

SIYAPHAMBILI MEMBER NEWS



TRANSPORT
Sector Retirement Fund
Moving Towards A Better Future



MOVING TOWARDS A BETTER FUTURE

MARCH 2020

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WELCOME

As we enter the New Year and a brand new decade we can reflect over the past few years. **The Fund has made great strides to improve member communication and overall service delivery to members.**

Ultimately the main objective of the Fund is to provide benefits that are highly competitive. The Fund's proactive self-insurance approach allows it to plough back surpluses and enhance benefits available to you. All the proceeds of the Fund's activities are reinvested and utilised to ultimately benefit members.

In this edition of the newsletter we provide you a summary of all the benefits available to you as a member of the Fund as well as some guidelines on how to better plan and prepare for your retirement.

MESSAGE FROM THE PRINCIPAL OFFICER

Dear Member

WE STAND WITH YOU

The world is in turmoil. We are living in extraordinary and uncertain times. Not only are we grappling with the impact of the Coronavirus (Covid-19) and its associated health and economic risks, but in our country, we also face stagnant economic growth, high unemployment, an unstable power network, a decline in production and exports, and an unstable stock market reflecting these concerns.

In March, the President of South Africa declared a national state of disaster, announcing emergency measures to mitigate the severity of the impact of the Coronavirus. These measures are essential to protect our nation, but it will undoubtedly cause a further unprecedented decline in economic activity.

"The world is facing a medical emergency greater than in a century," said Mr Ramaphosa. We find ourselves in uncharted waters. This is no time to start panicking. It is time to stand united and in solidarity to minimise the potential far-reaching impact of the deep health and economic crisis we are facing.

Our well-being is interlinked. As a member of the Transport Sector Retirement Fund, we journey with you throughout your work life to help you build a better future for the time beyond your career, when you can sit back and enjoy the fruits of your labours.

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MESSAGE FROM THE PRINCIPAL OFFICER *continued...*

However, in these extraordinary times, the likelihood is high that the growth of your retirement investment will not continue to increase at the rates experienced in the past.

HOLD ON

Take heart, the Board of Trustees of the Fund is giving careful consideration to all its investment practices to ensure that we continue to safeguard your retirement fund and to mitigate the severity of the impact of this national disaster. The TSRF will do everything within its power to limit your risk exposure.

We are your partner through all your life stages; and we at TSRF are confident that we can continue to offer you long-term financial security. Calm and stability are essential to weather this storm.

In its essence, the transport sector is highly mobile, with our members having to move between job opportunities and work contracts. In the past, this movement would have impacted negatively on your retirement savings, but now you can keep your investments safe in the TSRF as you search for and grab new opportunities.

In tough economic times, it is especially important that you remain money savvy and safeguard your income and savings.

Hold on through the hard times, and take steps to protect your health and future.

The Transport Sector Retirement Fund walks with you. Together, we will overcome.

Regards

Joe Letswalo
Principal Officer



HAVE YOU RECEIVED YOUR BENEFIT STATEMENT FOR 2019?

Please ask your HR/ Payroll Office if you have not received your 28 February 2019 Benefit Statement.

Benefit statements are prepared once the annual audit of the Fund is completed.

Benefit Statements were distributed to all employers during the second part of last year and an sms was sent to you notifying you that the benefit statements have been issued.

PLEASE NOTE... that you would not have received a Benefit Statement last year if you were employed for less than 12 months as at 28 February 2019.

DOES THE FUND HAVE YOUR VALID CONTACT DETAILS?

Please ensure that the Fund has your contact details for example your cell number and should the contact details change, please immediately inform the Fund. This is imperative for the Fund to be able to communicate with you as and when required, for example if you exit the Fund and submit a claim. The Fund will sms and/ or phone you on your cell number to keep you updated during the claims process. Without a valid cell number the claims process could be delayed. **Contact details must be updated as follows:**

In-service members - please inform your employer when your details change and ask them to include details on the payroll file submitted to Sanlam.

When you exit - provide correct details on your claim form.

After you have left - please call Salt at 011 544 8300 to update contact details.



SUMMARY OF FUND BENEFITS

For your convenience we supply you with a summary below of the Fund benefits available to you. For more comprehensive information you may access the **Member Guide** available online from the Fund website: www.transportsectorfund.co.za

1. RETIREMENT BENEFIT
2. WITHDRAWAL BENEFIT
3. DISABILITY BENEFIT
4. DEATH BENEFIT
5. FUNERAL BENEFIT
6. REPATRIATION OF MORTAL REMAINS

1. RETIREMENT BENEFIT


Normal retirement age is 65 years and you may retire early from the age of 55, with your employer's consent. You may also stay on past normal retirement age and continue to make contributions to the Fund - if your employer agrees to this.

