYMENT OF ACCOUNTS

17.1 Payment of accounts or reimbursement of claims is restricted to the net amount payable in respect of such benefit and maximum amount of the benefit to which the member is entitled in terms of the applicable benefit.

17.2 Any discount whether on an individual basis or bulk discount received in respect of a relevant health service shall be for the benefit of the member in determining the net amount payable for the service and appropriate deduction from the applicable benefit limit, or medical savings account, as the case may be.

17.3 The Scheme may, whether by agreement or not with any supplier or group of suppliers of a service, pay the benefit to which the member is entitled, directly to the supplier who rendered the service.

17.4 Where the Scheme has paid an account or portion of an account or any benefit to which a member is not entitled, whether payment is made to the member or to the supplier of service, the amount of any such overpayment is recoverable by the Scheme.

17.5 Notwithstanding the provisions of this rule, the Scheme has the right to pay any benefit directly to the member concerned.

18 GOVERNANCE

- 18.1** The affairs of the Scheme must be managed according to these Rules by a Board consisting of at least 8 persons who are fit and proper to be trustees.
- 18.2** Four (4) Trustees shall be nominated by participating Employers and at least four (4) members of the scheme will be nominated by the members, and their names will be submitted to the Principal Officer, in writing, seven (7) days before each annual general meeting, for election by members of the Scheme at the Annual General Meeting.
- 18.3** The Board of Trustees must elect from its members the Chairperson and the vice-chairperson.
- 18.4** Board of Trustees shall be entitled to one (1) alternate who may, in the absence of the Trustee to whom they are appointed as an alternate, attend meetings of the Board and officiate with the same powers and duties of the Trustee. Alternates attending meetings of the board when the Trustee to whom they are appointed as alternate is present, will otherwise be present in observer capacity only.
- 18.5** Trustees serve terms of office of two years.
- 18.6** The following persons are not eligible to serve as members of the Board:
- 18.6.1** A person under the age of 21 years;
- 18.6.2** An employee, director, officer, consultant, or contractor of the administrator of the Scheme or of the holding company, subsidiary, joint venture or associate of that administrator;

- 18.6.3** a broker;
- 18.6.4** the principal officer of the Scheme; and
- 18.6.5** the auditor of the Scheme.
- 18.7** Retiring members of the Board are eligible for re-election provided no person shall serve more than two consecutive terms and no more than a total of three terms.
- 18.8** Nominations to fill vacancies, signed by a proposer and seconder in good standing with the Scheme, must be signed by the candidate signifying his consent to stand for election and must be submitted to the Scheme together with a current curriculum vitae by 30 April of the year concerned and the election must be carried out by the members present at the annual general meeting of the Scheme.
- 18.9** The Board may fill by appointment, any vacancy arising during the term of office of a member of the Board due to such member resigning in terms of rule 18.14 or ceasing to hold office in terms of rule 18.15. A person so appointed must retire at the first ensuing annual general meeting and that meeting may fill the vacancy for the unexpired period of office of the vacating member of the Board.
- 18.10** The Board may co-opt a knowledgeable person to assist it in its deliberations provided that such person shall not have a vote.
- 18.11** A quorum is constituted by a number of members of the Board physically present at a meeting of that Board, which number shall not be less than half of the members of the board plus one. Members of the Board will, for the purposes of constituting a quorum, not include suspended Board members.

18.12 In the absence of the chairperson and vice-chairperson, the Board members present must elect one of their numbers present to preside.

18.13 Matters serving before the Board must be decided by a majority vote and in the event of an equality of votes, the chairperson has a casting vote in addition to his deliberative vote. Notwithstanding this provision, and in keeping with the principles which have always pervade this Scheme, decisions of the board will be taken on the basis of consensus amongst those present wherever it is practical and reasonable to do so.

18.14 A member of the Board may resign at any time by giving written notice to the Board.

18.15 A member of the Board ceases to hold office if —

18.15.1 he becomes mentally ill or incapable of managing his affairs;

18.15.2 he is declared insolvent or has surrendered his estate for the benefit of his creditors;

18.15.3 he is convicted, whether in the Republic or elsewhere, of theft, fraud, forgery or uttering of a forged document or perjury;

18.15.4 he is removed by the court from any office of trust on account of misconduct;

18.15.5 he is disqualified under any law from carrying on his profession;

18.15.6 he ceases to be an appointee by a participating employer, or being a Board member elected by members of the Scheme, he ceases to be a member of the Scheme;

