



POSTAL CORPORATION OF KENYA STAFF PENSION SCHEME



NAME OF SCHEME

Postal Corporation of Kenya Staff Pension Scheme

DATE OF COMMENCEMENT

1st January, 2002

DATE OF CLOSURE

31st December, 2009.

REGISTRATION

The Scheme is registered with the Retirement Benefits Authority and Kenya Revenue Authority. (Income Tax Department).

REGISTERED OFFICE

The Registered Office of the Scheme is 9th Floor, NHIF Building, 1st Ngong Avenue, Nairobi.

MAIN PURPOSE OF THE SCHEME

To provide Pension and other retirement benefits for members upon their retirement and dependants' benefits to dependants of deceased members.

CLOSED SCHEME

Postal Corporation of Kenya Pension Scheme is now a closed Scheme. No new employees will be admitted to Membership of the Scheme and no further contributions by existing members. Re-valuation of Accrued Benefits for in-service members and deferred members is at 3% per annum. An explicit allowance for pension increases at 3% applying every 3 years has also been provided for.

MEMBERSHIP

All staff in service on or before 1st January 2002 became members of the Scheme. All staff subsequently appointed on pensionable status up to 31st December, 2009 and having satisfactorily completed their probationary period. All Postal Corporation of Kenya Pension Scheme Pensioners are also members of the Scheme.

THE ROLE OF TRUSTEES

- To manage, supervise and administer the scheme for the benefit of the members and dependants.
- To pay or provide for payment of benefits prescribed by Rules to the persons entitled to them.
- To comply with the provisions of the Trust Deed and Rules.
- To comply with the provisions of the RBA Act, the Income Tax Act and any other legislation in force relating to the Administration and Management of the Scheme.

A Trustee term is limited to two (2) terms of 3 years consecutively.

CONTRIBUTION

No member contributions shall be made to the Scheme by the founder or the member after closing Date i.e. 31/12/2009.



CIRCUMSTANCES IN WHICH RETIREMENT BENEFITS MAY BE GRANTED

- On or after attaining Normal Retirement age of 60 years.
- On or after attaining Early Retirement age 50 years of age with the consent of the Founder .
- On medical grounds on production of medical evidence to the satisfaction of the Sponsor and the Board of Trustees.
- On permanent migration and provided satisfactory evidence is produced.

WITHDRAWAL BENEFITS

A member who leaves service before attaining 50 years of age may opt for:-

- Deferred pension payable on attainment of retirement age, 60 years.
- Transfer of accrued pension to another registered scheme.

Upto 50% of the accrued benefits as determined by the Trustees in consultation with the Actuary. The preserved benefit (the remaining balance of the accrued benefits) shall be deferred until the member attains retirement age. The member may however, on attainment of fifty (50) years request Trustees to be allowed to access the remaining benefits.

DEATH BENEFITS

(a) DEATH IN SERVICE:

Dependant(s) of a member who has completed more than five (5) years in service shall be entitled to:-

- Four (4) times annual basic salary.
- Dependant's pension for 5 years.

Dependant's of a member who has not completed five years in service will receive Two (2) times annual basic salary and dependants pension for five (5) years.

(b) DEATH WHILE IN RETIREMENT:

Dependant(s) pension is payable for 5 years from the date of death of the pensioner.

(c) DEATH WHILE ON DEFERMENT:

Gratuity equal to the Actuarial value of the benefit that is being preserved in the Scheme.

(d) DEATH WHILE ON OFFICIAL DUTY

In addition to the death in service benefits indicated above an additional benefit at the rate of 10/50 of pensionable salary or Kshs.2,400 p.a. whichever is the greater.

Whilst letters of administration are important nomination forms are the critical basis for Trustees' decision on payment of benefits to dependants.

