



**MINEWORKERS
PROVIDENT FUND**

BENEFITS IN RESPECT OF MINEWORKERS PROVIDENT FUND

EVENT	QUALIFYING CRITERIA	BENEFIT COMPOSITION	OPTIONS	TAX IMPLICATIONS	BITS AND TIPS												
RETIREMENT	<p>You receive your retirement benefit when you leave the service of your employer at normal retirement age OR at any time after age 55 years if you opt to take early retirement.</p> <p>Retirement age: Underground members • between 50 and 60</p> <p>Other members • between 50 and 63</p>	<p>Your fund credit is paid in cash. Fund credit consists of:</p> <ul style="list-style-type: none"> • The total retirement contributions; • Total Voluntary Contributions; • Total Transferred Portion (if any); and • Net investment return. 	<p>You may buy a pension (annuity) from a registered insurer of your choice with all or a portion of your provident fund benefit. You continue to be covered for the funeral benefit when you retire.</p> <p>The amount payable is R30 000 for the member only. Please insist on your funeral paid-up certificate from your employer before leaving service.</p>	<p>Lump sum benefits taken in cash is taxed as follows: First R500 000 is tax free (provided you have not used this exemption before)</p> <p>Next R500 001 to R700 000 taxed at 18%</p> <p>From R700 001 to R1 050 000 taxed at 27%</p> <p>Any cash withdrawn above R1 050 000 is taxed at 36%</p> <p>Please note that the R500 000 tax free and the table are applied to the total of a person's lump sum retirement benefits taken from all funds i.e. will include both pension and provident funds and retirement annuities, over your lifetime.</p>	<p>The Fund does not offer a monthly pension. Instead you must buy a pension from one of the many registered pension providers. It is advisable that you obtain financial advice from an accredited financial advisor.</p> <p>To find a financial advisor you can go to the Financial Planning Institute at www.fpi.co.za</p>												
RESIGNATION / RETRENCHMENT / DISMISSAL	<p>You receive a withdrawal benefit when you leave the service of your employer, either due to resignation, retrenchment or dismissal, before you reach normal retirement age.</p>	<p>Your fund credit is paid in cash.</p>	<p>If you wish to preserve your withdrawal benefit you can transfer your benefit to:</p> <ul style="list-style-type: none"> • A preservation fund; • A retirement annuity; or • Your new employer's fund. 	<p>Your benefit in the Provident Fund can be transferred tax free to another provident fund or preservation provident fund when you resign. In the event that you decide to take the benefit as a cash lump sum only the first R25 000 is tax free. You must register as a tax payer with the South African Revenue Services (SARS). Your tax affairs must be up to date at all times as any benefit due from the Fund is subject to tax clearance from SARS.</p>	<p>It will be wise to save your money until you retire. Taking your money in cash may result in you not having enough money to retire on in the future.</p>												
DISABILITY – ACTIVITY DAILY LIVING (ADL)	<p>To qualify for this benefit you must be permanently unfit to perform at least three of the following:</p> <ul style="list-style-type: none"> • Feed yourself • Wash yourself • Dress yourself • Go to toilet alone • Walk around or • Move between a bed and chair 	<p>If you are disabled</p> <p>You will receive a cash amount equal to:</p> <ul style="list-style-type: none"> • Your fund credit Plus • 3 times your annual salary or a minimum of R140 000 	<p>In the event of an application for disability benefits being unsuccessful, you may opt to retire from the fund, provided that you have in fact left the service of your employer.</p>	<p>Disability benefits taken in cash will be taxed in the same way as the retirement benefit – see above.</p>	<p>Medical evidence (doctor's reports) to support your claim must be submitted.</p>												
DISABILITY - TERMINALLY ILL	<p>This benefit is a full acceleration of the lump sum death benefit that is payable when the member is diagnosed with a terminal illness;</p> <p>To qualify for the benefit, the member must have been diagnosed with a condition or illness that in the Insurer's opinion will lead to his death within 12 months.</p>	<p>If you are terminally ill you will receive an amount equal to:</p> <p>Your fund credit. PLUS 3 times your annual salary</p>	<p>In the event of an application for disability benefits being unsuccessful, you may opt to retire from the fund, provided that you have in fact left the service of your employer.</p>	<p>Terminally ill benefits taken in cash will be taxed in the same way as the retirement benefit - SEE ABOVE.</p>	<p>Medical evidence (doctor's reports) to support your claim must be submitted.</p>												