- 18.15.7** he absents himself from three consecutive meetings of the Board without the permission of the Chairperson;
- 18.15.8** he is removed from office by the Council in terms of Section 46 of the Act;
- 18.15.9** he is removed from office in terms of rule 18.20
- 18.16** The Board must meet at least once every two (2) months or at such intervals as it may deem necessary.
- 18.17** The chairperson may convene a special meeting should the necessity arise. Any three (3) members of the Board may request the chairperson to convene a special meeting of the Board, stating the matters to be discussed at such meeting. Upon receipt of the request, the Chairman shall, within a reasonable time, convene a special meeting of the Board to deal with the matters stated therein.
- 18.18** The Board may, subject to participation by sufficient members to form a quorum, discuss and resolve matters by telephone or electronic conferencing means and may adopt resolutions on that basis.
- 18.19** Members of the Board shall not be entitled to any remuneration, honorarium or any other fee in respect of services rendered in their capacity as members of the Board.
- 18.20** A member of the Board who acts in a manner which is seriously prejudicial to the interests of the beneficiaries of the medical scheme may be removed by the Board, provided that –
- 18.20.1** before a decision is taken to remove the member of the Board, the Board shall furnish that member with full details of the evidence which the Board has at its disposal regarding the conduct complained of, and allow such

member a period of not less than 30 days in which to respond to the allegations;

18.20.2 the resolution to remove that member is taken by at least two thirds of the members of the Board;

18.20.3 the member shall have recourse to disputes procedures of the scheme or complaints and appeal procedures provided for in the Act.

19. DUTIES OF BOARD OF TRUSTEES

19.1 The Board is responsible for the proper and sound management of the Scheme, in terms of these rules.

19.2 The Board must act with due care, diligence, skill and in good faith.

19.3 Members of the Board must avoid conflicts of interests, and must declare any interest they may have in any particular matter serving before the Board.

19.4 The Board must apply sound business principles and ensure the financial soundness of the Scheme.

19.5 The Board shall appoint a Principal Officer who is fit and proper to hold such office and may appoint any other clerical staff which in its opinion are required for the proper execution of the business of the Scheme and shall determine the terms and conditions of service such appointments.

19.6 The chairperson must preside over meetings of the Board and ensure due and proper conduct at meetings.

- 19.7** The Board must cause to be kept such minutes, accounts, entries, registers and records as are essential for the proper functioning of the Scheme.
- 19.8** The Board must ensure that proper control systems are employed by and on behalf of the scheme.
- 19.9** The Board must ensure that adequate and appropriate information is communicated to the members regarding their rights, benefits, contributions and duties in terms of the Rules.
- 19.10** The Board must take all reasonable steps to ensure that contributions are paid timeously to the scheme in accordance with the Act and the Rules.
- 19.11** The Board must take out and maintain professional indemnity insurance and fidelity guarantee insurance.
- 19.12** The Board may obtain expert advice on legal, accounting and business matters as required, or on any other matter of which the members of the Board may lack sufficient expertise.
- 19.13** The Board must ensure that the Rules and the operation and administration of the scheme comply with the provisions of the Act and all other applicable laws.
- 19.14** The Board must take all reasonable steps to protect the confidentiality of medical records concerning beneficiary's state of health.
- 19.15** The Board must approve all disbursements.
- 19.16** The Board must cause to be kept in safe custody, in a safe or strong room at the registered office of the Scheme or with any financial institution approved by the Board, any mortgage bond, title deed or other security belonging to or held by the Scheme, except when in the temporary custody of another person for the purposes of the Scheme.

19.17 The Board must make such provision, as it deems desirable, and with due regard to normal practice and recommended guidelines pertaining to retention of documents, for the safe custody of the books, records, documents and other effects of the Scheme.

19.18 The Board must disclose annually in writing to the Registrar, any payment or considerations made to them in that particular year by the Scheme as prescribed.

20. POWERS OF BOARD

The Board has the power —

- 20.1** to cause the termination of the services of any employee of the Scheme;
- 20.2** to take all necessary steps and to sign and execute all necessary documents to ensure and secure the due fulfillment of the Scheme's obligations under such appointments;
- 20.3** to appoint a committee consisting of such Board members and other experts as it may deem appropriate.
- 20.4** to appoint a duly accredited administrator on such terms and conditions as it may determine, for the proper execution of the business of the Scheme. The terms and conditions of such appointment must be contained in a written contract, which complies with the requirements of the Act and the regulations.
- 20.5** to appoint, contract with and compensate any accredited broker for the introduction or admission of a member to the Scheme and for ongoing broker services subject to the provisions of the Act and the Regulations thereto provided that a broker contract with an accredited broker will not be unreasonable withheld;