Contributions (that are allocated towards retirement savings) are invested by the Fund over the term of your membership. The interest earned on the contributions invested are also added to your Fund savings. At retirement you may take the full or part of the benefit in cash and use the balance to buy an annuity which will pay you a monthly pension.

It will be wise to consider buying a pension from a registered insurer to ensure a regular income in retirement.

Retirement Fund benefits taken in cash are taxed if the benefit is greater than R500 000.

The Fund provides Retirement Benefit Counselling to help you understand your options at retirement.

 Contact the **Salt EB call centre** on: **011 544 8300** to be sent a link and login details for the benefit counsellor tool.

2. WITHDRAWAL BENEFIT – (Resignation, Retrenchment, Absconding, End of Contract or Dismissal)

Withdrawing from the Fund

Your total Fund Credit /savings becomes payable when you leave the Fund for the following reasons:

- End of contract with employer;
- Resignation;
- Absconding;
- Dismissal;
- Retrenchment;
- Other (Section 14 transfer).

When you exit the Fund you have the following choices

You can choose to:

- Transfer your benefit tax free to your new employer's Fund;
- Transfer your benefit tax free to a preservation fund;
- Transfer your benefit tax free to a retirement annuity fund;
- Take your (fund savings) member share in cash which will be taxed, or
- Leave your benefit in the Fund and become a Paid-Up member, tax free.



SUMMARY OF FUND BENEFITS

What does it mean to be a Paid-Up member?

- Your money will remain invested in the Fund until you elect to have the benefit paid to you or you reach normal retirement age;
- As a Paid-Up member you will NOT make any contributions to the Fund;
- You will no longer be covered for death, disability or funeral benefits.

The advantages of becoming a paid-up member are as follows:

- You will be taking advantage of favourable investment fees and will remain invested in the portfolio you were invested in before you left the company;
- You will have peace of mind that your savings are being looked after by a well governed fund with capable trustees;
- You will not have to pay commissions or up-front investment fees as would be the case if you moved the money to a preservation fund.

Withdrawal Benefits taken in cash are taxed if the benefit is greater than R25 000.

3. DISABILITY BENEFIT

All active Members of the Fund, up to the age of 65, are covered for this benefit provided contributions are paid on time and are up to date. Part of the money your employer contributes every month pays for this benefit.

Should you become permanently disabled whilst you are in service and your claim is approved by the medical provider you will receive three times your annual Fund wages/salary as a cash lump sum. A 6- month waiting period, to see if the member recovers, applies to disability claims.

The benefit:

3 x Annual Wages / Salary

plus:

Your full retirement fund savings (Member Share)



If you exit and leave the Fund you will no longer be covered by or be able to claim for the disability benefit.

You have a period of 6 months from last day date of service to notify the Fund of your disability and submit all relevant and required supporting documents for consideration and approval of your claim.

4. DEATH BENEFIT

All active members of the Fund are covered for this benefit provided contributions are paid on time and are up to date. Part of the money your employer contributes every month pays for this benefit.

The Death benefit pays out to your dependants and/or beneficiaries should you die while an active member of the Fund. The Trustees are required by law to identify your dependents and distribute the benefit in a fair manner. It is therefore important that you update your beneficiary nomination form regularly to assist the Trustees in identifying dependents.

The following 3 benefits become payable to your dependants:

- 3 x annual wages as lump sum;
- Total Member Share (retirement savings) as a lump sum, plus
- Funeral Benefit (paid within 48 hours after all documentation is received).



If you exit the Fund you will no longer be covered by or be able to claim for the death benefit. Non-compliance or non-payment of contributions by your employer will result in repudiation.

