



2023

KENYA PIPELINE COMPANY RETIREMENT BENEFITS SCHEMES'

ELECTION PROCEDURE MANUAL 2ND EDITION 2023

Terms of Definition

Terms

Definitions

Annual Meeting

A meeting that happens once every year in which the Scheme discusses the past year's activities and financial statements.

Ballot

A piece of paper on which you write your vote.

Custodian

An Institution appointed by the Board of Trustees to hold safe custody of the Scheme funds.

Misdemeanour

An action that is slightly bad or breaks a rule but is not a crime.

Observer

A person who is sent to observe the elections and give a report on how the elections were conducted.

Portal

Website page providing access or links to members details.

Presiding Officer

A person responsible for the conduct of election procedures in the polling station and must have good knowledge of the voting procedures.

Returning Officer

A person appointed to conduct and preside over an election.

SMS

Short Message Service.

Spoilt vote

A ballot that is invalid and thus not included in the vote count.

Sponsor

The Employer paying the employee contributions

Tallying

Counting of the actual ballots.

TDR

Trust Deed and Rules.

Vote

To cast a ballot.

Working days

Days excluding weekends and Public Holidays.

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1. INTRODUCTION

This Manual is a guide for conducting free and fair elections of KPC Pension Schemes. The Rules and Regulations in this document are NOT intended to substitute the existing pension scheme laws and regulations that govern the Kenya Pipeline Company Retirement Benefits Schemes.

2. TRUSTEES DUTIES AND RESPONSIBILITIES

- a) The Trustees shall have the responsibility for general management and administration of the Scheme and they shall keep all proper books and records of account showing the position in respect to contributions, other income, expenditure, liabilities and assets of the Scheme and the lump sums and other sums payable out of the Scheme and all other matters relevant to its management and shall prepare or cause to be prepared and furnish to the Founder or Sponsor or as prescribed in the Trust Deed & Rules (TDR) with an audited account of all such transactions and matters at such intervals as the TDR may from time to time determine.
- b) Administering the Scheme in accordance with the appropriate provisions.
- c) Computing and preparing member statements benefits payable to Members.
- d) Liaising with the Authority, Sponsor, Members, Manager, Custodian, Administrator and any other professional engaged by the Trustees.
- e) Collecting, keeping and updating retirement benefits data for each Member including maintenance of individual membership records.
- f) Ensuring that the contributions based on correct pensionable emoluments are remitted to the Custodian as required by the appropriate provisions.
- g) Ensuring that the Scheme Funds are being invested by a Fund Manager, duly appointed by the Trustees as required by the appropriate provisions.
- h) Communicating regularly with the Members as per RBA guidelines.
- i) Providing Members with annual membership benefits statements.

- j) Ensuring that documents intended to bind the Scheme are professionally prepared.
- k) Convening an Annual General Meeting of members to enable members raise any matters related to the scheme provided that the minimum agenda for the meeting shall be as prescribed in the Act.
- l) The Trustees shall have the following additional powers and functions:
 - (i) The Trustees may, in addition to the powers conferred upon them by law, from time to time delegate any of their functions or any business relating to the Scheme (including the receipt or payment of money) to any one or more of their number and may delegate any matters relating to the collection of contributions and the administration and investment of the assets from time to time comprising the Scheme and of the income generated by such assets to such agents, administrators, advisers, custodians and managers or other professional advisers (whether remunerated or not) as they may determine and the Trustees may register or vest any of the assets from time to time comprised in the Scheme in the names of any other person as nominee of the Trustees Provided that the Trustees shall not delegate any matter requiring the exercise of their discretion to any person other than one or more of their number.
 - (ii) The Trustees may, with the consent of the Commissioner and the Authority, waive the strict enforcement of any provision of this Deed or the Rules Provided that the exercise of any such power by the Trustees shall not reduce the accrued benefit of any Member.
 - (iii) No decision or exercise of power by the Trustees shall be invalidated or questioned on the ground that any of the Trustees (or in the case of the Trustees or one of the Trustees being an incorporated body any member or members of the board of directors of such body) had a direct or personal interest in the result of any such decision or in the exercising of any such power.
 - (iv) The Trustees shall have power to act notwithstanding any vacancy in their number provided however that the number of trustees shall not, on account of the vacancy, have fallen below four (4). In DB, trustees shall have powers

to act provided however that the number of trustees shall not, on account of vacancy have fallen below 3.

