

## SURPLUS ALLOCATION: 30 JUNE 2010

As per the Pension Funds Act 24 of 1956 a statutory valuation has to be completed for the Fund every three years. The valuation for the period 1 January 2008 to 30 June 2010 was completed and the Actuary of the Fund recommended that R12.495m of the surplus in the reserve accounts be allocated to members and former members and the Trustees accepted this recommendation.

### **Who will benefit from this surplus?**

All current members (in-service members, deferred pensioners and living annuitants) as at 30 June 2010 and former members who exited (took benefits) after 31 December 2007 will benefit from the surplus existing in the Fund as at 30 June 2010, if they were active members at any time between 1 January 2008 and 30 June 2010.

#### **Please note:**

Only members and former members who were alive on the 30 June 2010 (valuation date) will benefit from this surplus apportionment.

### **How is this surplus allocated?**

Part of the surplus will be allocated pro rata to members' and former members' contributions paid during the two-and-a-half year period from 1 January 2008 to 30 June 2010. If you did not contribute to the Fund during this period, you will not benefit from this portion of the surplus. The remainder of the surplus will be allocated pro rata to members' and former members' accumulated credits, taking values up to 30 June 2010 into account. You will benefit from this portion of the surplus even if your contributions ceased before 1 January 2008 (i.e. you are a living annuitant or a deferred pensioner who stopped contributing before that date).

### **How is the surplus distributed?**

- Members that are still contributing to the Fund (active members), deferred pensioners and living annuitants will receive their surplus as an additional allocation towards their UCTRF Retirement Savings Account (RSA).
- Members who were contributing in this period, but have subsequently retired or left the employment of UCT (after 31.12.2007) will receive payments in their bank accounts.
- If the surplus apportionment amount for any former member is less than R 500 this will not be paid.