



UCTRF

Secure your Future

www.uctrf.co.za



Member Induction Booklet

Effective July 2026



UNIVERSITY OF CAPE TOWN
IYUNIVESITHI YASEKAPA • UNIVERSITEIT VAN KAAPSTAD

Contents



Welcome message	3
Explanation of terms used	4
Who is responsible for the UCTRF?	6
Membership	6
Contributions to the UCTRF	7
Accumulated Retirement Savings	8
Emergency lump sum withdrawals from the UCTRF	9
Benefits on resignation, dismissal or retrenchment	9
Retirement benefits	12
Death cover	15
Disability cover	17
Funeral cover	20
Investments	23
Divorce Orders	26
Housing loans	27
Financial advice and other benefits	28
Complaints	29
Protection of Personal Information	30
Contact us	31



Welcome message



Dear Member

The University of Cape Town Retirement Fund ('the UCTRF') helps you save for your retirement and hopefully join the ranks of those who will live comfortably in retirement. If you leave your employer before retirement, you will receive a withdrawal benefit. A benefit is also paid to you if you become too ill to work because of an accident or illness, and/or to your family in the event of your death.

For most people, savings in their employer's retirement fund are their main or only source of income when they retire. It is important that you understand the benefits provided by the UCTRF and what you need to do to ensure that you can afford to retire comfortably. Unfortunately, only approximately 1 in 6 South Africans will retire with enough money to provide them with a similar standard of living to what they were used to while they were working. The government pension is very little and will most probably not be enough for you to survive on.

This Induction Booklet contains a summary of the most important provisions of the UCTRF. The UCTRF's website also has more information about the UCTRF and all aspects of membership, as well as useful tools to help you plan for your retirement.

If you have any questions regarding your salary structure or conditions of employment, please speak to your HRBP. You can also contact the UCTRF Office if you need more help understanding your benefits. You can find our contact details at the end of this guide.

We hope you find this guide useful for understanding your UCTRF benefits.



Kind regards

Penny Fabré

The Principal Officer

University of Cape Town Retirement Fund

Explanation of terms used



Accumulated Retirement Savings	The total value that you have saved in the UCTRF. Please refer to page 8 for a detailed explanation.
Beneficiary	A person that receives a benefit.
Cost of Employment (CoE)	This is the actual amount paid for all employee salaries and benefits before any deductions are made. This amount is also reflected in your contract of employment.
Divorce Order	Order made by a court that ends a marriage.
Inflation	A rise in the price of goods and services over a period of time.
HRBP	Human Resources Business Partner. To check who your HRBP is, please visit the HR website at https://hr.uct.ac.za/contacts#practitioners .
Life Annuity	A type of annuity offered by insurers and Retirement Funds, in terms of which the income (or annuity amount) is guaranteed for the rest of the annuitant's life.
Living Annuity	A special type of annuity offered by insurers and Retirement Funds, in terms of which the income (or annuity amount) is not guaranteed but is dependent on the performance of the underlying investments. It allows the annuitant to select an income level that ranges between a pre-defined minimum and maximum level (currently between 2.5% and 17.5% of the total value of your investment).
Investment Returns	The amount of "interest" that is earned on your Accumulated Retirement Savings while it is invested in the UCTRF. Remember that Investment Returns can be positive or negative.
Normal Retirement Date	The end of the year in which you turn 65.
Preservation Fund	A fund to which you can transfer your Accumulated Retirement Savings when you leave a Previous Employer's Fund. Once you are invested in a Preservation Fund, you will only be allowed one withdrawal (either all or part of the total benefit) from your Vested Pot prior to retirement. You may still withdraw from your Savings Pot each tax year, if the funds available are R2000 or more. The balance of your benefit will be available to you at retirement.

Previous Employer's Fund	A compulsory fund, set up by your previous employer, for the benefit of its employees to enable them to save for their retirement and to which the member and/or employer make regular contributions.
Retirement Annuity	An individual retirement fund, usually for people who are self-employed or whose employers don't offer an occupational fund. Members can withdraw from their Savings Pot while still a member but only have access to the balance of their Vested Pot and Retirement Pot at retirement (from age 55). At retirement, members must use at least 2/3rds of their Vested Pot and the full amount in their Retirement Pot to buy a pension.
Retirement Fund	A Previous Employer's Fund, Preservation Fund or Retirement Annuity where you can save to provide an income when you reach retirement and may take the balance of their benefit as a lump sum.
Retirement Pot	This is made up of 2/3rds of your contributions to the UCTRF plus interest (plus any amount you transferred from a Previous Employer's Fund or a Preservation Fund that was allocated to your Retirement Pot in the UCTRF).
Risk Profile	All investments involve a degree of risk. Your Risk Profile will depend on your circumstances (other assets, age, dependants, etc.). Your appetite for risk (e.g. whether you wish to seek the higher Investment Returns associated with higher volatility or not) will depend upon your Risk Profile. A good financial advisor will determine your needs and produce a Risk Profile for you.
Savings Pot	This is made up of 1/3rd of your contributions to the UCTRF plus interest (plus any amount you transferred from a Previous Employer's Fund or a Preservation Fund that was transferred from your Savings Pot in that fund to the Savings Pot in the UCTRF).
Vested Pot	All your savings in a Retirement Fund at 31 August 2024 that were allocated from a Previous Employer's Fund or a Preservation Fund to your Vested Pot in the UCTRF, plus interest.