- (v) The Trustees shall convene an annual meeting of the Members to enable such Members to raise any questions or matters relating to the Scheme. The procedures for convening and conducting the meeting shall be laid down by the Trustees and notified to the Members from time to time provided that the business of the annual meeting shall include but not limited to the giving of reports to the Members on any changes to the benefit or contribution structure of the Scheme, audited accounts, investments and remuneration of trustees.

3. APPOINTMENT OF TRUSTEES

- a) For the Defined Benefits (DB) Scheme, the number of Trustees shall always be not less than three, at least one third of whom shall be nominees of the members provided that the total number of Trustees shall not exceed nine (9).
- b) For the Defined Contributions (DC) Scheme, the number of Trustees shall always be not less than four, at least one-half of whom shall be nominees of the members provided that the total number of Trustees shall not exceed eight (8).
- c) Each Trustee nominated by the Founder shall be appointed and may, subject to compliance with the TDR provisions, be removed by the Founder by deed or pursuant to a resolution of the Directors. A copy of such deed or resolution certified by a Director or the Company Secretary of the Founder shall be sufficient evidence thereof.
- d) Each Trustee may be removed in accordance with the TDR.

4. REMOVAL OF TRUSTEES FROM OFFICE

A Trustee shall vacate office as such if he/she:

- a) Becomes bankrupt or makes an arrangement or composition with his creditors generally.
- b) Becomes of unsound mind.

- c) Fails, without reasonable cause and without the consent of the other trustees, to attend two (2) consecutive meetings of the trustees and the other trustees resolve that, by reason of such failure, he shall cease to be a trustee.
- d) Resigns by notice in writing to the trust secretary.
- e) Forbidden to act as a trustee pursuant to the rba or any other written law.
- f) Removed by the founder if the trustee is nominated by the founder.
- g) Dies, or is in any other way not allowed to carry out his/her duties as a trustee.

5. KNOWLEDGE REQUIREMENTS FOR NEW TRUSTEES

- a) Duties of Trustees.
- b) Stakeholders roles and functions of a pension Scheme.
- c) Risks of being a Trustee.
- d) Retirement Benefits Act, Retirement Benefits Regulations and the Scheme Trust Deed and Rules (TDR).
- e) Role of the Pensions Regulator.
- f) Trustees duties, powers and discretions.

6. ELIGIBILITY FOR CANDIDATES VYING FOR ELECTION

A member of good standing who must:

- a) Be a member of the Scheme.
- b) Never have been disqualified as a trustee or administrator.
- c) Be a person of integrity as per Chapter 6 of the Constitution, 2010.
- d) Have a minimum of a Diploma Certificate in any field with 5 years post qualification experience.

7. ELIGIBILITY FOR VOTING IN ELECTIONS

- i) Must be a principal member of the Scheme.

- ii) Must be registered to vote.

8. ELECTION COMMITTEE

- a) There shall be an Election Committee constituted in accordance with the Election Procedure Manual 2023, whose composition shall comprise of the following:
 - i. Pension Scheme Administrator/Trust Secretary.
 - ii. A pensioner.
 - iii. Two appointees from the Sponsor of the Scheme.
 - iv. One nominee by the sitting trustees.
- b) The Committee shall nominate one of its members at the first sitting to be the chairperson. The Scheme Administrator/ Trust Secretary shall not be eligible for nomination as the chairperson.
- c) A serving Election Committee member shall not vie for a trustee position for a period of one (1) year prior to or after the term of service.
- d) In the event of a vacancy, the Committee Members shall initiate the process to nominate new committee member.
- e) The term of the members of the Committee shall be Five (5) years renewable once.
- f) Appointment of Committee Members may be staggered to preserve institutional memory however, should a Committee member's term expire/end during a Trustees election period, the Trust Secretary shall seek extension to cover the election period.
- g) The Elections Committee shall meet a minimum of four (4) times in a year.
- h) The Election Committee shall be remunerated at KES 7,500 (Seven Thousand Five hundred only) per sitting. Scheme staff members attending Election Committee meeting shall not draw an allowance.
- i) All returning officers regardless of their position at KPC shall be remuneration at Ksh. 3,000 before tax (Three Thousand only).

