

SCHEDULE 2: TRUSTEE REMUNERATION POLICY

(ABCD)

**STAFF RETIREMENT BENEFITS SCHEME/PENSION SCHEME/PROVIDENT
FUND**

POLICY NO: ---/2019

POLICY TITLE: TRUSTEE RENUMERATION POLICY

JANUARY 2019

THE TRUSTEE RENUMERATION POLICY

The Trustee Remuneration Policy is based on Section 15 of the Trustee Remuneration and Scheme Expenses Guideline that stipulate that where trustees are remunerated, the Board of Trustees should have a policy in place to guide in the remuneration.

All trustees of the ABCD Staff Retirement Benefits Scheme/Pension Scheme/Provident Fund may receive an allowance based on the tabulation below and in conformance with schedule 1 of the Trustee Remuneration Policy and Scheme Expenses Guideline. However, where trustees are not remunerated or the scheme sponsor remunerates trustee, these provisions shall not apply.

Trustees may be remunerated based on the meetings attended with the maximum number of meetings being [Insert Number] in a year, and will be eligible to recover permissible expenses incurred in the conduct of their duties. It will be the responsibility of trustees to comply with the schemes approved budget and adhere to the provisions of the Scheme's Trust Deed and Rules, the Retirement Benefits Act as well as the Trustee Remuneration Policy and Scheme Expenses Guideline.

The Trustee Remuneration Policy is set in conformance with the set annual budget that sets the expenses of the scheme including trustee remuneration.

A. Remuneration Procedures

1. The trustees shall establish the maximum number of meetings that will be held in a year. These shall be stipulated in this Policy;
2. Trustees meetings should have an agenda and should be well documented in a schedule of meetings. An exception to this is special meetings held by trustees;
3. Allowances shall only be paid for the duly constituted meetings and which trustees have determined to remunerate;
4. The trustees shall always provide evidence for any expenses incurred while conducting the affairs of the scheme; and,
5. Where the scheme incorporates expert trustees/professionals they will be remunerated according to a contract signed with sponsor and the Board of Trustees

B. Sitting Allowances

The trustees of ABCD Staff Retirement Benefits Scheme/Pension Scheme/Provident Fund may be paid the following sitting allowances: -

Table 1

Type of meeting	Allowance (Kshs) subject to tax (Per Person/Per meeting)
Scheduled Board Meeting	
Scheduled Committee Meetings	
Annual General Meeting	
Special Board Meeting	

Notes to Table 1:

- i. All applicable taxes are payable on the allowances.
- ii. In a case where a meeting is adjourned to another time in the same day or to a different date, there shall be no separate payment of a sitting allowance for the continuation of the meeting.

C. Other Allowances

The trustees of ABCD Staff Retirement Benefits Scheme/Pension Scheme/Provident Fund may draw the following other allowances from the scheme: -

Table 2

Type of Expense	Allowance (Kshs) Subject to Tax (Per Person/ Per day)
Lunch allowance	
Travel allowance	
Accommodation allowance	

Notes to Table 2:

- i. Lunch allowance will be paid where lunch is not provided in a duly constituted trustee meeting
- ii. Travel allowance will be pegged on the rates equivalent to the Automobile Association (AA) rates where a trustee uses their personal vehicle for

transportation. Where a trustee uses public transportation he/she may be remunerated for reasonable travel expenses

- iii. Accommodation allowance will be paid to trustees who are accommodated over night at a place other than their normal residence and the accommodation expenses are not met separately met by the scheme.

D. Training Expenses

The trustees of ABCD Staff Retirement Benefits Scheme/Pension Scheme/Provident Fund shall ensure that they undergo the statutory training as stipulated by the Authority. Further, trustees may under a further training session in Kenya for a period not exceeding 5 days in a year. While attending the training the trustees shall not draw any sitting allowance. However, other trustees expenses may reimbursed as provided in Part C of this Policy.

Trustees shall be prudent in managing the overall training expenses. The training expenses or any other expense shall be supported by the scheme's approved budget for the year.

ADOPTION OF THE TRUSTEE REMUNERATION POLICY

The Board of Trustees of ABCD Staff Pension/Provident Scheme/Fund ('the Scheme') adopts this Trustee Remuneration Policy for the Scheme and it is hereby incorporated into all existing and any future administration processes of the scheme.

Signed by the Trustees of ABCD Staff Pension Scheme

on this _____ day of _____ 2019

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(Chairman)

Witness.....

Name.....

Address.....

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(Trustee)

Witness.....

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(Trust Secretary/Trustee)

Witness.....

Name.....

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