Who is responsible for the UCTRF?



The UCTRF is managed by a Board of 14 Trustees: 7 are elected by members of the UCTRF and 7 are appointed by UCT. Trustee elections are held every 4 years.

The UCTRF Board is responsible for all the decisions made regarding the UCTRF and has to ensure that members' and beneficiaries' interests are protected at all times.

The UCTRF Board appoints a Principal Officer who is responsible for the day-to-day running of the UCTRF. In addition, the Principal Officer is supported by a Deputy Principal Officer who assumes the responsibilities of the Principal Officer if the Principal Officer is unable to fulfill their duties for any reason.

Membership



Who can join the UCTRF?

If you are employed either as a permanent staff member or on a T2 fixed-term contract of employment, then you have to join the UCTRF.

Can I choose not to join the UCTRF?

No. By law, everyone who is eligible for membership has to join.



Contributions to the UCTRF



Every month your employer deducts a percentage of your CoE as a contribution to the UCTRF.

How much is contributed on my behalf each month?

You choose a percentage of between 12% and 40% of your CoE. If you do not make a choice when you join the UCTRF, your contribution rate will be defaulted to 18% of CoE. These contributions are employer contributions even though they come out of your CoE.

Part of this contribution is used to pay for your death, disability and (if applicable) family funeral cover and other UCTRF costs (such as administration fees), and the rest is invested. These costs change in July each year. If you want to know how much these costs are, please visit the UCTRF's website on the following link: <http://uctrf.co.za/uctrf/contributions>.

You can change your contribution rate effective 1 November each year. You can also change your contribution rate when your CoE changes. Please note that the contribution is deducted from your CoE, so a change to your contribution rate will affect your take-home pay.

Are contributions taxed?

Your total contributions to pension, provident or retirement annuity funds up to the lesser of R430 000 a year or 27.5% of gross remuneration or taxable income (whichever is greater) will be tax deductible. The balance will be taxed.

Let's look at an example. Thembi and John are both permanent staff members, and both have a CoE of R20 000 per month. Thembi chooses 28% of CoE as her contribution rate, and John chooses 12% of CoE.

	Thembi Contributes 28% of CoE	John Contributes 12% of CoE
CoE	<i>R20 000</i>	<i>R20 000</i>
Contribution	<i>R5 600</i>	<i>R2 400</i>
Taxable income	<i>R14 400</i>	<i>R17 600</i>
Estimated tax payable	<i>R1 156</i>	<i>R1 732</i>
Take-home pay	<i>R13 444</i>	<i>R15 868</i>

You can see in this example that even though John is contributing R3 200 less to the UCTRF each month, his take home pay is only R2 424 more than Thembi's. This is because John paid more tax, as his taxable income was higher. In short, John's retirement savings are less, and he pays more tax. Another way to see it is that Thembi is paying R576 less in tax each month than John, while saving more towards her retirement.

Can I make lump sum additional voluntary contributions?

Yes. If you receive a performance bonus, you may transfer a portion of this bonus to the UCTRF. In addition, you can transfer a portion of your leave pay to the UCTRF when you leave the service of your employer, providing you advise your employer before leaving employment.

If you have been contributing below the tax-free maximum referred to above, part or all of this additional contribution will be tax free.

Accumulated Retirement Savings



What are my Accumulated Retirement Savings?

Your Accumulated Retirement Savings are made up as follows:

- employer's contributions, PLUS
- any additional voluntary contributions you made to the UCTRF, PLUS
- any amount you transferred to the UCTRF from a previous fund you belonged to, PLUS
- Investment Returns, LESS
- UCTRF costs and death, disability and (where applicable) family funeral premiums, LESS
- any claims paid from your Savings Pot.

Your Accumulated Retirement Savings are divided between your Savings Pot and Retirement Pot. A portion of your Accumulated Retirement Savings may also be allocated to your Vested Pot, if this is applicable to you. (See page 5 for an explanation of the various pots.)

By law certain amounts may be deducted from your Accumulated Retirement Savings before your benefit is paid from the UCTRF. These include:

- tax on the benefit;
- outstanding housing loans where your Accumulated Retirement Savings were used as surety;
- arrear maintenance payments awarded via a court order;
- amounts awarded to an ex-spouse via a Divorce Order;
- any loss to the employer as a result of your fraud or theft, and in respect of which you admitted liability in writing, or a judgement has been obtained against you.

Where can I see my value in the UCTRF?

This is given in your annual member benefit statement. In addition, your latest information is available on the Alexforbes secure member website, also known as AF Connect. You can access this site from the UCTRF's website:

<https://uctrf.co.za/uctrf/view-your-values>

Emergency lump sum withdrawals from the UCTRF



How much can I withdraw from the UCTRF in an emergency?

You can take money from your Savings Pot once a tax year (i.e. between 1 March and the end of February) if the balance is at least R2,000. Remember: taking money out means you will have less saved for retirement. You will be taxed at your marginal tax rates (which can be found on the SARS website. <https://www.sars.gov.za/tax-rates/income-tax/rates-of-tax-for-individuals>)

The administration fee will be calculated as 2% of the amount you are withdrawing, subject to a minimum of R100 and a maximum of R600. It's best to only take money out in emergencies.