8.1 Responsibilities

The Committee shall be charged with the following duties;

- a) To organize and administer all Trustee elections.
- b) To prepare, review and update the elections procedure manual and policy.
- c) To make available a copy of the election rules, procedures, and election dates to all candidates.
- d) Create awareness to members on election procedures and processes.
- e) To vet and approve eligibility of candidates.
- f) To appoint Returning Officers, Presiding Officers and other election support staff.
- g) To determine the legitimacy of charges and adjudicate election violation complaints.
- h) To certify the election results.
- i) To administer all aspects of election voting.
- j) To announce the election results.

9. NOTICE OF NOMINATIONS

The Election Committee shall invite eligible candidates to submit their application for consideration as election candidates for trustee whenever trustee positions fall vacant.(we could consider including the period within which invitation for the position shall be submitted). The Committee will circulate notices, in all KPC stations inviting qualified members to download from the scheme's website, fill and submit application forms.

10. NOMINATION

Only candidates who meet the eligibility criteria shall be cleared to vie. Communication shall be made to both successful and unsuccessful candidates within 3 working days after the submission of applications.

11. ELECTION CAMPAIGN

Campaigns for the respective positions shall start after nominations and run to the day preceding the election date.

11.1 Guidelines on election campaigns:

- a) Schemes funds shall not be used to campaign.
- b) There shall be no campaigns to the extent that it interferes with the KPC operations.
- c) Any action or omission by the pension schemes administration or Trustees shall not whatsoever interfere with election processes.

12. ELECTIONS

- a) The election method whether online, physical or hybrid, shall be determined by the Election Committee.
- b) The choice of the method to be used will be guided by the integrity, efficiency and reliability.

12.1 Physical Elections

- a) The Election Committee shall ensure sufficient ballots and election stationeries are availed to all the centers before the designated election day.
- b) Candidate's names shall be placed on the ballot in alphabetical order according to the surname.
- c) A sample of the final ballot may be posted closer to the Election Day in order to help members prepare to vote. The sample ballot needs to reflect the same names that are in the posted slate of nominees.

12.2 Online Elections

- a) The voting credentials will be sent via email or short message services (SMS).
- b) The access to the voting system backend shall be limited to the Election Committee and proper log in controls shall be put in place. There shall only be one person logging in at any given point. Any changes to the system during elections can only be effected with the approval of the Election Committee.
- c) The Election Committee shall designate a super user to the electoral system who will be responsible for any changes in the electoral system.

12.3 Hybrid Election

In the event of system failure the Election Committee may adopt a hybrid voting system.

13. VOTING

- a) The voting exercise shall be conducted within 30 working days from the time a vacancy is declared.
- b) Members shall be allowed to vote on the election day as may be determined by the Election Committee.

13.1 Voting process

Voting process shall be complete upon a voter casting their vote for all declared vacant position(s).

13.2 Personal Information

Candidates shall be required to submit duly completed nomination forms either in soft or hardcopy not later than the set deadline. The candidates shall be solely responsible for the information submitted and received by the Secretariat.

Mandatory requirements;

- Name of the candidate
- Company Number
- Two recent colour passport size photograph
- Academic and professional qualification (s) (minimum of Diploma and 5 years experience)
- Election category (DB or D.C or both)
- Updated copy of curriculum vitae indicating career progression in the last 5 years including current position.
- Indicate if you are a member of another board and the position you hold (Chairman or Member).
-

13.3 Candidate profile

Candidates who wish to have their profile in the members portal shall provide a summarized profile in the following manner:

- A maximum of two pages
- Times New Roman, font 12
- Single spaced
- Should be word document.

