

MEAT TRADE PROVIDENT FUND

Registration No. 12/8/37876/1

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Administered by:



Reg No. 2021/511405/07
Licenced Financial Services Provider No. 11277
Authorised 13B Administrator Reg. No. 24/432

Disclaimer

This is not a legal document, the
information provided is intended as
guidelines in line with the Rules of the
Meat Trade Provident Fund

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MEMBER GUIDE



The Provident Fund's responsibility to its Members

The Meat Trade Provident Fund is committed to deliver value for money to its members. The Board of Management hold the responsibility of identifying, managing and monitoring all risks, a responsibility they take very seriously. Regulatory governance and compliance are of paramount importance, and the Trustees diligently fulfil their fiduciary duties. The systems and processes are continuously monitored to ensure reliability, accuracy, and effectiveness, reinforcing the Fund's commitment to sound management and proactive oversight.

Who looks after the Provident Fund?

The Provident Fund is overseen by the following: -

- **Board of Management (Trustees)**
The Board consists of six individuals, with three independent board members appointed by the Bargaining Council and three appointed by the parties to the Council. The Trustees' key fiduciary duty is to protect the interests of members according to the Rules of the Fund and provisions of the Act.
- **Independent Trustees**
Board members with expertise in retirement funding who are fully independent from the Bargaining Council.
- **Administrator**
The Provident Fund has appointed WA Davidson (Pty) Ltd to undertake the administration of the Fund.
- **Fund Investments**
The Trustees invest the funds of the Provident Fund with a registered Investment institution, ensuring professional management of assets to optimize member returns.

Withdrawal Benefit

In the event of your resignation, dismissal, or retrenchment, you will become entitled to the withdrawal benefit in your Vested Component and Savings Component subject to legislation. The benefit in your Retirement Component will be reserved to purchase an annuity at your retirement age and cannot be withdrawn before that time.

General Information

- ✚ **Exit from the Fund:** Upon your exit from the Fund (whether through resignation, retirement or death), your benefit will remain in the Fund's investment portfolios, with investment returns added to your Share of Fund until the benefit payment or transfer is made.
- ✚ **Three month waiting period:** In terms of the Bargaining Council Collective Agreement, all resignation and dismissal claims have a three-month waiting period from the employment termination date, before being processed. If the member re-enters the trade, the benefit cannot be paid out and membership of the Fund continues with the new employer.
- ✚ **Tax Requirements:** At the date of your exit from the Fund, together with your claim form, you must provide your tax number. The administrator is required to obtain a tax directive before your benefit can be paid. Any tax due will be deducted from your Share of Fund and paid to the Receiver of Revenue, and the remaining amount will be paid to you.
- ✚ **Two-Pot System:** Effective from 1st September 2024, the Two-Pot system will apply.
- ✚ **Beneficiary Nomination:** Ensure you lodge an updated 'Death Benefit Beneficiary Nomination' form with the Bargaining Council for Meat Trade Gauteng, where it will be kept together with your membership record.
- ✚ **Administration Charges:** The Administrator reserves the right to levy an administration charge on any unclaimed benefit in the Fund.
- ✚ **Disputes:** If you dispute any information provided to you, please submit your query in writing to the Fund, which will respond to you.
- ✚ **Fund Rules:** Please note this leaflet is for information purposes only, and in all cases, the Rules of the Fund will take precedence.

If a Member ceases paying Contributions

If a Member has ceased paying contributions to the Fund following termination of his/her employment as advised by the employer in terms of the Bargaining Council Collective Agreement, which termination shall not be attributable to disability or death, then he/she and his/her dependants shall not be entitled to the disability benefit or death benefit in terms of the Rules of the Fund.

Annual Benefit Statements

Every year, after the Fund has been audited and approved by Trustees, you will receive an Annual Benefit Statement as at 30 June. This statement details the contributions paid to the Fund on your behalf by your employer along with the growth of those contributions. It also includes information about your withdrawal, death, disability, savings and retirement benefits. Please ensure the Fund is informed of any changes to your nominated beneficiaries.

Unclaimed Benefits

Any benefits due to a member in terms of the Rules of the Fund and not claimed after the expiry of a period as determined by the Regulations promulgated in terms of the Pension Funds Act and in compliance with directives issued by the South African Revenue Services, shall be placed in an unclaimed benefit account pending a valid claim. All benefits will be paid in accordance with pension funds legislation.