SUMMARY OF FUND BENEFITS

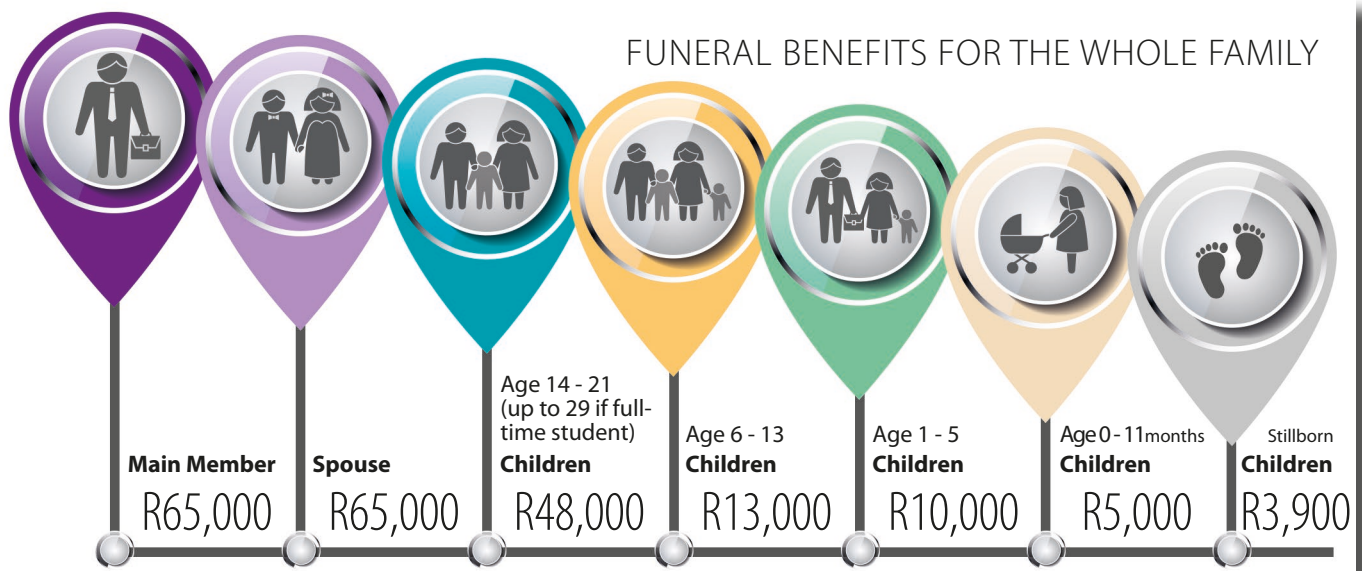
Remember to complete the Beneficiary Nomination Form

You must regularly (at least once a year) complete or update the Nomination of Beneficiary form. Nomination of Beneficiary forms are circulated annually with benefit statements and can also be requested on the Fund's website or through the administrators. The purpose of the Beneficiary Nomination Form is:

1. **To make it easier to trace dependants by contacting family members using the contact details you have provided; and**
2. **To speed up the process of assessing who your dependants are and the extent to which they were dependant on you.**

5. Funeral Benefit

All active members of the Fund and their immediate family members are covered by this benefit provided contributions and premiums are up to date. Part of the money your employer contributes on your behalf every month, is allocated to risk benefits which pays for this benefit. Risk premiums are not refundable when you exit the Fund and you will no longer be covered by or be able to claim for any risk benefits. **Effective 1 October 2019 the Board of the TSRF has approved an increase on the Member Funeral Benefit as follows:**



To claim please submit the signed and stamped claim form with the required supporting documents to:

 members@rflipf-sanlam.co.za

Funeral claim payments are made within 48 hours after all documents have been received.

6. Repatriation of Mortal Remains

Where a member, spouse or child passes away in an area that is more than 50 kilometres away from the primary residence, the costs of the repatriation of the body of the deceased to the primary residence, will be covered. This is a service and the costs will not be reimbursed to members if not used. The transportation extends to the rest SADC Countries.

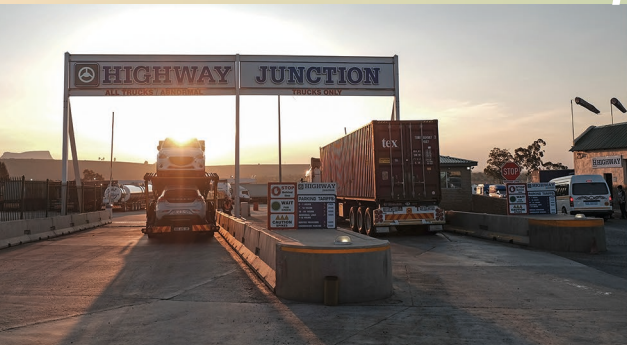
Please note that this benefit is applicable to you, your spouse and your children. You or your family members may contact the **Doves 24 hour call centre** number which can be used to direct calls to the nearest branch throughout the country.

 **Doves Call Centre: 0861 025-500**

**PLEASE NOTE:**

Members are covered for risk benefits (disability, death and funeral) provided contributions are paid on time and are up to date.

Non-payment of contributions and late payments will result in the repudiation of claims (claims may not be paid).



PLAN FOR RETIREMENT

The key to achieving financial well-being is to have a clear understanding of the financial resources you have and the demands on your money that will come from the life you lead, both now and in the future. One useful way to look at your financial situation in retirement is to think about the three “growth-containers” that you will have to keep filled in order to achieve financial well-being.



A recent study has shown that people who do well in retirement have certain factors in common:

- ✓ They had a plan for when and how they were going to retire;
- ✓ They have preserved their retirement savings during their working lifetime and have contributed sufficiently to meet their objectives;
- ✓ They are financially independent;
- ✓ They are engaged in meaningful pursuits for more than five hours a week;
- ✓ They have someone they can rely on for emotional support;
- ✓ They try to keep in good health through exercise, diet and regular checkups;
- ✓ They planned how they would spend their retirement, and how they would fund it;
- ✓ They received pre-retirement advice or education.

