



KENYA RAILWAYS STAFF RETIREMENT BENEFITS SCHEME

MINUTES OF THE 9TH ANNUAL GENERAL MEETING OF THE SCHEME HELD ON JULY 25, 2023 AT ALL SAINTS CATHEDRAL NAIROBI

BOT MEMBERS PRESENT

1. Mr. Martin Mogwanja	Chairman
2. CHRP. Asava Kadima	Trustee
3. Mr. James Kanyeki	Trustee (Acting Trust Secretary)
4. Mr. Elijah Mokaya	Trustee
5. Mr. Henry Toili	Trustee
6. CPA. Jacqueline M'mbogah	Trustee

ABSENT WITH APOLOGY

1. Mr. Philip Mainga	Trustee/KRC MD
2. CS. Dennis Aroka	Trustee/Trust Secretary

IN ATTENDANCE: Pensioners and Beneficiaries, including:

1. CS.Isaac Sila	KRSRBS CEO
2. Mr. Charles Machira	RBA CEO
3. Mr. Jackson Nguthu	RBA
4. Mr. Tom Kiptanui	RBA
5. Mr. Mohaddin Mohammed	RBA
6. Mr. Benjamin Okwengu	Fund Manager (Co-op Trust)
7. Mr. Kelvin M. Kinyua	Fund Manager (Co-op Trust)
8. Ms. Cecilia Okoth	KCB Custodian
9. CPA. Wilberforce Amugune	Ronalds Auditors
10. CPA. Evelyne Kanjagwa	Ronalds Auditors



MINUTE NO. 01/25/07 OF 2023 – AGENDA

After confirming the presence of a quorum the agenda of the meeting was adopted after proposal by Mr. Mathews Tuikong and seconded by Mr. Patrick Mbatha. The meeting was being conducted physically and virtually.

MINUTE NO. 02/25/07 OF 2023 – OPENING REMARKS

The meeting commenced at 9.29am with a word of prayer from Mr. Mohamed Mititi and Eng. M'kwenda followed by introductions of the Trustees and the service providers. Chairman explained that he was nominated by the sponsor to serve as a Trustee in May 2021, and in June 2023 he was elected as the Chairman of the Board of Trustees by the Trustees after the term of the other Chairman ended.

MINUTE NO. 03/25/07 OF 2023 - SPONSOR'S REPORT

The sponsor's report was presented by CHRP. Asava Kadima on behalf of the Managing Director Kenya Railways. Below is the sponsor's report.

- On behalf of the Board and Management of Kenya Railways Corporation, I welcome you all to this year's Kenya Railways Staff Retirement Scheme AGM. This is the second physical AGM after several years of restricted meetings as a result of the Covid — 19 Pandemic.
- The Corporation commits to continue supporting the Scheme to ensure that it attains the required liquidity in order to meet its monthly pension payments. In this regard, we have started the process of taking back part of the properties that had been handed over and substituting them with cash which is based on the current market valuation. These properties includes; Block D, Goods Shed and Landmawe.
- The Corporation has been Coordinating with the National Treasury and other GOK agencies to ensure that held funds are released to guarantee regular pension payments as promised in the last AGM. The Sponsor will ensure this will also continue in the coming year until all funds due to the Scheme are released on time.
- The Scheme BOT recently petitioned the Corporation to facilitate issuance of Title deeds to various properties that were handed over through the vesting order in the Gazette Notice of 2006. I am glad to report that the matter is being given top priority by both the Board and KRC management to have it completed in this financial year.
- The Corporation takes note of the challenges that face the Scheme and pensioners. We have examined the Strategic Plan developed by Trustees and



we are confident that if the plan is implemented, it will unlock the great potential of the scheme that will guarantee our pensioners the desired comfort in retirement. However, for this to succeed, it will require the effort of all stake holders. I urge the Scheme Trustees and Administrative staff to work towards reducing all the unnecessary administrative costs and focus on the key expenditure of paying pensioners.

- I also urge pensioners who have been using the courts from time to time to interfere with the disposal of properties to stop. Disposal of property is the only available option that will ensure pensioners are paid on time. Once again I call upon pensioners to ensure that they always elect representatives with right competences to the BOT. I also want to urge pensioners to use one collective representative group to champion for its welfare. This is the only group the Corporation would like to engage with from time to time and not individual groups.
- I am glad that the Audit of pensioners was completed and this will ensure that only legible pensioners are retained on the payroll. The Sponsor will work with RBA to ensure that all compliance regulations are adhered too.
- During the new financial year, the Sponsor will form a joint team that will oversee collection of rent and rent arrears from the current 33 Million to the expected optimum of about 45 Million. I urge all pensioners who occupy the Scheme houses to pay rent when due and must avoid using courts to deny regular payments to many pensioners who may not be staying within the estates.

Together let us all do whatever it takes to ensure that the Scheme achieves its mandate.

MINUTE NO. 04/5/07 OF 2023 - TRUSTEE'S REPORT

The Chairman presented this report which is highlighted below:

(a) Governance

- It was reported that Prof. John Agoro Nyerere had retired and the sponsor had been requested to appoint a replacement soon.
- It was reported that the role of Trust Secretary will be handled by CS. Dennis Aroka and this will give room to the Scheme CEO to concentrate on administration matters.