14. ELECTION OBSERVERS

- a) In the event of a physical election, any candidate whose name appears on the ballot shall have the right to present an official observer of the candidate's own choice, in all places where ballots bearing the candidate's name are to be cast or counted. The observers are however not allowed to;
 - (i) Assist in the actual conduct of the election.
 - (ii) Engage in any kind of campaigning.
 - (iii) Wear buttons or badges or any accessories in support of a candidate.
 - (iv) Pass out leaflets or attempt to discuss the election with voters.
- b) These restrictions on campaigning also apply to the members of the Election Committee who are conducting the election.

14.1 Rights of Observers

- a) Inspect the ballot box at any time up to the moment the election is to start.
- b) Be present in the room where the election is taking place throughout the hours set for the voting.
- c) Take such notes as they choose to, including making their own list of who has voted.
- d) Call the attention of the Election Committee members present regarding any violation of proper procedure, which they may observe.
- e) Remain after the polls have closed and to keep the ballot box under observation until it is opened.
- f) Observe the actual counting of the ballots, including the right to examine any suspect ballot.
- g) Maintain their own tabulation as the Election Committee counts the ballots.
- h) The candidates will be allowed to nominate their independent representative to confirm that the system cannot be manipulated.

15. ELECTION MISDEMEANORS

The following shall constitute election misdemeanors:

- a) Bribing a person to vote.
- b) Allowing an ineligible person to vote.
- c) Colluding with an Election Officer with an intention to commit an offence
- d) Use of unauthorized procedure.
- e) Influencing a voter to cast a vote in a predetermined manner, save when the voter is receiving assistance in marking the ballot.
- f) An Election Officer destroying and/or defacing a ballot or delivering a package of ballots to an unauthorized person.
- g) Giving false information during tallying..
- h) Threatening, coercing and/or intimidating an observer with an intention to influence the vote results.
- i) Inducing or persuading a voter to vote for a candidate, while acting as an election official.
- j) Intentionally voting more than once for the same candidate.

15.1 Sanctions for election misdemeanors

- a) Members who commit election misdemeanors shall be barred from vying for trustee positions for a period of 3 years; or
- b) Refer the matter to the Sponsor for further action.

16. COUNTING BALLOTS

- a) In counting the votes a Returning Officer shall be guided as follows;
 - (i) Confirm the ballot box are sealed appropriately.
 - (ii) Collect and collate all the votes in a central place.
 - (iii) Examine the ballot and call out the names of the candidates.
 - (iv) Cross check and reconcile the votes to confirm the transparency and validity.
 - (v) The form must clearly indicate the votes casts, spoiled votes and total votes per candidates (Trustees Election Results Form).
 - (vi) The final results shall then be recorded in the prescribed form (Trustees Election Results Form) and signed by the Presiding Officer and at least two independent observers as witnesses.
- b) Votes may be counted electronically following the above procedure.

17. MAJORITY VOTE

The candidate/s with the highest number of votes shall be declared winner/s.

18. RUN-OFF ELECTIONS

- a) Upon completion of the election process, candidates with majority votes cast shall be declared winner(s). If at any time candidates tie, a run-off election must be held within 30 working days from the date of election.
- b) Only the successful candidates that tie will be considered for a run-off elections.


19. DISPUTES AND IRREGULARITIES

- a) Disputes on election results shall be raised within three (3) working days following the election.
- b) The Election Committee shall hear and resolve disputes arising from the elections and make a ruling within 14 working days of appeal.
- c) Any other dispute arising before the election date shall be raised seven (7) days before the election and the committee shall deal with such cases within three (3) working days.

Signed by:


John Cheng'e

Date: 3/03/2023.


Hellen Gichuru

Date: 2/03/2023



Jael Ludeki

Date: 7th/03/23



Kithinji Ikiara

Date: 07/03/2023



Sammy Njeru

Date: 01/03/2023