DEATH IN SERVICE	<p>To qualify for this benefit the member must have passed away whilst in service of the employer.</p> <p>Benefits are subject to acceptance by the insurer in terms of the policies of insurance.</p>	<p>Your dependants will receive a cash amount equal to:</p> <ul style="list-style-type: none"> • Your fund credit Plus • 3 times your annual salary 	<p>Although the Trustees may follow members' wishes in terms of their completed nomination form, the final decision of who will receive the death benefit rests with the Trustees.</p>	<p>The death benefits will be taxed in the same way as the retirement benefit – see above. If the member was not a registered tax payer the payment of benefits may be delayed. Make sure your tax affairs are in order.</p>	<p>Members are reminded to update their beneficiary nomination forms regularly to prevent any unnecessary delays in the distribution of your death benefits.</p>												
FAMILY FUNERAL BENEFITS	<p>A funeral benefit is payable from the Fund in the event of the death of a Member, Spouse or his Children.</p>	<table border="0"> <tr> <td>Member</td> <td>R30 000</td> </tr> <tr> <td>Spouse</td> <td>R30 000</td> </tr> <tr> <td>Children (14 to 21)</td> <td>R30 000</td> </tr> <tr> <td>Children (6 to 3)</td> <td>R15 000</td> </tr> <tr> <td>Children (1 to 5)</td> <td>R 7 500</td> </tr> <tr> <td>Children (<1 year, includes stillborn children)</td> <td>R 3 750</td> </tr> </table>	Member	R30 000	Spouse	R30 000	Children (14 to 21)	R30 000	Children (6 to 3)	R15 000	Children (1 to 5)	R 7 500	Children (<1 year, includes stillborn children)	R 3 750	<p>If you have retired from the Fund you continue to be covered for the funeral benefit of R30 000.</p>	<p>No tax is payable on these benefits.</p>	<p>When reporting your death, your spouse or next of kin should bring along a certified copy of your death certificate and identity document. This will ensure that the process of paying the funeral benefit is done as soon as possible.</p>
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<p>REPATRIATION OF MORTAL REMAINS</p> <p>On the death of a member, the transportation of the body can present logistical challenges to the deceased's family. Metropolitan can assist the bereaved family and next of kin with the repatriation of the mortal remains of the deceased member to a funeral home closest to their normal place of residence.</p> <p>This service includes the transfer of the ashes of the deceased member to their place of normal residence. This service is also extended to members resident outside the borders of RSA and is limited to beneficiaries resident in SADC countries except for Mauritius and Seychelles.</p> <ul style="list-style-type: none"> • The service is provided through a network of service providers close to the vicinity of the deceased • The customs and beliefs of the member will be respected • The necessary documentation to transport the deceased will be arranged, including cross-border documentation <p>These repatriation services are available on the death of a member or on the death of his/her spouse, children, parents and parents-in-law.</p> <p>This service is provided through the Call Centre, 24 hours, 7 days a week, 365 days a year. Call Centre number: 0861666111</p>																	
HOME LOAN SCHEME	<p>To qualify for this benefit the member must have built up sufficient Fund Credit and can afford to make monthly repayments.</p>	<p>Loans can be taken up to 60% of withdrawal benefits.</p>	<p>The loan can be used for:</p> <ul style="list-style-type: none"> • Buying an existing home; • Building a new home; • Improving an existing home. 	<p>Should you change jobs, the home loan would have to be repaid. This could happen in a number of ways, for example:</p> <ul style="list-style-type: none"> • You can arrange with your new employer to continue with the payroll deduction of the loan and, where applicable, to arrange with your new fund to stand surety for the loan; or • Request your fund to settle the loan in full, from your withdrawal benefit, upon your termination of • your membership; should you not succeed to secure the above arrangement. 	<p>The maximum loan term is 30 years or up to your normal retirement date (whichever is the lesser number of years).</p>												

For more details about your benefits please refer to the Fund's Member Guide booklet. The booklet is available from your HR office or on the Fund's website at www.mineworkers.co.za

CONTACT DETAILS

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