



## MEMBER BOOKLET 2025

**KWAZULU NATAL  
PROVIDENT FUND**

**KWAZULU NATAL  
RETIREMENT FUND**

REGISTRAR OF PENSION  
FUND REFERENCE NUMBER:

12/8/26325

REGISTRAR OF PENSION  
FUND REFERENCE NUMBER:

12/8/6591

REGISTERED ADDRESS:- 40 ESSEX TERRACE, WESTVILLE, 3629

POSTAL ADDRESS:-P O BOX 582, WESTVILLE, 3630

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## **FOREWORD**

Those who earn an income should also provide for their future old age. Any of the following could happen to you in the future:

- You could continue working until you retire;
- You could leave your present job;
- You could become ill or have an accident;
- You could become disabled or even die.

The purpose of this Booklet is to provide you with a brief description of the benefits available under the Fund and, in addition, the Group life Assurance, Disability and Funeral Benefits are explained. This Booklet is only a guide, and your full rights under the Fund are governed by the formal Rules and Policies that are available to you upon request. In addition, the Fund's latest Annual Financial Statements and the most recent valuation report may be inspected at 40 Essex Terrace, Westville.

In the event of any discrepancy between the Rules and this Booklet, the Rules of the Fund will prevail.

Please study this Booklet carefully so that you understand what the implications of being a member of the Fund are for you and your dependants.

## **TYPE OF FUND**

The Funds are Defined Contribution Funds. This means that your end benefit is determined by the contributions made to the Fund and the investment returns earned on these contributions. If the investments appreciate, the value of your benefit increases. If the investments depreciate, the value of your benefit decreases. This means you carry the investment risk.

The South African government had amended legislation effective from 1 March 2021 in order to harmonise the treatment of all types of retirement funds being. Pension, Provident and Retirement Annuity Funds. In other words, members of Provident Funds will now have to use 2/3rds of their retirement benefit to purchase an annuity.

## **CONTRIBUTIONS TO THE FUND**

The total contributions contributed to the Fund represents 16% of pensionable salary. Of this 16%, 12% goes towards your retirement benefit, 3% is used to pay for death, funeral and disability benefits, while the remaining 1% is used to meet the cost of all the Fund's expenses. The provision of Risk Benefits is subject to affordability and is therefore subject to change.

## **FUND CREDIT**

Your Fund Credit is the sum of all the contributions allocated to your retirement benefit, increased or decreased by investment return. The amount of returns you will receive will depend on the amount earned by the Fund's investments that are managed by Asset Managers appointed by the Board of Trustees.

## **TAX ON BENEFITS**

All benefits that become payable may be subject to tax and may therefore be reduced by an amount of money to be paid to the South African Revenue Services (SARS). Further to this, the benefits may also be reduced by any other taxes you owe to SARS.

## **RETIREMENT BENEFIT**

### **Retirement Age**

The Normal Retirement Age is 60, but you can retire any time after reaching age 55. You may claim your retirement benefit on date of leaving employment, on written confirmation from your Employer. The later you retire, the higher your benefit will be and on retirement from the Fund, your membership of the Fund will cease.

## **DEATH BENEFIT**

### **Life Assurance Benefit**

If you die while a contributing member of the Fund prior to age 65, your beneficiary(s) will be paid a life assurance benefit of 5 times your annual pensionable salary. For example, if your monthly pensionable salary is R5, 000 your life assurance benefit will be R 300 000 (R5, 000 x 12 months x 5).

Payment of the Life Assurance Benefit is subject to one contribution having been made within the two months prior to date of death. If death occurs within the first three months of membership of the Fund, unless death is as a result of an accident, the life assurance benefit shall not be paid.

For contributing employees aged 65-70 years, a R100 000 cover plus fund credit is payable.

### **Fund Credit**

Your beneficiary(s) will also be paid your Fund Credit.

## **NOMINATION OF BENEFICIARY**

It is important that you nominate a beneficiary(s). This is necessary so that, in the event of your death, the Trustees will be aware of your wishes in respect of the benefits due, and to whom they should be paid, at that time. Should you decide, at any time, to change the nomination(s), you should inform the Administrator of the Fund as early as possible and complete a new Nomination of Beneficiary Form.

Should you pass away whilst a contributing member of the Funds, the Trustees will take your nomination of beneficiary(s) into account although they must decide on any allocation in terms of the Pension Funds Act.

## FUNERAL BENEFIT

As a contributing member of the Fund prior to age 65, you and your immediate family will be covered for Funeral Benefits should you or a member of your immediate family die. The following benefits are payable – note that a child's benefit depends on the child's age at date of death:

You, your spouse, or children aged 14 to 21 years	:	R 60, 000
Children aged 6 to 13 years	:	R 33, 750
Children aged 1 to 5 years	:	R 20, 000
Children aged 0 to 11 months	:	R 16, 500
Children if stillborn	:	R 13, 500

**NOTE :** An unmarried child is covered up to the age of 21 years and up to the age of 25 years if a full-time student. You must, at claim stage, be able to provide proof from a recognised educational institution that the child was a full-time student at date of death.

Payment of the Funeral Benefit is subject to the member being a current contributor of the Fund at the date of death.

## DISABILITY BENEFIT

### Insured Disability Benefit

If, as a contributing member of the Fund prior to age 65, and based on the medical evidence submitted, the Insurer of this benefit considers you to be totally disabled from performing your occupation, you will receive the following benefit after a period of three (3) months from the date of your disablement:

A disability benefit of 75% of your average pensionable salary during the period of 12 months preceding your disablement will be paid to you. For example, if your average monthly pensionable salary is R5,000, your benefit will be R3,750 per month. This benefit will be paid for 21 months and will commence after the 3 month waiting period has expired. The insurer will pay your contributions to the Fund during this period. This benefit will cease on your recovery or your death within the 21 month period.

After the 21 month payment period, and if your disability is considered to be permanent and total, a lump sum benefit of 3 x your annual pensionable salary (in this example R 5,000 x 12months x 3 = R 180 000) will be paid to you, and your membership of the Fund will cease. You will also be paid your Fund Credit in addition to the lump sum disability benefit.

Details of injuries and illnesses that are not covered for the above insured benefit are given in the Rules of the Disability Benefit Scheme.

Payment of the Insured Disability Benefit is subject to one contribution having been made within the two months prior to date of disability.

## **WITHDRAWAL BENEFIT**

If you leave your employment before retirement age, you may claim your Vested Fund Credit and Savings Pot balance on the date of leaving employment.

## **MANAGEMENT AND ADMINISTRATION OF THE FUND**

The Fund has been established as a privately administered Fund, controlled by a Board of Management. The Board is made up of representatives of the employees and the employers.

Alexander Forbes Financial Services provide consulting and actuarial services for the Fund.

The KwaZulu Natal Master Builders & Allied Industries Association is the Administrator of the Fund.

The Fund is governed by a set of Rules that have been registered with the Registrar of Pension Funds.

Should you have any queries concerning your benefits under the Fund, kindly direct your queries through the Administrator at P O Box 582, Westville, 3630  
or 40 Essex Terrace, Westville, 3629  
Telephone number: 031-2667070  
Fax number: 031-2666348  
Email: [benefits@masterbuilders.co.za](mailto:benefits@masterbuilders.co.za)