- 20.6** to appoint, contract with and compensate any accredited managed health care organisation in the prescribed manner;
- 20.7** to purchase movable and immovable property for the use of the Scheme
- 20.8** to let or hire movable or immovable property;
- 20.9** to sell movable and immovable property of the Scheme subject to sound business practice and fair value principles;
- 20.10** in respect of any monies not immediately required to meet current charges upon the Scheme and subject to the provisions of the Act, and in the manner determined by the Board, to invest or otherwise deal with such moneys upon security and to realise, re-invest or otherwise deal with such monies and investments.
- 20.11** with the prior approval of the Council, to borrow money for the Scheme from the Scheme's bankers against the security of the Scheme's assets for the purpose of bridging a temporary shortage;
- 20.12** subject to the provisions of any law, to cause the Scheme, whether on its own or in association with any person, to establish or operate any pharmacy, hospital, clinic, maternity home, nursing home, infirmary, home for aged, persons or any similar institution, in the interests of the members of the Scheme;
- 20.13** to donate to any hospital, clinic, nursing home, maternity home, infirmary or home for aged persons in the interests of all or any of the members;
- 20.14** to grant repayable loans to members or to make *ex gratia* payments on behalf of members in order to assist such members to meet commitments in regard to any matter specified in Rule 5.

- 20.15** to contribute to any fund conducted for the benefit of employees of the Scheme.
- 20.16** to reinsure obligations in terms of the benefits provided for in these rules provided that all such reinsurance arrangements are fully disclosed to the Council, including full details of premiums, commissions, and benefits due under such arrangement.
- 20.17** to authorise the principal officer and /or such members of the Board as it may determine from time to time, and upon such terms and conditions as the Board may determine, to sign any contract or other document binding or relating to the Scheme or any document authorising the performance of any act on behalf of the Scheme.
- 20.18** to contribute to any association instituted for the furtherance, encouragement and co-ordination of medical schemes.
- 20.19** in general, do anything, which it deems necessary or expedient to perform its functions in accordance with the provisions of the Act and these rules.

21. DUTIES OF THE PRINCIPAL OFFICER AND STAFF

- 21.1** The staff of the Scheme must ensure the confidentiality of all information regarding its members
- 21.2** The principal officer is the executive officer of the scheme and as such shall ensure that:
- 21.2.1** He acts in the best interests of the members of the scheme at all times;
- 21.2.2** the decisions and instructions of the Board are executed without unnecessary delay;

- 21.2.3** where necessary, there is proper and appropriate communication between the Scheme and those parties, affected by the decisions and instructions of the Board;
- 21.2.4** he keeps the Board sufficiently and timeously informed of the affairs of the Scheme which relate to the duties of the Board as stated in section 57(4) of the Act;
- 21.2.5** he keeps the Board sufficiently and timeously informed concerning the affairs of the Scheme so as to enable the Board to comply with the provisions of section 57(6) of the Act;
- 21.2.6** he does not take any decisions concerning the affairs of the Scheme without prior authorisation by the Board and that he at all times observes the authority of the Board in its governance of the scheme.
- 21.3** The principal officer shall be the accounting officer of the Scheme charged with the collection of and accounting for all moneys received and payments authorised by and made on behalf of the Scheme.
- 21.4** The principal officer shall ensure the carrying out of all of his duties as are necessary for the proper execution of the business of the Scheme. He shall attend all meetings of the Board, and any other duly appointed committee where his attendance may be required, and ensure proper recording of the proceedings of all meetings.
- 21.5** The principal officer shall be responsible for the supervision of the staff employed by the Scheme unless the Board decides otherwise.
- 21.6** The principal officer shall keep full and proper records of all moneys received and expenses incurred by, and of all assets, liabilities and financial transactions of the Scheme;

21.7 The principal officer shall prepare annual financial statements and shall ensure that statutory requirements are complied with.

21.8 The following persons are not eligible to be a principal officer:

21.8.1 An employee, director, officer, consultant or contractor of the administrator of the Scheme or of the holding company, subsidiary, joint venture or associate of that administrator;

21.8.2 A broker.

21.9 The provisions of rules 18.15.1 – 18.15.5 apply mutatis mutandis to the principal officer.

22. INDEMNIFICATION & FIDELITY GUARANTEE

22.1 The Board and any officer of the Scheme is indemnified by the Scheme against all proceedings, costs and expenses incurred by reason of any claim in connection with the Scheme, not arising from their negligence, dishonesty or fraud.

22.2 The Board must ensure that the Scheme is insured against loss resulting from the dishonesty or fraud of any of its officers.

