

THE COCOA ABRABOPA PENSION SCHEME (CAPS)

AT A GLANCE

WHAT IS CAPS?

CAPS is the acronym for Cocoa Abrabopa Pension Scheme. It is a voluntary Group Personal Pension Scheme designed principally for members of Cocoa Abrabopa Association (CAA). The Scheme is designed in line with National Pensions Act, (Act 766) and has been duly registered by the National Pension Regulatory Authority (NPRA) as a Group Personal Pension Scheme.

WHAT ARE THE OBJECTIVES OF CAPS?

- To provide benefits that will ensure income security for members of the Scheme.
- To serve as a source of livelihood promotion for members of the Association.

WHO ARE THE APPROVED SERVICE PROVIDERS?

- Glico Pensions Trustee Company - Administrators
- Ecobank Ghana Limited - Custodian
- Gold Coast Securities Limited - Fund Manager

HOW IS CAPS MANAGED?

The CAA Pension Trust has been established by the sponsors of CAPS to oversee the management and administration of the scheme. The CAA Pension Trust has a 4-member Board of Trustees, including an Independent Trustee that has been approved by the NPRA. CAA Pension Trust has

established a CAPS Secretariat at Dunkwa (CAA building) and appointed an Administrative Secretary to co-ordinate all activities relating to the scheme.

HOW DOES ONE BECOME A MEMBER OF CAPS?

To become a member of CAPS, you need to complete a membership registration form and provide one passport size picture. Each registered member shall be issued with a registration card and assigned a **unique ID number**.

HOW MUCH DOES A MEMBER HAVE TO CONTRIBUTE?

A member shall contribute the monetary equivalent of **one bag (64kg) of cocoa per acre per year**.

A member shall be permitted to make additional voluntary contributions in excess of the rate stated above. The sponsors of CAPS shall make a matching contribution of fifty dollars (US\$50) per year on behalf of each member during the **first three years** of the scheme's operation that will be deposited in a Special Investment Fund. The matching contribution by the sponsors shall become vested in the member if the member makes the requisite contributions consistently during the first three (3) years of the scheme's operation. However, where a member fails to make the requisite contributions consistently during the first three (3) years of CAPS, the matching contributions made on behalf of the member shall be withheld and refunded to the sponsors with any interest accruing thereon.

Contributions shall be paid **on or before 31st December** of each calendar year after the sale of cocoa produce. The CAPS Secretariat shall issue an invoice to each member for payment of contributions based on the acreage of cocoa farm.

OPERATION OF THE CAPS ACCOUNT

Each member shall have two (2) Accounts

- Account A: General Savings Account
- Account B: Retirement Account

Every contribution by a member shall be divided into two equal parts and credited to the two individual accounts. The matching contribution by the sponsor shall only be credited to Account B

HOW ARE THE SCHEME FUNDS INVESTED?

Gold Coast Securities invests the scheme funds in line with the Statement of Investment Policy document designed by the CAA Pension Trust and approved by the NPRA.

CAN A MEMBER WITHDRAW PART OF HIS/HER SAVINGS?

A contributor may withdraw part of the accrued benefits in the General Savings Account after one (1) year of first contribution

HOW DO CONTRIBUTORS KNOW THE BALANCE IN THEIR ACCOUNTS?

With three months after every financial year, each member of the scheme shall be issued with a statement of account showing the outstanding balances of the member's accounts with respect to the scheme as at the end of that year.

BENEFITS ARE PAYABLE UNDER CAPS

The following benefits are payable under CAPS:

- Retirement benefit
- Disability benefit

WHAT ARE THE QUALIFYING CONDITIONS?

- **Retirement benefit:**

A member who has attained the statutory retirement age of 60 years is entitled to the entire accrued benefits in the scheme as lump sum

- **Death benefit:**

On the death of a member before or after the retirement age, any accrued benefit of the member shall devolve on the member's nominated beneficiaries, and in the absence of a nominated beneficiary, in accordance with the applicable laws of Ghana

- **Disability benefit:**

A member is entitled to the entire accrued benefit in the scheme as lump sum following certification by a duly constituted medical board that the contributor is incapable of any normal gainful employment by virtue of a permanent physical or mental disability.

ADDITIONAL BENEFITS

A scheme member is permitted to use the accrued benefits as collateral to secure a mortgage for primary residence. A scheme member may also use the accrued

benefits in the general savings account as collateral to secure a loan for farm inputs.

ADDITIONAL LIFE INSURANCE PROTECTION

A life insurance premium of **0.65%** of the total contribution by the member shall be deducted for the purpose of providing additional life insurance cover for the member.

The life insurance premium is deducted before the balance is credited to the member's Accounts A and B.

WHAT IS THE BENEFIT FOR THE LIFE COVER?

The life insurance cover shall entitle the nominated beneficiary (ies) of the deceased member to a sum assured which is equivalent to two (2) times the total contributions made by the deceased member during the preceding calendar year in addition to the outstanding balance in the deceased's accounts.

ENQUIRIES

For Further Enquiries Contact:

The Administrative Secretary

CAA Pension Trust

Ground Floor,

Cocoa Abrabopa Association

Head Office, Dunkwa-on-Offin

Tel: 03322-28036/28246

Fax: 03322-28933

Mobile: 020-6513887

Email: capsoffice@caaptgh.com

joe.gordon-mensah@caaptgh.com

Website: www.cocoabrapopa.org/caps