COMMUTATION OF PENSION

Members who retire on or after attainment of fifty (50) years will be paid as follows:-

- Payment of a proportion of Pension that may be commuted for cash upto 1/3 of accrued benefit.
- For Pension commuted upto 27,000/= per annum, the commutation terms remain at Kshs. 20:1.
- For the balance of accrued Pension commutation is restricted to an actuarially neutral factor.
- Monthly pension is based on two third (2/3) of accrued Pension.

TRIVIAL AMOUNT

Means the amount which shall from time to time be determined by the Retirement Benefits Authority Guideline to constitute a Trivial Pension. The current amount is Kshs. 9,200.00.

METHOD OF PAYMENT OF MONTHLY PENSION AND LIFE CERTIFICATES

- Member is required to advise preferred pay-point (i.e. Post Office, Bank or financial Institution).
- Member is required to give notice in writing to the Trustees of his/her postal address and advise every future change of the address or pay point.
- Pensioners are required to complete annual life certificates as evidence of existence and eligibility of receipt of Pension.
- Pension is paid in equal monthly installments.
- Pension is payable in Kenya Shillings.

MEMBER RECORDS

Every change in marital status must be notified to the Trustees. Members are required to complete nomination forms indicating proportions in which their death gratuity should be distributed to their dependants. Every increase or decrease in number of children shall be notified to the trustees.

MEMBER SELF SERVICE PORTAL

The Scheme has installed a member self- service system for use by all members. Members may access the system through use of ID number and E-mail address. Members are requested to immediately send their PF Number, ID number and E-mail address to info@postapension.co.ke to enable the Scheme activate individual member accounts.

USE OF ACCRUED BENEFITS TO SECURE MORTGAGE

Legal notice No. 85 of 2009 effective from 12th June, 2009 allows serving pensionable members to assign up to 60% of their accrued benefits from approved lending institutions.

TRUST DEED AND RULES

The above is a summary of the Scheme benefits and provisions. A more detailed and precise description is contained in the Scheme Trust Deed and Rules.

BENEFITS NON-ASSIGNABLE

Except for the purpose of securing facility for a home from an institution recognized for the purpose under the Act, any benefits payable or to be paid under these Rules is not assignable.

SCHEME AUDITED ACCOUNTS

The Scheme's fourteenth (14th) set of Audited accounts (for the year ended 30th June 2018) is now available for members' perusal at all PCK Regional Headquarters (HR Offices) and all Headquarters Department. The accounts can also be downloaded at the download area of the Scheme website available at www.postapension.co.ke. Any queries should be directed to the Trust Secretary.

BOARD OF TRUSTEES

Hon. Ibrahim Salat	- Chairman
Dr. Salim Ndemo	- Trustee
Mr. John Tonui	- Trustee
Mr. John Thongori	- Trustee
Mr. Peter K. Korir	- Trustee
Mr. Muktar Abdullahi	- Trustee

TRUST SECRETARY

Mr. Elijah K. Koskey

SERVICE PROVIDERS BANKERS

Standard Chartered Bank Kenya Limited
(Kenyatta Avenue Branch, Nairobi)
Kenya Commercial Bank Limited
(Capitol Hill Branch, Nairobi)

CUSTODIAN

Stanbic Bank (K) Limited (Stanbic Centre Chiromo Rd. Nairobi)

AUDITORS

PKF Certified Public Accountants
(Kalamu House, Grevillea Westlands), Nairobi

ACTUARY

Zamara Actuaries and Consultants Limited, (Landmark Plaza Argwings Kodhek Road, Opposite Nairobi Hospital)

PROPERTY MANAGER

Regent Management Ltd.
Valuers & Estate Agents
Upper Hill Road,
P.O. Box 79487-00200
NAIROBI

INVESTMENT MANAGERS

- 1) Old Mutual Investment Group Limited
P.O. Box 30059-00100
Nairobi
- 2) Sanlam Investments (EA) Ltd
P.O. Box 67262-00200
Nairobi

LEGAL ADVISOR

Corporation Secretary – Postal Corporation of Kenya,
(Posta House, Nairobi)
ISSUED BY THE BOARD OF TRUSTEES: DECEMBER, 2018

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