23. FINANCIAL YEAR OF THE SCHEME

The financial year of the Scheme extends from the 1st day of January to the 31st day of December of that year.

24. BANK ACCOUNT

The Scheme must establish and maintain a bank account under its direct control with a registered commercial bank. All moneys received must be deposited directly to the credit of such account. All payments must be made either by electronic transfer, tape exchange or by cheque under the joint signature of not less than two persons duly authorised by the Board.

25. AUDITOR & AUDIT COMMITTEE

25.1 An auditor (who must be approved by the Registrar in terms of section 36 of the Act) must be appointed by resolution at each annual general meeting, to hold office from the conclusion of that meeting to the conclusion of the next annual general meeting.

25.2 The following persons are not eligible to serve as auditor of the Scheme –

25.2.1 a member of the Board;

25.2.2 an employee, officer or contractor of the Scheme;

25.2.3 an employee, director, officer or contractor of the Scheme's administrator, or of the holding company, subsidiary, joint venture or associate of the administrator;

25.2.4 a person not engaged in public practice as an auditor;

25.2.5 a person who is disqualified from acting as an auditor in terms of the Companies Act, 1973.

25.3 Whenever for any reason an auditor vacates his office prior to the expiration of the period for which he has been appointed, the Board must within 30 days appoint another auditor to fill the vacancy for the unexpired period.

- 25.4** If the members of the Scheme at a general meeting fail to appoint an auditor required to be appointed in terms of this rule, the Board must within 30 days make such appointment, and if it fails to do so, the Registrar may at any time do so.
- 25.5** The auditor of the Scheme at all times has a right of access to the books, records, accounts, documents and other effects of the Scheme, and is entitled to require from the Board and the officers of the Scheme such information and explanations as he deems necessary for the performance of his duties.
- 25.6** The auditor must report to the members of the Scheme on the accounts examined by him and on the financial statements laid before the Scheme in general meeting.
- 25.7** The board must appoint an audit committee in the prescribed manner.

26. GENERAL MEETINGS

26.1 Annual general meeting

- 26.1.1** The annual general meeting of members must be held not later than 30 June of each year on a date which may be shown to permit reasonable attendance by members.
- 26.1.2** The notice convening the annual general meeting, containing the agenda, the annual financial statements, auditor's report and annual report, must be furnished to members at least 21 days before the date of the meeting. The non-receipt of such notice by a member does not invalidate the proceedings at such meeting provided that the notice procedure followed by the Board was reasonable.

26.1.3 Two (2) percent members of the Scheme, with a minimum of twenty (20) members present in person constitute a quorum. If a quorum is not present after the lapse of 30 minutes from the time fixed for the commencement of the meeting, the meeting shall be postponed to a date determined by the Board with notice of such postponed meeting being reissued in terms of rule 26.1.2 and members then present constitute a quorum.

26.1.4 The financial statements and reports specified in rule 26.1.2 must be laid before the meeting.

26.1.5 Notices of motions to be placed before the annual general meeting must reach the principal officer not later than seven days prior to the date of the meeting.

26.2 Special general meeting

26.2.1 The Board may call a special general meeting of members if it is deemed necessary.

26.2.2 On the requisition of at least twenty (20) percent of the members of the Scheme, the board shall cause a special general meeting to be called within 30 days of the deposit of the requisition. The requisition must state the objects of the meeting and must be signed by all the requisitionists and deposited at the registered office of the Scheme. Only those matters forming the objects of the meeting may be discussed.

26.2.3 The notice convening the special general meeting, containing the agenda, must be furnished to members at least 14 days before the date of the meeting. The non-

receipt of such notice by a member does not invalidate the proceedings at such a meeting provided that the notice procedure followed by the Board was reasonable.

26.2.4 Two (2) percent, with a minimum of 20 members present in person constitute a quorum. If a quorum is not present at a special general meeting after the lapse of 30 minutes from the time fixed for the commencement of the meeting, the meeting is regarded as cancelled.

27. VOTING AT MEETINGS

27.1 Every member who is present at a general meeting of the Scheme and whose contributions is not in arrears, has the right to vote, or may, subject to this rule, appoint another member of the Scheme as proxy to attend, speak and vote in his stead.

27.2 The instrument appointing the proxy must be in writing, in a form determined by the Board and must be signed by the member and the person appointed as the proxy.

27.3 The chairperson must determine whether the voting must be by ballot or by a show of hands. In the event of the votes being equal, the chairperson, if he is a member, has a casting vote in addition to his deliberative vote.