Enquiries/Complaints/Disputes

Any complaint or disputes concerning your membership of the Fund, should in the first instance, be addressed in writing to the Fund at its registered address.

Annuitisation of Provident Funds

Legislation annuitized Provident Funds from 1 March 2021. Contributions from that date are considered Non-Vested benefits and at retirement up to 1/3 of the accumulated Non-Vested benefit can be accessed as a taxable cash lump sum and the balance, at least 2/3's, must be used to purchase a taxable Annuity Income (retirement income). If the total value of the Non-Vested benefit is less than the legislated minimums at retirement, the full value of the Non-Vested benefit can be taken as a taxable cash lump sum.

The Vested benefits prior to 1 March 2021, may be accessed as a taxable cash lump sum at retirement.

Two-Pot System

The Two-Pot system is the new structure for retirement savings in South Africa effective 1 September 2024. Your contributions will be split into thirds, 1/3 towards your Savings Component and 2/3 towards your Retirement component.

This system is implemented with an aim to help people save for their retirement while also allowing for flexible emergency withdrawals from the Savings Component.

In an **emergency** you'll be able to withdraw from your Savings Component once every tax year, if it's more than R2 000. You'll pay marginal tax on any cash you withdraw.

Members who were member of the Fund and were 55 years and older on 1 March 2021 have the option to opt into the two-pot component system within 12 months from 1 September 2024, otherwise they will be excluded, and the old Fund Rules will still apply to their Retirement Fund.

Death Benefits

Should you pass away whilst in service with your current employer, prior to your normal retirement date, your dependants and/or nominated beneficiaries as determined by the Trustees, will receive a benefit of 2 times annual fund salary and subject to the insurer maximums, rules and tax plus your Share of Fund credit. All claims must be received by the offices of the Bargaining Council within six months from the date of the death of the member. The maximum cover age is 65.

Disability Benefits

In the event of becoming totally and permanently disabled before the normal retirement date, the benefit provided by the Group Life Risk Insurer is 2 times annual fund salary, subject to insurer maximums, rules and tax regulations. The maximum age for cover is 65 with tapering benefits as they reach this age. The benefit is payable by the Insurer upon meeting certain conditions, such as providing medical proof from a doctor that the member is unable to perform their normal work or any other evidence that the insurer may require. Each claim is evaluated on its individual merits, and additional details can be obtained from the General Secretary of the Bargaining Council. Claims must be submitted to the Bargaining Council for Meat Trade Gauteng within three months of the date of the occurrence of the event or the member's last working day. There is a six-month waiting period imposed by the Insurer. Once approved, the benefit is paid in accordance with the relevant legislation.

Retirement Age

You may retire early at the age of 55 with the consent of the Trustees of the Fund and your employer. When you reach your normal retirement age of 65. With the consent of your employer, you may continue your employment and elect to retire at a later age.

Tax laws are complex and retirement choices are vast, it is advisable to seek financial advice from a professional financial advisor when you retire.







Taxation

Benefits payable are subject to tax. There are different criteria relating to the different benefits and legislation governing the taxation of benefits keeps changing, it is therefore recommended that financial assistance be sought at the time of exiting the Fund.

Communication

The Fund's Board of Management are committed to actively contribute to members' empowerment and increased literacy. A variety of communication channels are used as part of the Fund's communication strategy to ensure members are kept fully informed on any developments within their Fund. WhatsApp is actively used as a channel for communication.

On joining the Fund and thereafter, the member will receive:-

-  A new member certificate
-  A new member guide/booklet
-  Annual Benefit Statements with risk benefits
-  An Annual Trustee Report
-  Periodic Industry updates; and
-  Retirement Communication

Beneficiary Nomination Forms

Please ensure that your beneficiary nominations are kept up to date. Your nominated beneficiaries may include dependants as well as persons not deemed to be dependants. A dependant is defined as a person in respect of whom the person is legally liable for maintenance and who is a factual dependant.

Group Risk Cover & Admin Costs

A portion of the employer contribution is used to pay for death and capital disability insurance premiums and administration costs. The remainder is allocated to your retirement benefit. Your full contribution is allocated towards your retirement fund.