ARE YOU SAVING ENOUGH TO RETIRE?

As a member of the Fund you already have a pool of money saved for retirement, and, depending on your length of membership of the Fund and growth received, this could be quite substantial.

For many members of funds however, the sad truth is that although they have capital saved for retirement – it might not be enough to sustain their standard of living after retirement. Studies show that most people will be able to live on about 70% of their working salary during retirement. This is assuming that your bond should be paid off, you have no debt and less dependants when you reach retirement age.

Your final retirement benefit (accumulated member share at retirement) will be influenced by many factors over the years – level of contributions to your fund; investment growth on your assets; inflation; time horizon and preservation of your investments when there has been a change of employer. Each one of these factors needs serious consideration when doing your financial planning.



QUERY AND COMPLAINT PROCEDURE

Before referring your query or complaint to any institution (FSCA or Pension Funds Adjudicator), submit your query to the Fund for speedy resolution. **Members can call: 011 544-8300**

Should you wish to lodge a complaint, you may do so by sending an **email to compliance@salteb.co.za**

Your complaint should include the following information:

- **Your full name and contact information**
- **Your ID number**
- **Exact details of the complaint**
- **What outcome you expect**


What the Fund will do


In line with TCF (treating customers fairly) principles, we will do everything in our power to resolve it timeously and to your satisfaction. Some complaints are more complex and can take longer to resolve. In this case, your complaint will be escalated.

Once your complaint is resolved, the Fund will provide you with feedback.

Pension Funds Adjudicator

If your complaint is not resolved by the Fund within 30 working days you may contact the Pension Funds Adjudicator on the contact details below:

 Tel: **012 346 1738**

 Fax: **086 693 7472**

 Email: **enquiries@pfa.org.za**

AARTO AMENDMENT ACT, 2019

President Cyril Ramaphosa has recently signed the AARTO Bill into law. It is now called the AARTO Amendment Act, 2019 (Act No. 4 of 2019) and will come into operation on a date that will be confirmed by announcement in the Government Gazette.

The AARTO Amendment Act introduces significant changes that will affect all motorists and road users. The most significant change is the Traffic Demerit Point System.

Each driver will start with zero points and depending on the severity of the offence, points will be allocated for offences. If a driver collects more than 12 points, it will result in the suspension of the driving license and three suspensions will result in the cancellation of the license. Under the AARTO Act a licence holder will accumulate demerit points for certain infringements (road traffic related offences). The demerit points that a driver incurs are reflected on the National Contravention Register and are recorded when;

- The infringer pays the fine.
- Partially pays the fine.
- Infringer applies to pay the fine in instalments.
- The payment of the infringer is dishonoured (rejected debit order).
- The infringer elected to be tried in court and was unsuccessful in proving his case or an appeal is upheld.
- The infringer did not pay the fine within a period of 32 days after the enforcement order was served.

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AARTO AMENDMENT ACT, 2019 *continued...*

If a person incurs demerit points which, when added to the points previously recorded against that person in the national contraventions register, exceed 12 points that person is disqualified from driving or operating a motor vehicle.

The licence of a driver is suspended for a period of 3 months for each demerit point above 12. If the licence holder already has 12 demerit points and a further 2 demerit points are allocated for i.e. failure to comply with the directions conveyed on a road traffic sign at a scholar patrol, then the licence of that driver shall be suspended for a period of 6 months (12 Points plus 2 = 14 – 12 points = 2 above 12 x 3 months = 6 months suspension). 1 Demerit point is deducted for every 3 months that the driver does not incur any additional demerit points.

The driver's licence, PDP or Operator Card of an offender is cancelled completely on the third occasion of suspension.

🚧 Each vehicle of the operator is allowed maximum of 12 demerit points and if exceeded will result in the suspension of the operator card of that vehicle for a period of 3 months.

🚧 Operators will also incur demerit points that, if exceeded, will result in the suspension of all the operator cards issued to the operator.

Employers will have to plan ahead and decide how they will manage the risks associated with AARTO Act as well as the potential consequences of "incapacitated" drivers as a result of the cancellation or suspension of their licences.

It is important to note that the point demerit system is not active yet. It will only be activated at a later stage. Communication in this regard will be distributed closer to the time.

Source: <http://www.aarto.gov.za/index.php/demerit-points>

CONTACT

📞 **National Call Centre:** 011 544 8300

✉️ **Email:** members@rflipf-sanlam.co.za

📠 **Fax:** 086 593 0006

🌐 **Web:** www.transportsectorfund.co.za

Fund no: 12/8/37811

Disclaimer: In cases where communication and Fund rules differ, the TSRF rules will apply.

"We are your partner through all your life stages; and we at TSRF are confident that we can continue to offer you long-term financial security."

Joe Letswalo - Principal Officer