



INDEPENDENT ELECTORAL AND BOUNDARIES COMMISSION (IEBC)

STAFF PENSION SCHEME

MEMBER'S INFORMATION HANDBOOK *(INCOME DRAWDOWN & POST -RETIREMENT MEDICAL FUND)*

2025 EDITION



INTRODUCTION

Welcome to the IEBC Staff Pension Scheme Member's Booklet. This guide is designed to help you understand the Income Drawdown Fund (IDF) and the Post-Retirement Medical Fund (PRMF), two essential retirement benefits available to you under the scheme. It outlines the eligibility criteria, contributions, fund administration, benefits, and your rights and obligations.

SECTION A: INCOME DRAWDOWN FUND (IDF)

1. Legal Framework

- Retirement Benefits Act
- Retirement Benefits (Occupational Retirement Benefits Schemes) Regulations, 2000
- Retirement Benefits (Income Drawdown Funds) Regulations, 2023

DEFINITIONS.

“Income Drawdown”	means an arrangement that allows a member of a retirement benefits scheme to access his or her accumulated retirement benefits as a regular income through investing his or her benefits from an income draw down fund registered by the Authority.
“IDF (Income Drawdown Fund)”	means a fund registered by the Authority established for the purposes of receiving accrued retirement benefits from members of a retirement benefits scheme upon retirement, reinvestment and paying regular income.
“Member”	means a person entitles to receive benefits from an income drawdown fund;
“Nominated Beneficiary(ies)”	refers to Individuals or entities designated by the Retiree to receive benefits from the IDF upon the Retiree’s death.
“Retiree”	means a member of the Scheme who has retired and is utilizing the IDF.
“RBA (Retirement Benefits Authority)”	means the regulatory authority established under the Retirement Benefits Act.
“Scheme”	means the Independent Electoral and Boundaries Commission Staff Pension Scheme.
“Trustees”	means the Board of Trustees of the Scheme.
“Trust Deed”	means the Trust Deed and Rules of the Scheme.



2. Purpose of the IDF

The IDF is a separate fund within the Pension Scheme aimed at:

- Receiving members' retirement benefits
- Reinvesting funds for growth
- Paying regular income to members

3. Composition of the Fund

Includes transferred amounts, investment returns, income accumulations, and deductions for costs and benefits.

4. Governance

Managed by the Board of Trustees responsible for all operations, legal compliance, and member education.

5. Eligibility & Obligations

Available to members aged 50+ or transferring from another IDF.

Requirements;

- Application forms,
- Payment mode of the benefits and
- Portion declaration.

6. Fund Administration

- Minimum drawdown period is 10 years.
- Withdrawals limited to 12% annually.
- Options post-10 years include continued drawdown, annuity purchase, or lump sum withdrawal.

7. Upon Death of Retiree

Remaining funds can be paid out as annuity, continued drawdown, or lump sum. Nominees may vary terms.

8. Portability

Transfer allowed after 5 years or 10-year drawdown. Only lump sum transfers are allowed.

9. Investment Guidelines

Guided by separate investment policy and RBA Table G.

[FREQUENTLY ASKED QUESTIONS \(FAQs\)](#)

Q: Who qualifies to join the IDF?

A: Any member aged 50+ who is eligible for retirement or transferring from another registered IDF.

Q: Can I take my entire pension as a lump sum through the IDF?

A: No. You may only withdraw up to 12% annually and may take a lump sum only after 10 years.

Q: What happens to my IDF balance when I die?

A: The nominated beneficiary can choose to continue the drawdown, purchase an annuity, or receive a lump sum payout.

Q: Can I transfer my IDF to another provider?

A: Yes, after at least 5 years in the IDF or 10 years of drawdown, subject to a 30-day notice.

Q: Can the withdrawal rate change?

A: Yes, you may revise your rate annually, up to the maximum of 12%.