Benefit on resignation, dismissal or retrenchment



What is my Resignation, Dismissal or Retrenchment benefit?

On resignation, dismissal or retrenchment you may withdraw your entire Accumulated Retirement Savings from the UCTRF, and you may be able to take a portion as a lump sum payment, but you must preserve your Retirement Pot, either in the UCTRF or another Retirement Fund. You will not have access to your Retirement Pot before you reach retirement age.

What are my options?

If you choose to preserve your Retirement Pot in the UCTRF, any balance in your Savings Pot and Vested Pot that you do not take as a lump sum must also remain in the UCTRF. If you transfer your Retirement Pot to another Retirement Fund, any balance in your

Savings Pot and Vested Pot that you do not take as a lump sum must be transferred to the same Retirement Fund.

Your options for your Vested Pot, Savings Pot and Retirement Pot are as follows:



Vested Pot

You can take your entire Vested Pot as a lump sum, or you may preserve your entire Vested Pot in the UCTRF or another Retirement Fund (depending on where you preserve your Retirement Pot).

You can also take a portion as a lump sum and transfer the remainder to another Retirement Fund. (You may not take a portion of your Vested Pot as a lump sum if you want to preserve in the UCTRF.)



Retirement Pot

You may not take any part of your Retirement Pot as a lump sum. You may preserve your Retirement Pot in the UCTRF or another Retirement Fund.



Savings Pot

If you are preserving your Retirement Pot in the UCTRF:

You can take all or part of your Savings Pot as a lump sum. You must preserve any remaining balance in your Savings Pot in the UCTRF.

If you are transferring your Retirement Pot to another Retirement Fund:

You can take all or part of your Savings Pot as a lump sum. You must transfer any remaining balance in your Savings Pot to another Retirement Fund.

Taking the maximum amount possible as a lump sum is tempting. However, any amount you take as a lump sum will be taxed whereas the amount that you preserve in the UCTRF or another Retirement Fund will not be taxed. Also, you will have less money saved for your retirement and the tax-free amount that you are allowed when you retire one day will be reduced. This will have a very negative impact on your ability to retire comfortably.

How much tax will I pay if I take my withdrawal benefit as a lump sum?

If you resign or are dismissed and make a lump sum withdrawal from your Vested Pot, it will be taxed according to the following fixed scale:

R0 – R27 500	0%
R27 501 – R726 000	18% of the amount exceeding R27 500
R726 001 – R1 089 000	R125 730 plus 27% of the amount exceeding R726 000
R1 089 001 and above	R223 740 plus 36% of the amount exceeding R1 089 000

The tax-free amount applies to the total of all withdrawal lump sums received over your lifetime after 1 March 2009. Any withdrawal or retrenchment benefit previously received tax-free (including any tax-free amount received from your employer as a severance package), as well as tax-free portions for amounts paid out to you after 1 March 2009 in respect of divorces or maintenance orders, will be added to the lump sum prior to applying the table.

If you are retrenched and make a lump sum withdrawal from your Vested Pot, it will be taxed as follows:

R0 – R550 000	0%
R550 001 – R770 000	18% of the amount exceeding R550 000
R770 001 – R1 155 000	R39 600 plus 27% of the amount exceeding R770 000
R1 155 001 and above	R143 550 plus 36% of the amount exceeding R1 155 000

If you make a lump sum withdrawal from your **Savings Pot** on resignation, dismissal or retrenchment, it will be taxed at your marginal tax rate (which can be found on the SARS website <https://www.sars.gov.za/tax-rates/income-tax/rates-of-tax-for-individuals>).

Tax calculator

If you want an estimate of the tax you will pay on the portion of your resignation, dismissal or retrenchment benefit that you take as a lump sum, you can use the UCTRF tax calculator, which can be found at <https://uctrf.co.za/uctrf/toolbox>.

Retirement benefits



Retirement

You will normally retire at the end of the year in which you turn 65.

You may retire early after turning 55, but your Accumulated Retirement Savings will be less than if you retire later, as you will have made fewer contributions to the UCTRF, and your savings will not have had as long to grow.

If you want to retire early, please discuss this with your HRBP.

If your employer agrees to you continuing to work after your Normal Retirement Date, you will remain a member of the UCTRF, and your contributions will continue until you retire. Your death cover will also continue until you retire or at age 70, whichever comes first. However, you will no longer have any disability cover.

What is my retirement benefit?

At retirement you will be entitled to payment of your Accumulated Retirement Savings, less any allowable deductions.

Deferring your retirement from the UCTRF

If you have retired from your employer but do not want to receive your benefit from the UCTRF at this stage, you can defer your retirement from the UCTRF. In this case, your contributions and risk cover will stop when you retire from your employer. You can then elect to retire from the UCTRF at a later date and elect any of the options referred to below, under “What are my options at retirement?”.

What are my options at retirement?

At retirement, you have the following options:

- purchase a Life Annuity from a registered insurer;
- purchase a Living Annuity (from the UCTRF or a registered insurer);
- use a portion to purchase a Living Annuity from the UCTRF or from a registered insurer and a portion to purchase a Life Annuity from a registered insurer;
- take a portion as a lump sum and use the balance for any of the options mentioned above;
- transfer your Accumulated Retirement Savings to a Retirement Annuity or Preservation Fund of your choice.

