



## NUBRI RETIREMENT SAVINGS PLAN

### 1 NUBRI CAPITAL INFORMATION

**Company** : Nubri Capital Private Ltd  
**Contact** : P.O. Box 724  
Thimphu, Bhutan  
**Registered License** : Royal Monetary Authority –  
Financial Services Act of Bhutan, 2011  
Ministry of Economic Affairs –  
Incorporated Under Companies  
Act, 2000

### 2 DEFINITION

A fund established by an employer to facilitate and organize the investment of employees' retirement funds contributed by the employer and employees.

The Retirement Savings Plan Fund is a common asset pool meant to generate stable growth over the long term. The Nubri Capital Retirement Plan Fund is contributory, fully funded, privately managed, third party custody of the funds and assets based on individual accounts. It ensures that everyone who is a member of the Fund receives retirement benefits as and when

due. Capital is contributed into individual employee's Retirement Savings Account (RSA) and when a member retires there will be money in the member's RSA to pay retirement.

### 3 OBJECTIVE

The primary objective of the retirement savings fund is to ensure that every person that worked in either the public or private sector in Bhutan has made retirement investments. It is Nubri Capital's goal to assist private and public sectors in the management, supervision and administration of their retirement funds.

The objective of the Retirement Saving Plan is to advance the financial security of all plan members and beneficiaries at retirement. It will provide efficient and effective investment management; and achieve the highest possible return at an acceptable level of risk.

### 4 ACCOUNTABILITY & GOALS

The Nubri Capital is accountable for the effective management of the Retirement Savings Plan Fund of its members. Our goals are:

- i. To manage the Fund with care and in accordance with laid out norms and or recognizing the needs of all stakeholders in the Retirement Savings Plan;

- ii. To maintain the security of the Fund assets by establishing appropriate internal controls and monitoring the investment managers and trustee;
- iii. To provide leadership to the Fund Committee and the Company in providing a highly regarded Retirement Savings Plan that will provide a reasonable rate of return on investments and a stable funding rate for the Company with an acceptable degree of risk;
- iv. To ensure the effective operation of the Fund by planning and chairing all regular and special meetings of the members, and advising the members on a variety of retirement saving and investment issues; and
- v. To communicate effectively about important Fund matters with the Fund membership.

## 5 FUND SCHEME

The fund will be mobilized from members. The capital contribution from members will consist of monthly contribution from employee and employer. The contribution, together with the returns earned, will be credited to the member's account. The amount accumulated will be paid to the member (or beneficiaries) on retirement, death or permanent disability.

## 6 SCOPE AND COVERAGE

Nubri Retirement Savings Plan Fund shall extend to all its members in Bhutan. Contributors will receive a fixed rate of return of 7.50%<sup>1</sup> annually on their capital contribution.

## 7 CONTRIBUTION

The employees of the member firm/company shall contribute at the rate determined by the scheme rules and regulations or the service rules and regulations or the contract of employment of the concerned member company or agencies. Minimum contribution should be 5% of the basic salary of the employee.

## 8 THE PROCESS OF REMITTANCE

The employer, on behalf of the employee may make a matching contribution to the fund. The contribution collected shall be remitted to the Nubri Capital, in a prescribed form, within the 10th day of every following month.

The member company or agency will ensure correctness of information furnished and shall be liable for any damages or loss suffered due to

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<sup>1</sup> Rate of return may change according to market conditions. If there is a change in the rate of return, members of Retirement Savings Plan will be notified at least 3 months prior to the change in rate of return.

incorrect or inadequate or untimely information and remittances.

## **9 FAILURE TO CLAIM THE BENEFIT**

If a members or a nominee fails to claim the benefits after a period of 5 years, Nubri Capital shall forfeit the fund to Nubri Capital general reserve account.

## **10 REFUND FROM PROVIDENT FUND PROCESSING**

During the time of retirement, the head of department shall process the refund documents and submit to Nubri Capital.

## **11 BENEFIT IN CASE OF DEATH**

In case of death of a member, the fund will be given to the nominee as per the terms of agreement and MOU.

