NAPOTEL
PENSION FUND

NEWSLETTER
AUGUST 2025

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1. FUND WEBSITE

The Trustees are currently developing a website for the Fund, which is expected to go live in October 2025. Members will be able to obtain Fund information on the website. More detail about the Fund's website will be communicated in due course.

2. PROVISIONAL RETIREMENT QUOTATIONS

- Provisional retirement quotations will be issued within six months of the member's planned retirement date on request.
- Final quotations will be provided on the actual date of retirement.
- Members seeking early retirement quotations will be required to submit formal notice of early retirement to their Employer before the Fund issues the quote.
- Quotation requests for members who are not within 6 months of retirement will not be provided.
- A retirement calculator will be made available via the Fund's website.

3. CHANGE IN THE PRESCRIBED INTEREST RATE FOR HOUSING LOANS FROM THE FUNDS

Section 19(5)(b)(iii) of the Pension Funds Act prescribes that loans may not be granted at a rate of interest lower than that prescribed by regulation.

- The prescribed minimum rate has recently been amended to Repo rate + 2.5%, meaning that the new interest rate payable on Fund housing loans will be 9.25%, effective from 1 July 2025.
The Namibian Repo Rate, determine by Bank of Namibia, is currently 6.75%.

The Fund applies the rate prescribed in Regulation 43 of the Pension Funds Act as the interest rate payable on direct (in-fund) housing loans.

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4. RULE AMENDMENT 8

The Napotel Pension Fund Trustees have agreed to amend the Fund's rules to make provision for the following:

a. To clarify the individuals covered and recipients of the payment of funeral benefits. Please refer to the attached Funeral Benefit Guide
b. To remove Namibia Post and Telecommunications Holding Limited as a Participating Employer pursuant to its dissolution and de-registration.
c. To reduce the number of trustees on the board of the Napotel Pension Fund as a consequence of the transfer of Namibia Post and Telecommunications Holding Limited staff to other Participating Employers and the imminent der-egistration of Namibia Post and Telecommunications Holding Limited.
d. To clarify that a Member ceasing employment with one Participating Employer will retain his/her membership of the Fund if transferred to another Participating Employer following his/her resignation and transfer from the former Participating Employer.

The effective date of the changes is dependent on the registration of rule amendment by NAMFISA.

5. BENEFICIARY NOMINATION FORMS - FUNERAL BENEFITS

The rules of the Napotel Pension Fund provide for the payment of the funeral benefits as follows:

In the event of the death of a spouse or child, the benefit shall be paid to the member.

In the event of the death of a member, the benefit shall be paid to the member's spouse. If the member does not have a spouse, the benefit shall be paid to the person nominated by the member. If the member does not have a spouse and did not nominate a recipient for the funeral benefit, the benefit shall be paid to the person arranging the member's funeral.

Members who do not have a spouse are requested to complete the details of the person who should receive the funeral benefit on the funeral benefit nomination form.

6. PENSION BACKED HOUSING LOANS

The Trustees investigated the merits of introducing a pension backed housing loan scheme (indirect housing loan scheme). Indirect housing loans are housing loans where a member borrows money to purchase/renovate his house, with the installments, including interest, payable to the bank. The member's fund credit stands surety for the loan, but the member must still qualify for the loan according to the bank's credit assessment.

Given the legal and administrative requirements and costs of pension backed housing loan arrangements, the Trustees agreed not to introduce a indirect pension backed housing loan scheme and continue to offer the current direct housing loan scheme to members.