More information on these options can be found on the UCTRF's website at the following link: <http://uctrf.co.za/uctrf/retirement-benefits>. We strongly recommend that you speak to a financial advisor to assist you with this important step.

How much of my Accumulated Retirement Savings can I take as a lump sum?

You may take your entire Savings Pot as well as at least 1/3rd of your Vested Pot as a lump sum. (If you were a member of a Previous Employer's Fund prior to 1 March 2021 you may be able to take a larger amount as a lump sum, depending on the type of fund. For further information, speak to the UCTRF Office or your financial advisor.) You must use the balance to buy a pension.

You must use your entire Retirement Pot to buy a pension (unless the amount is below certain prescribed limits, in which case you may be able to take your full Retirement Pot as a lump sum).

How will my retirement benefit be taxed?

If you take a lump sum from your Savings and/or Vested Pots on retirement, it will be taxed according to the following fixed scale:

R0 – R550 000	0%
R550 001 – R770 000	18% of the amount exceeding R550 000
R770 001 – R1 155 000	R39 600 plus 27% of the amount exceeding R770 000
R1 155 001 and above	R143 550 plus 36% of the amount exceeding R1 155 000

The tax-free amount applies to the total of all retirement lump sums received over your lifetime. (This means that you cannot, for example, get R550 000 tax-free from a Retirement Annuity and R550 000 tax-free from the UCTRF.) The balance will be taxed according to the scale above. Any withdrawal or retrenchment benefit previously received tax-free (including any tax-free amount received from your employer as a severance package), as well as tax-free portions for amounts paid out after 1 March 2009 in respect of divorces or maintenance orders, will be added to the lump sum prior to applying the table.

Any amount used to buy a pension will not be taxed, but the pension you receive will be taxed (like your salary).

Tax calculator

If you want an estimate of the tax you will pay on the portion of your retirement benefit that you take as a lump sum, you can use the UCTRF tax calculator, which can be found at this link: <https://uctrf.co.za/uctrf/toolbox>.



Death cover



What will be paid by the UCTRF when I die?

If you die before retirement, your Beneficiaries will receive a benefit equal to:

- a) your Accumulated Retirement Savings in the UCTRF, plus
- b) an amount equal to the UCTRF death cover you selected, plus
- c) an amount equal to the separate death cover you selected.

This sum of a) and b) above will be taxed in exactly the same way as retirement benefits above. The amount in c) is not taxed (because you pay tax on the premiums).

Certain exclusions may apply to your UCTRF death and the separate death cover. These are set out in the policies which can be found on the UCTRF website at this link: <https://uctrf.co.za/uctrf/death-benefits>.

UCTRF death cover

This death benefit will be taxed in exactly the same way as retirement benefits above. You have the option to select death cover of between 1x and 5x your annual CoE.

The cost of the premiums for this cover will be deducted from your contributions. This means that the more cover you select, the less goes to your Accumulated Retirement Savings. It is important to balance the needs of your dependants in the event of your death, with your needs when you retire. We recommend that you make use of the retirement provision calculator and the death cover calculator to help you with this decision: <https://uctrf.co.za/uctrf/toolbox> and/or consult your accredited financial advisor.

Separate death cover

In addition to the benefit that is paid by the UCTRF, your beneficiaries will receive 1 times annual CoE in terms of a policy issued to the employer. The premiums for this cover are paid out of your total contributions to the UCTRF.

In addition, when you join the UCTRF you can choose to pay an additional amount for additional cover of up to 4 times CoE (i.e. 5x CoE separate death cover in total).

The premium for this additional cover will be deducted from your salary in addition to the contribution that you are already making to the UCTRF (i.e. it will come out of your take-home pay).

When can I make changes to my UCTRF and separate death cover?

You can choose your death cover multiple when you join the UCTRF, and you can change your cover annually on 1 November each year. You will be provided with information regarding how to make this change in October each year.

You also have the option to increase your cover if your number of dependants changes or if you purchase a house. You may decrease your death cover at any time. Please visit <https://uctrf.co.za/uctrf/when-can-i-change-my-death-benefits> for more information regarding the conditions when making this choice, or contact your HRBP, who will assist you further.

Who will receive the death benefit?

Benefit payable from the UCTRF: The Pension Funds Act says that, if you die, the UCTRF Board must decide how to distribute your benefit. When making this decision the UCTRF Board must consider all your financial and legal dependants and anyone else you may have nominated. Where you have no dependants, your benefit will be used to settle any deficit in your estate before any nominees can be paid. If you have no dependants and no nominees, the benefit will be paid to your estate.

Separate death benefit payable in terms of a policy issued to the employer: The separate death benefit will be distributed according to your latest Nomination of Beneficiaries Form. In the absence of a nomination by you, the benefit will be paid to your estate.

What is a Nomination of Beneficiary form?

The Nomination of Beneficiary Form is a form on which you indicate who should be paid your death benefit. This can be done on AF Connect at any time. Please refer to <http://uctrf.co.za/uctrf/how-to-update-your-beneficiaries> for further information regarding your Beneficiary nominations. Alternatively, Nomination of Beneficiaries forms are available from the HR department.



Important:

If your circumstances change and you have new or different dependants, you should update your beneficiaries on AF Connect as soon as possible.