SECTION B: POST-RETIREMENT MEDICAL FUND (PRMF)

1. Legal Framework

- Retirement Benefits Act
- Occupational Regulations, 2000
- Post-Retirement Medical Funds Regulations

DEFINITIONS

“Entry Date”	means the date on which a Member starts to participate in the Medical Fund;
“Medical Cover Provider”	shall mean: <ol style="list-style-type: none">a) a post-retirement medical fund;b) the Social Health Insurance Fund established by the Social Health Insurance Act, 2023; orc) an insurer, broker or medical insurance provider registered under the Insurance Act;
“Medical Fund”	means Independent Electoral and Boundaries Commission Staff Pension Scheme Post- Retirement Medical Fund;
“Medical Fund Contributions”	means the contribution made by a Member over and above the basic contribution to be used for purposes of purchasing a post-retirement medical cover;
“Medical Fund Credit”	means the Member’s Medical Fund Portion as defined in these Rules;
“Medical fund rules”	shall mean these rules relating to the establishment, administration and management of post-retirement medical funds;
“Member”	means an Eligible Employee who having been admitted to membership of the Medical Fund in accordance with these Rules, has not ceased to be a Member in terms of these Rules.
“Member’s Medical Fund Portion”	means in relation to each Member at any particular date an amount equal to the aggregate of his Contributions to the Medical Fund plus the Member’s Portion of any transfer payment received in respect of the Member, increased or decreased at such rate that the Trustees, in consultation with the Actuary, Fund Manager (or such other qualified person as the Trustee may determine), shall in their reasonable discretion from time to time declare, at least annually, having regard to the Income on the Fund’s assets;
“Medical Fund Retirement Date”	The Normal Retirement Date as defined in the Trust Deed and Rules;



“PRMF”

Means Post-Retirement Medical Fund;

“Salary”

Means the basic pensionable salary of a member.

2. Purpose

To provide healthcare support to retirees using part of their retirement savings.

3. Eligibility

Voluntary for all scheme members upon application.

4. Contributions

Minimum 1% of basic salary by member, up to 10% of benefits optionally. The Sponsor may also contribute upon passing a resolution to do so.

5. Fund Administration & Investment.

Trustees manage investments. However a separate investment strategy (IPS) required if PRMF exceeds Ksh 50M.

6. Benefits

At retirement, funds used to buy medical cover, pay premiums, or cover direct expenses.

7. Death Benefits

Funds may provide medical benefits to nominees or be paid as a lump sum.

[FREQUENTLY ASKED QUESTIONS \(FAQs\)](#)

Q: Is joining the PRMF mandatory?

A. No. Participation in the PRMF is voluntary.

Q: How much do I contribute to the PRMF?

A: A minimum of 1% of your basic salary. You can also allocate up to 10% of your accrued retirement benefits.

Q: What happens to PRMF money when I retire?

A: It may be used to purchase medical cover, pay premiums directly, or meet actual medical expenses.

Q: Will the PRMF cover my family?

A: That depends on the selected medical provider's policy. The PRMF itself provides the funds; coverage depends on the insurer.

Q: What happens to my PRMF when I die?

A: The funds will be used to support the nominated beneficiaries' medical needs or paid as a lump sum.

Independent Electoral and Boundaries Commission Staff Pension Scheme

Providing our members with financial security and stability in retirement



SAMPLE ANNUAL PREMIUMS BY COVER TYPE AND AGE BAND

	Cover type	Inpatient					Outpatient		
	Annual limit (Kes)	500,000	1,000,000	3,000,000	5,000,000	10,000,000	100,000	150,000	200,000
Age band	60 - 64	34,061	44,776	60,359	69,636	83,563	47,959	53,802	58,002
	65 - 69	51,905	72,605	108,434	125,218	163,685	53,811	62,491	72,522
	70 - 74	61,638	86,219	128,765	148,696	194,375	59,193	68,741	79,774
	75 -79	64,882	90,757	135,542	156,522	204,606	68,663	79,564	91,875