## **12 MEMBERSHIP**

The membership of the Retirement Savings Plan Fund will be formalized through an MOU executed between Nubri Capital and member firm.

## **13 ROLES & RESPONSIBILITIES**

### **13.1 Board of Trustees**

The Board of Trustees is ultimately responsible for the oversight and management of the Fund. It is the legal administrator of the Fund and has the fiduciary obligation to ensure that the Fund is administered in the best interests of its members and beneficiaries.

As a result, the Board of Trustees has specific duties and responsibilities to the Fund which can include but is not limited to:

- i. Amending the Plan and approving amendments to the Plan;
- ii. Approving retirement benefits changes;
- iii. Appointing and conducting periodic reviews of the Fund;
- iv. Reviewing all financial, actuarial and administrative aspects of the Plan;
- v. Receiving as information, an annual report on the operation of the Plan and performance of the Fund's assets.

### **13.2 Administrator**

Nubri Capital, as administrator of the Fund and appointed by the Board of Trustees, is responsible for the day-to-day operation and administration of the Fund. The administrator has a fiduciary responsibility to act in the best interests of the Fund's members and beneficiaries. The duties and responsibilities of the administrator will include (but not limited to):

- i. Act as a liaison between the Board and the Fund and report on all aspects of the administration of the retirement plan;
- ii. Promote awareness and understanding of the Plan among members, potential members and other stakeholders;
- iii. Review performance and make any necessary recommendations regarding the Fund to the Board as required;
- iv. Ensure the effective provision of retirement to members by providing exceptional but cost effective service;
- v. Ensure the Fund meets its obligations to members by building effective internal management, retirement analyst and accounting teams;
- vi. Ensure the management and investment of the Fund's assets are for long-term growth, with acceptable risk levels to meet the liabilities of both present and future retirement payments;
- vii. Ensure the effective administration of the Plan in accordance with the Rules & Regulations.

## **14 INVESTMENT**

Nubri Capital shall utilize the retirement Fund as Long Term Fund with fixed rate of interest approved by the Board from time to time.

## **15 TAX EXEMPTION**

The Retirement Fund benefit to members shall be exempted from personal income tax as per the Income Tax Act 2001 of the kingdom of Bhutan.

## **16 ACCOUNTS & AUDIT**

The accounts shall be rendered as at 31st December every year and shall be audited by a reputed Audit Firm approved by the Board. The audited accounts shall be placed before the Board for approval.

Nubri Capital shall furnish every member with a statement of his/her account through his/her employer giving details of opening balance, contribution made during the year, interest credited during the year, closing balance not later than six months from the closing of accounts every year.

## **17 CHANGES TO TERMS AND CONDITION**

Changes made to the fund will be reported to the Royal Monetary Authority.

## 18 AUDITOR

**Name** : Menuka Chhetri & Associates  
Chartered Accountants  
Empanelled by the Royal Audit  
Authority

Any amendments/replacement/re-enactment of Regulations for Fund Management Company in Bhutan, 2011 subsequent to the date of this Scheme Information Document shall prevail over those specified in this Scheme Information Document.

## 19 NUBRI CAPITAL – PRESENT BOARD OF DIRECTORS

For and on behalf of the Board of Directors of Nubri Capital Private Limited.

	<b>Name</b>	<b>Designation</b>
1	Chador Wangdi	Chairman
2	Dasho Tandin Namgyel	Director
3	Lopen Sangay Chophel	Director
4	Pema Thinley	CEO/Director

Pema Thinley  
Nubri Capital Pvt.Ltd  
P.O. Box 724  
Thimphu, Bhutan

## 20 COMPLAINS

All complaints will be addressed to:  
Complaints  
Nubri Capital Pvt. Ltd  
P.O. Box 724  
Thimphu, Bhutan

## 21 STATUTORY DECLARATION

We hereby declare that all the relevant provisions of the Regulations for Fund Management Company in Bhutan, 2011 and the related laws, regulations of the Authority have been complied with. Also, no statement made in the Scheme Information Document is contrary to the provisions of the Regulations for Fund Management Company in Bhutan, 2011.