What happens if I have no dependants?

You still need to complete your Nomination of Beneficiaries. In this case, you will not list any dependants on the form, but only nominees.

Disability cover



The benefits payable on disablement are provided by separate insurance policies issued to the employer and are not part of the UCTRF. However, this cover forms part of the risk cover paid out of your total contributions.

What benefits will I receive if I become disabled?

If you become disabled you may receive a monthly disability income benefit and/or a lump sum disability benefit. Certain exclusions may apply to disability income cover and lump sum disability cover. These are set out on the UCTRF website at this link: <https://uctrf.co.za/uctrf/disability-benefits>.

Disability income cover

This benefit provides you with a monthly payment (like a salary) if you become either temporarily or permanently disabled.

The disability income benefit is only paid once you have been disabled for a period of 3 continuous months. If, after the expiry of this 3-month period, the insurer considers that you are still unable to perform your work at your employer in your current occupation, you will be entitled to the following monthly income, which is not taxed (because you pay tax on the premiums):

- 50% of the first R23 000 of CoE, plus
- 40% of the next R40 250 of CoE per month, plus
- 30% of any CoE in excess of R63 250 per month.

After a further 12 months (i.e. 15 months after you became disabled), the insurer will re-assess your disability, but this time against the criteria of whether you are able to perform your job, or any similar job that you could do taking into account your experience, training, education and age, with any employer.

When does this benefit cease?

The benefit will stop being paid:

- if the insurer considers you fit to return to work;
- if you die; or
- at the end of the year in which you reach age 65.

Does the benefit increase over time?

Yes, each year, on the anniversary of when the benefit first became payable, your disability income benefit is increased by the lower of Inflation or 7%.

What happens to my UCTRF membership while I am a disability claimant?

Importantly, you remain a member of the UCTRF while you are receiving a disability income benefit. In terms of the UCTRF benefits, your CoE at the date you became disabled will be increased annually by the lower of Inflation or 7%.

Contributions will still be paid to the UCTRF on your behalf while you are receiving a disability income benefit and will be set at 18% of your CoE.

If you were to die while you are a disability claimant, your dependants would be entitled to the death benefits described in the previous section. Should you retire, you will be entitled to the retirement benefits described in the Retirement Benefits section.

Here are some examples of how this works:

			
	Shenaaz	John	Bongani
CoE	R15 000	R30 000	R70 000
50% of the first R23 000	R7 500	R11 500	R 11 500
40% of the next R40 250	-	R2 800	R16 100
30% of balance	-	-	R2 025
Total Cover	R7 500	R14 300	R29 625
PLUS 18% contributions to the UCTRF	R2 700	R5 400	R12 600
Grand Total	R10 200	R19 700	R42 225

Let's compare this to the members' take-home pay assuming different contributions rates prior to disablement:*

Contribution rate 28% of CoE	Shenaaz	John	Bongani
CoE	R15 000	R30 000	R70 000
LESS Contributions to UCTRF	R4 200	R8 400	R19 600
LESS estimated tax	R508	R2 599	R11 447
Total take-home pay*	R10 292	R 19 001	R38 593

Contribution rate 18% of CoE	Shenaaz	John	Bongani
CoE	R15 000	R30 000	R70 000
LESS contributions to UCTRF	R2 700	R5 400	R12 600
LESS estimated tax	R778	R3 379	R14 006
Total take-home pay*	R11 552	R 21 221	R43 394

Contribution rate 12% of CoE	Shenaaz	John	Bongani
CoE	R15 000	R30 000	R70 000
LESS contributions to UCTRF	R1 800	R3 600	R8 400
LESS estimated tax	R940	R3 847	R15 644
Total take-home pay*	R12 260	R 22 553	R45 956

* This does not take any other deductions from your CoE into account such as medical aid, UIF, etc.

Lump sum disability cover

If you become totally and permanently disabled, a lump sum disability benefit may be paid from the separate death cover policy once you have been disabled for a period of 3 continuous months. The lump sum is 1x CoE. This will be in addition to any disability income benefit you may receive. The separate disability cover will reduce by 1/12th per month in the 12 months prior to your Normal Retirement Date.

You will qualify for the lump sum disability benefit if, after the expiry of this 3-month period, the insurer considers you totally and permanently unable to perform your job, or any similar job that you could do by virtue of your experience, training, education and age, with any employer.

If you receive such a benefit and subsequently die (while receiving a disability income benefit), your death cover under the separate death and disability scheme will be reduced by the lump sum disability benefit multiple you have been paid.

Funeral cover



Family Funeral Cover

The high costs of arranging a funeral can put financial strain on the loved ones of the person who has passed on. Family Funeral Cover helps to ease this burden by paying out a lump sum to help cover the costs of a funeral or memorial service for your immediate family. The voluntary family cover is available to all members of the UCTRF.

You and your spouse* and children* are covered in the event of death for the amounts below. Please refer to your HRBP for a cost breakdown.

Covered Person	Lump Sum Cover
Main member	R30 000
Spouse*	R30 000
Child* (aged 14 and above)	R30 000
Child* (age 6 – 13 years)	R15 000
Child* (age 2 – 5 years)	R7 500
Child* (under 2 years, including stillborn)	R7 500

*See overleaf for the definition of Spouse and Child.