(b) Trust Deed and Rules

It was reported that there was need to update the Scheme TDR and the Trustees were carrying out this task. It was reported that there was a proposal to increase members



benefits and this will be incorporated in the TDR where possible the new TDR will be presented to the sponsor and RBA for approval and lastly to the members.

(c) Strategic Plan

It was reported that the Scheme had developed a Strategic Plan which was already uploaded in the Scheme website and members were encouraged to familiarize themselves with this important document.

(d) Actuarial Valuation

- It was reported that the Scheme was carrying out actuarial valuation which is supposed to be carried out after every three years. Trustees were looking for a possibility of having additional benefits to the pensioners.
- The Trustees will officially communicate to the pensioners if it will be found to be possible to have more benefits after the ongoing actuarial valuation exercise is completed.

(e) Pension arrears and Makongeni property

- It was reported that pension arrears had been calculated and will be paid once funds are available. Further the pending lump sums and statutory deductions will also be paid.
- It was reported that Makongeni land was presented to National government under Boma Yangu and the Scheme was matched with a developer who went quiet and Trustees are still looking for a developer for the 139 acres. Further it was reported that since it was not easy to sell it, Trustees were considering dividing this into 10 portions which are easier to sell.

(d) Nairobi Railway City

It was reported that Trustees have offered to the Railway City Good Shed, HQ Eastern Wing including block D, and Landmawe properties and the Scheme is hopeful that it will get developers/buyers for these lands and this will unlock the liquidity challenge.

(f) Challenges of rent collection

It was reported that Trustees have formed a taskforce with Scheme Management to handle these challenges affecting Scheme properties which are; numerous cases, encroachments, political interference.



MINUTE NO. 05/25/07 OF 2023 -FUND MANAGER REPORT

The Fund Managers presented the report by explaining their roles, Performance of the economy locally and internationally.

MINUTE NO. 06/25/07 OF 2023 -CUSTODIAN REPORT

The Scheme Custodian presented their report after which they thanked Trustees for giving them an opportunity to serve the Scheme.

MINUTE NO. 07/25/07 OF 2023 -AUDITOR'S REPORT

The Scheme External Auditors presented their report which was adopted by the members.

MINUTE NO. 08/25/07 OF 2023 - LAST AGM MINUTES

The minutes having been circulated to the members earlier were taken as read and confirmed as true record of last year's AGM after proposal by Mr. Nelson Nyaroke and secondment by Mr. Samson Omweri after which minutes were signed as true record of the AGM business.

MINUTE NO. 09/25/07 OF 2023 -RBA REPORT

- The RBA CEO thanked the BOT and the management for the good work. It was reported that the CEO could identify some pensioners whom he has known since 2006. The CEO noted that disclosure and accountability has been excellent with the Scheme and he thanked the BOT for this.
- It was reported that the Scheme had given adequate notice for the AGM. He noted that the Scheme was still facing the challenge of paying the pensioners on time and to solve this he asked the Scheme to have deliberate plan to dispose of some of the Scheme properties.

MINUTE NO. 10/25/07 OF 2023 -REMUNERATION POLICY

The proposed updating Trustees remuneration policy was declined by members.

MINUTE NO. 11/25/07 OF 2023 – QUESTIONS AND ANSWERS

Question

What are you doing to remove the cartels and court cases?

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Response

There is a taskforce and prequalified lawyers dealing with this and we do expect positive results.

Question

Why was the AGM meeting not held at the RTI?

Response

Although this is a good venue, there was a challenge of getting a venue because the students were in session and lastly it was difficulty to commute pensioners from town to and fro.

Question

Is it possible for pensioners to own houses along the railway line?

Response

It was clarified that this is for the Sponsor to decide.

Question

What was the cost of planning and hosting this AGM?

Response

The total cost was around Kes.4m

Question

Is Chambilo case closed?

Response

The case is still going on.

MINUTE NO. 12/25/07 OF 2023 –RBA RESPONSE ON QUESTIONS RAISED

Question

Can the Scheme apply ADR in some of the cases?

Response



It was advised that ADR can be embraced because it's quick and cheap

Question

Can RBA assist in member education?

Response

RBA will assist on having an education conducted to the members.

Question

Is Chairman properly in office?

Response

- RBA clarified that; the Scheme Chairman was properly in office and the Trustees have proper instruments of power. Further it was clarified that the Sponsor can appoint anyone including an employee and even a foreigner to be a Trustee.
- The RBA advised that there was need to empower the Trustees by having them paid fees that is commensurate with their efforts towards the Scheme.

MINUTE NO. 13/25/07 OF 2023 – VOTE OF THANKS

Vote of thanks was given by Mr. Amuma who thanked all the service providers, KRC, KRSRBS Board, Secretariat, RBA, caterers and all pensioners for having planned and attended the successful AGM.

MINUTE NO. 14/25/07 – OF 2023 – ANY OTHER BUSINESS

There being no other business the meeting ended at 1.45pm.

Confirmed this.....day of.....2023

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**MR.MARTIN MOGWANJA
CHAIRMAN**

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**MR.JAMES KANYEKI
AG.TRUST SECRETARY**