28. COMPLAINTS AND DISPUTES

28.1 Members may lodge their complaints, in writing, to the Scheme.

28.2 All complaints received in writing will be responded to by the Scheme in writing within 30 days of receipt thereof.

- 28.3** A disputes committee of three members, who may not be members of the Board, employees of the administrator of the Scheme or officers of the Scheme—must be appointed by the Board to serve a term of office of two (2) years. At least one of such members shall be a person with legal expertise.
- 28.4** Any dispute, which may arise between a member, prospective member, former member or a person claiming by virtue of such member and the Scheme or an officer of the Scheme, must be referred by the principal officer to the disputes committee for adjudication.
- 28.5** On receipt of a request in terms of this rule, the principal officer must convene a meeting of the disputes committee by giving not less than 21 days notice in writing to the complainant and all the members of the disputes committee, stating the date, time, and venue of the meeting and particulars of the dispute.
- 28.6** The disputes committee may determine the procedure to be followed.
- 28.7** The parties to any dispute have the right to be heard at the proceedings, either in person or through a representative.
- 28.8** An aggrieved person has the right to appeal to the Council for Medical Schemes against the decision of the disputes committee. Such appeal must be in the form of an affidavit directed to Council and shall be furnished to the Registrar not later than three months after the date on which the decision concerned was made or such further period as the Council may for good cause shown allow, after the date on which the decision concerned was made.
- 28.9** The operation of any decision, which is the subject of an appeal under rule 28.8, shall be suspended pending the decision of the Council on such appeal.

29. DISSOLUTION

- 29.1** The Scheme may be dissolved by order of a competent court or by voluntary dissolution.
- 29.2** Members in general meeting may decide that the Scheme must be dissolved, in which event the Board must arrange for members to decide by ballot whether the Scheme must be liquidated.
- 29.3** Pursuant to a decision by members taken in terms of rule 29.2 the principal officer must, in consultation with the Registrar, furnish to every member a memorandum containing the reasons for the proposed dissolution and setting forth the proposed basis of distribution of the assets in the event of winding up, together with a ballot paper.
- 29.4** Every member must be requested to return his ballot paper duly completed before a set date. If at least 50 per cent of the members return their ballot papers duly completed and if the majority thereof is in favour of the dissolution of the Scheme, the Board must ensure compliance therewith and appoint, in consultation with the Registrar, a competent person as liquidator.

30. AMALGAMATION AND TRANSFER OF BUSINESS

- 30.1** The Scheme may, subject to the provisions of section 63 of the Act, amalgamate with, transfer its assets and liabilities to, or take transfer of assets and liabilities of any other medical scheme or person. The Board must arrange for members to be furnished with an exposition of the proposed transaction for consideration and to decide by ballot whether the proposed transaction should be proceeded with or not.
- 30.2** If at least 50 % of the members return their ballot papers duly completed and if the majority thereof is in favour of the amalgamation or transfer, the transaction may be concluded in the prescribed manner.

30.3 The Registrar may, on good cause shown, ratify a lower percentage.

31. RIGHT TO OBTAIN DOCUMENTS AND INSPECTION OF DOCUMENTS

31.1 Any beneficiary must on request and on payment of a fee of R20.00 (twenty Rand) per copy, be supplied by the Scheme with a copy of the following documents:

31.1.1 The rules of the Scheme;

31.1.2 the latest audited annual financial statements, returns, Trustees reports and auditors report of the Scheme; and

31.1.3 the management accounts in respect of the scheme and all of it's benefit options.

31.2 A beneficiary is entitled to inspect free of charge at the registered office of the Scheme any document referred to in rule 31.1 and to make extracts there from.

31.3 This rule shall not be construed to restrict a person's rights in terms of the Promotion of Access to Information Act, Act No 2 of 2000.

32. AMENDMENT OF RULES

32.1 The Board is entitled to alter or rescind any rule or annexure or to make any additional rule or annexure.

32.2 No alteration, rescission or addition which affects the objects of the Scheme or which increases the rates of contribution or decreases the extent of benefits of any particular benefit option by more than twenty (20) percent of any financial year, is valid unless it has been approved by a majority of members present in a general meeting or by ballot;

- 32.3** Members must be furnished with a copy of such amendment within 14 days after registration thereof. Should a member's rights, obligations, contributions or benefits be amended, he/she shall be given 30 days advance notice of such change;
- 32.4** Notwithstanding the provisions of rule 32.1 above, the Board must, on the request and to the satisfaction of the Registrar, amend any rule that is inconsistent with the provisions of the Act;
- 32.5** No amendment, rescission or addition of any rule shall be valid unless it has been approved and registered by the Registrar.

-----00000-----