This benefit is not taxed.

Spouse

A "Spouse" must be the spouse of the member, including:

- a party to a customary marriage concluded in accordance with the applicable indigenous law;
- a union concluded between parties married in accordance with the doctrines of any recognized religion or tradition;
- a partner to a civil partnership in terms of the Civil Union Act, 2006;
- a common law spouse or life partner, provided that the member provides proof of the permanency of the relationship.

Children

"Child" refers to any biological child, stepchild, adopted or foster child of the member. Children are covered if they are:

- under the age of 22;
- a stillborn child born after the 26th week of pregnancy or posthumous child;
- permanently mentally or physically disabled and totally dependent on the member, which total and permanent disability must have occurred prior to the age of 22;
- a full-time student at any registered university or tertiary educational institution who is unmarried and under the age of 25.

Payment will be made for a maximum of 1 spouse, 5 dependent children, and 2 stillbirths in respect of a member for the duration of the Policy.

What if I don't want or need this cover?

The cost of this cover is deducted from your UCTRF contribution. If you don't want this cover, you can "opt out" within 30 days of joining the UCTRF and the savings in the premium will be credited to your Accumulated Retirement Savings. (Please refer to your HRBP for a cost breakdown.)

You have the opportunity to opt in or out on 1 July each year. If you opt out and then opt back in, there will be a waiting period, and you will not be able to claim for the first 6 months after opting back in.

What if I need more cover?

You have the option, when you join the UCTRF or on 1 July each year, to double the amount of family funeral cover. The additional premium will be deducted from your CoE. Please contact your HRBP for the necessary forms and the cost of the additional premiums.

What is the benefit scale of the additional cover?

When you take up the additional cover, your total family funeral cover will be as follows:

Covered Person	Lump Sum Cover
Main member	R60 000
Spouse*	R60 000
Child* (aged 14 and above)	R60 000
Child* (age 6 – 13 years)	R30 000
Child* (age 2 – 5 years)	R15 000
Child* (under 2 years, including stillborn)	R15 000

*See above for the definition of Spouse and Child.

When does my family funeral cover cease?

Cover will cease when you “opt out”, or the last day of the month in which you reach age 70 or when you leave the service of your employer (whichever happens first). Please consult the policy available at <https://uctrf.co.za/uctrf/funeral-benefits> for the full terms and conditions.



Important:

Please contact HR on UCTFuneralCover@uct.ac.za for more information or to submit a claim.

Certain exclusions may apply to the family funeral cover. These are set out on the UCTRF website at <https://uctrf.co.za/uctrf/funeral-benefits>.

Funeral Support Services

In addition to the lump sum benefit payment, you, your spouse and your dependent children, have access to a range of free Funeral Support Services. These include:

- Transportation arrangements for one relative to accompany the deceased to the nearest funeral home of choice closest to the place of burial;
- Accommodation for one night, if required, for one relative accompanying the deceased to the place of burial;
- Legal assistance regarding the funeral procedures, for example assisting with obtaining the death certificate, removal of body etc.;
- Assistance in the arrangement of a funeral or cremation;
- Referral to pathologists, if required;
- Referral of family members of the deceased to a psychologist or psychiatrist, if required;

- Referral of family members of the deceased for special counselling, particularly relating to the loss of a child, if required; and
- Repatriation of the deceased (for further information regarding the repatriation benefit please refer to the funeral policy on the UCTRF website).

Can I get funeral cover for other members of my family?

Yes, UCT has negotiated for employees to elect extended funeral cover for family members that are not covered under the standard family funeral cover. The premiums will be deducted from the employee's bank account via a debit order. Please contact the HR Office for additional information regarding this cover.

Investments



When saving money for retirement, it is important to earn the highest Investment Returns possible. Therefore, your money in the UCTRF has to be invested in the portfolio that best suits your needs.

You can choose the Life Stage Model, which is the UCTRF Board's default model; or, if you do not think this is suitable for you and you are comfortable with investment concepts and making your own investment decisions, you can choose what percentage of your money in the UCTRF should be invested in the three portfolios on offer.

The portfolio options and the Life Stage Model are explained in detail on the UCTRF's website at the following link: <http://uctrf.co.za/uctrf/investment-channels-available>.

Investment portfolio options

Based on expert advice, the UCTRF offers a choice of three portfolios designed to accommodate members' needs and Risk Profiles over the course of their working lives.

Capital Preservation Portfolio

Balanced Portfolio

Shari'ah Compliant Balanced Portfolio

Comparison of the portfolios

Criteria	Capital Preservation Portfolio	Balanced Portfolio	Shari’ah Compliant Balanced Portfolio
Risk Profile	<i>Low volatility and low expected Investment Returns</i>	<i>High volatility and high expected Investment Returns</i>	<i>Medium to high volatility and expected Investment Returns</i>
Suited for members	<i>Within 2 years of retirement or exiting the UCTRF</i>	<i>7 years or more to retirement or exiting the UCTRF</i>	<i>5 to 7 years to retirement or exiting the UCTRF, and to comply with Islamic Law</i>

When we speak about a portfolio being “volatile” we mean that the value of your investment can go up and down a lot depending on how the portfolio is performing. Remember that Investment Returns can be positive or negative.

How do I choose an investment portfolio?

Members have different needs and requirements when it comes to investments. Each portfolio has a unique Risk Profile, and you choose the portfolio that is most suitable for you with a Risk Profile that closely matches your needs and expectations. You may also choose a mixture of portfolios. As a general rule, the closer you are to your retirement age or exiting the UCTRF, the more you should be concerned with a portfolio’s volatility. The longer you expect your Accumulated Retirement Savings to be invested in the portfolio of your choice, the more you should be concerned about earning Investment Returns that are higher than Inflation.

Life Stage Model – Default Model

Not all of us are investment experts. The Board acknowledges this fact and therefore provides members with an investment model where their Accumulated Retirement Savings will be moved to a less volatile portfolio as they near Normal Retirement Date. This is due to the accepted practice that younger members should be invested in a portfolio with the highest possible potential returns over the long term, but should then be moved to a less volatile portfolio as they age, to ensure they do not suffer large capital losses should the markets crash just before their retirement.

How does the Life Stage Model work?

From the beginning of the year in which you turn 59, your Accumulated Retirement Savings will be adjusted in small monthly steps of 1.25% until the end of the year in which you turn 63, at which point 75% of your Accumulated Retirement Savings will be invested in the Capital Preservation Portfolio and 25% will remain in the Balanced Portfolio.



The Life Stage Model is suitable for your planned retirement from your employer at your Normal Retirement Date. If you have different plans for your future, this model may not be the best choice for you.

Can I switch portfolios?

Yes, you can switch between portfolios or switch out of the Life Stage Model and choose your own portfolios at any time. However, if you switch more than once in any period between 1 July and 30 June each year, you will be charged a UCTRF Board-approved amount per switch, which will be deducted from your Accumulated Retirement Savings at the time that you make the switch.

The switch forms can be found on the UCTRF's website:

<https://uctrf.co.za/uctrf/how-to-switch-your-investments>.

Please submit your form to:

zzswitches@alexforbes.com

What happens if I don't make a choice when I join the UCTRF?

If you don't exercise a choice when joining the UCTRF, your retirement savings contributions will be invested in the Life Stage model.

Where can I get more information?

Investments are complex. Please review the Investments Section on the UCTRF's website at the following link: <https://uctrf.co.za/uctrf/investment-channels-available> for a more complete explanation.

You can also view the latest Investment Returns on the UCTRF's website at the following link: <https://uctrf.co.za/uctrf/latest-investment-returns>.

Divorce Orders



If you get divorced, a portion of your Accumulated Retirement Savings might be payable to your ex-spouse. The amount will depend on the percentage specified in your Divorce Order.

If your Divorce Order is not correctly worded, the Administrator of the UCTRF may not be able to pay your ex-spouse any portion of your benefit until the Divorce Order is corrected, which can take time and cost you money. You can find the suitable phrasing on the UCTRF's website (<https://uctrf.co.za/uctrf/divorce-orders>) or you can contact the UCTRF Office. (See our contact details at the end of this guide.)

When will the benefit be paid to my ex-spouse?

Your ex-spouse can receive the benefit from the UCTRF immediately, subject to the Decree of Divorce complying with the requirements of the Act. The payment will be processed once you have provided the UCTRF with your Divorce Order. This should happen as soon as possible after the date of divorce.

Who will pay the tax on the benefit paid to my ex-spouse?

Your ex-spouse pays the tax.



Housing loans



You can use your savings in the UCTRF as security for a housing loan under a Pension-backed Housing Loan Scheme. This loan may only be used for housing purposes as defined in the Pension Funds Act.

The UCTRF may provide a guarantee in respect of a loan granted for these purposes, but for not less than R15 000, and not more than 65% of your Accumulated Retirement Savings.

This does not guarantee that the loan will be approved by the bank. All applications must be made via the UCTRF Office for pre-approval, and not at the Bank.

This option is only available to members who are still employed by the employer.

If your application is successful, the repayments are deducted by your employer from your salary.

See the UCTRF's website at the following link: <https://uctrf.co.za/uctrf/housing-loans> for additional information regarding the application process.

If you leave your employer's service and become a Disability Income Claimant or elect to become a Deferred Pensioner or Phased Retiree, you have the option to either:

1. settle the outstanding balance on your loan from your Accumulated Retirement Savings; or
2. continue to repay the loan to FNB at the same interest rate. In this case, as the repayments can no longer be debited from your salary by your employer, you will need to complete a debit order form allowing FNB to debit the repayments directly from your bank account. In the event that you default on repayments for 3 months, FNB will contact the UCTRF and advise them to deduct the full amount of the outstanding loan from your Accumulated Retirement Savings to settle the loan. HR will provide you with the debit order form to complete, and the form should be returned to HR for FNB to implement the debit order.

Where can I get financial advice?



If you have a financial advisor, they will be able to assist you with developing a financial plan, specifically looking at your retirement income requirement and a financial needs analysis to ensure appropriate death and disability cover.

If you do not have a financial advisor, Gradidge Mahura Investments (Pty) Ltd (GMI) has been appointed by the UCTRF to assist members, at preferential rates, with retirement planning and the specific focus of developing a retirement plan. GMI have advisors who can provide Financial Advice in English, Afrikaans, Setswana, Sesotho, isiZulu, Sepedi or isiXhosa. Use of GMI's services is entirely voluntary.

The services provided by GMI include the following:

- Investment and Retirement Planning;
- Explain UCTRF investment channels or options;
- Explain UCTRF risk and disability cover;
- Analysis of death and disability cover;
- Provide advice on tax and estate duty.

There is a list of the GMI advisors that are available on the UCTRF website at this link:
<https://uctrf.co.za/uctrf/fais-accredited-advice>

You can contact GMI directly or inform the UCTRF Office that you would like GMI to make contact with you.



Gradidge Mahura Investments

Email: info@gminvestments.co.za

Telephone: **021 204 2920**

What other benefits are there for me as a member of the UCTRF?

All members with income disability cover have free access to the Sanlam Reality loyalty programme. To find out more please visit <https://uctrf.co.za/uctrf/disability-benefits>.

Complaints



If you have a complaint relating to the management of the UCTRF, its administration, member communication, benefit payments, or any other matter, please write to the Principal Officer of the UCTRF at the address at the end of this guide.

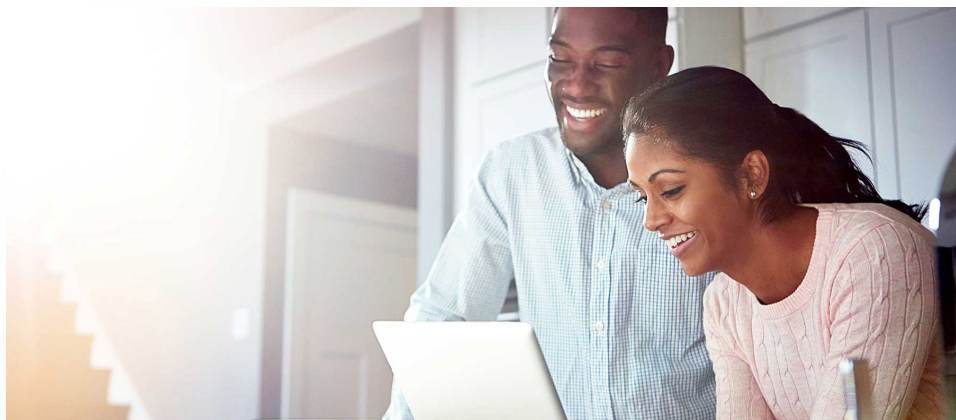
The UCTRF has 20 working days in which to respond. If you do not receive a response, or the response is not satisfactory, you will be able to lodge your complaint with the Pension Funds Adjudicator.

Please note that this does not apply to complaints regarding the separate death and disability cover, family funeral cover or the disability income cover, which must be lodged with the Ombudsman for Long-term Insurance. The insurer should be given the opportunity to resolve the problem or complaint before it is referred to the Ombudsman.

Important:



You can complain to the Pension Funds Adjudicator and to the Ombudsman for Long-term insurance directly (you do not need to hire a lawyer) and for free. The contact details of the Pension Funds Adjudicator and the Ombudsman for Long-term Insurance can be found on the UCTRF's website: <https://uctrf.co.za/uctrf/contact-us>.



Protection of Personal Information



All companies, including Retirement Funds, need to be fully compliant with the Protection of Personal Information Act 4 of 2013 (POPIA). POPIA aims to promote your right to privacy, while at the same time protecting the right of access to information.

POPIA introduces measures regarding the processing of your personal information. In terms of the UCTRF, this includes processing information without consent when it is a legal requirement in terms of the Pension Funds Act; with the condition that it is in your legitimate interests but does not include sharing your personal information without legitimate consent. For example, you would need to give consent for the UCTRF to provide your personal information to your financial advisor.

Personal information identifies you or relates to you personally. For example, the UCTRF makes use of, amongst others, the following information in this regard: name, ID/passport number, date of birth, etc.

The Trustees want to reassure you that they will consistently review the collection/processing of all personal information by the UCTRF and their service providers, to be able to confirm that the information is collected/processed lawfully in terms of POPIA and in accordance with the requirements of the Pension Funds Act and any other relevant legislation.

You may read the UCTRF's member statement on POPIA on the UCTRF website at <https://uctrf.co.za/uctrf/protection-of-personal-information>



However, it is your responsibility to ensure that the UCTRF has your up-to-date personal information. Please contact us if any of your details have changed.

Contact us



Registered Office of the UCTRF

Physical Address: Bremner Building, University Crescent, Rondebosch

Postal Address: University of Cape Town, Private Bag X3, Rondebosch 7701

UCTRF management Please submit all comments or questions via this form:

<https://bit.ly/3FLbWP9>

Tel: 021 650 2934

To view your benefits Alexforbes secure member website, AF Connect, to be accessed via the following URL:

<https://mymoneymatters.alexforbes.com>

HR Business Practitioner To view details of HRBPs, please visit this link on the HR website:

<http://www.hr.uct.ac.za/hr/contacts>

Disclaimer

This information booklet serves as a guide only. The editors, the UCTRF, the UCTRF's Trustees, the Principal Officer, and the UCTRF's service providers do not accept responsibility for any loss or damage that may be sustained as a result of reliance by any person on the information contained therein. This information is not financial or investment advice. In the case of any discrepancies, the Rules of the UCTRF and the Insurance Policies prevail. The Pension Funds Act 24 of 1956 overrides all Rules and Insurance Policies.



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