

NTRF

NATIONAL TERTIARY RETIREMENT FUND



Member Guide

2024

www.ntrf.co.za



Contents

03 Welcome

04 General Information

07 Membership

07 New Members

08 Contributions

09 Member Share

10 Investments

12 Withdrawal Benefits

14 Retirement Benefits

16 Taxation

17 Death and Disability Benefits

18 Divorce Orders

19 Housing Loans

20 Contact Us



Welcome

Dear member

This member guide is one of the tools available to help you fully understand all the benefits provided by the National Tertiary Retirement Fund (NTRF).

Should you have any questions which are not answered in this member guide, or have comments/suggestions for improving this guide, please do not hesitate to contact the fund administrator (see details under the “Contact Us” section).

Please make this member guide available to your family, so that they understand how the fund operates, what benefits accrue to members of the fund, and how claims must be submitted.

The fund also has an informative website with great tools to help you plan for your future.

Visit the NTRF website by clicking here or going to www.ntrf.co.za

We trust you will find this a helpful learning experience, and look forward to aiding you on your journey towards true financial freedom.

Kind regards

Jennifer Grefen

Principal Officer

General Information

What is the NTRF?

The NTRF is a 'savings plan' set up by your employer to help you save for your retirement. Every month you and your employer will deposit money into this fund, which will earn returns so that you can use the money one day when you have retired and are no longer earning a salary.



SAVE NOW



FOR THE FUTURE OF YOUR DREAMS

The fund provides members with benefits, once they leave the employ of a participating employer, or retire. Fund members are also eligible for benefits in the event of disability, and their beneficiaries are entitled to benefits should the member pass away. A pension-backed housing loan benefit is also available to members, if the participating employer has agreed to this.

Benefits become available:



**WHEN A MEMBER
RETIRES OR RESIGNS**



**IF A MEMBER IS TOO
ILL OR DISABLED TO
WORK**



**SHOULD S/HE PASS
AWAY**

Who does the NTRF belong to?

The fund is a separate legal entity which belongs to its members. This means it does not belong to the employer or the administrator. The fund is registered with the Financial Sector Conduct Authority (FSCA) which ensures – on an annual basis – that the fund is well managed, by monitoring that all the required documents (e.g., annual financial statements) are submitted on time, and that operations are conducted in line with legislation. It is also approved by the South African Revenue Service (SARS), which grants members certain tax concessions when benefits are paid, and means contributions are tax deductible.

Fund rules

The fund is managed according to a set of rules, which have to comply with the requirements of the Pension Funds Act. Amongst others, the rules specify the contributions made towards the fund, the benefits to be paid to members, and the management structure of the fund.

The rules of the fund and amendments to those rules are drafted by technical experts in accordance with the Pension Funds Act, before being registered with the FSCA – this, to ensure that the rules and amendments are Pension Funds Act compliant. (This act is the legislation governing all retirement funds in South Africa.)

The rules of the fund may have to be changed, from time to time, often because of legislative changes. Any amendments will be communicated to members as and when they are made.

Governance and management of the fund

The board of the fund is responsible for the governance of the fund, and the appointed principal officer is responsible for the fund’s management. Together, they have to ensure that members’ and beneficiaries’ interests are protected at all times. They are all qualified individuals, but where they lack expertise in a certain field, they are aided by retirement industry experts and specialists.

The board of the fund comprises of the following:

Board Members



Three are appointed by the employers



Two are appointed by the board



One is elected by pensioners



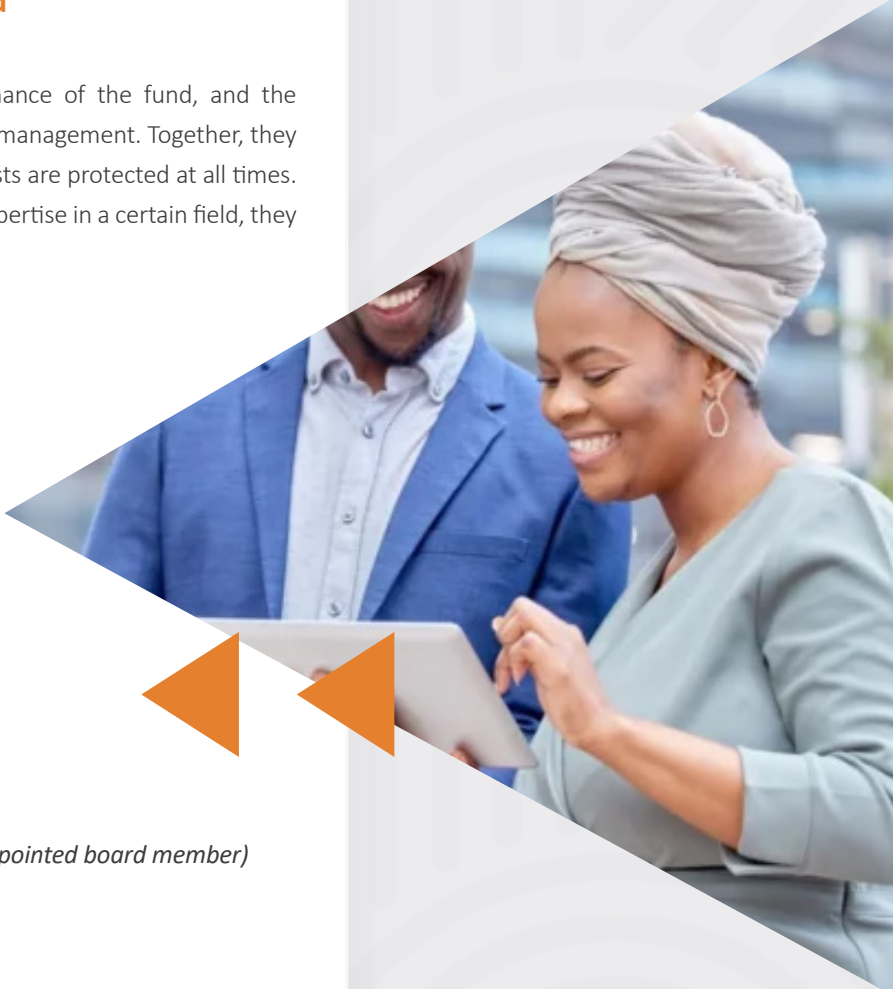
Six are elected by members




One Independent Chairperson (also an appointed board member)



One Principal Officer





Principal Officer Duties
<https://tinyurl.com/2y9hen22>

[View](#)



Term of office

Board members have a five-year term of office. A formal election is held at the end of a member's term of office, allowing members to either re-elect the board members in office at the time, or to elect a new board member(s). **It is important that you take part in these elections, to ensure that individuals are elected to act in your best interests.**

The board appoints an independent chairperson to preside over all board meetings that are held at least quarterly, to deal with the business of the fund.

The board of the fund receives assistance on fund-related matters from the following industry experts and specialists:

Service Providers
Investment Consultants and Appointed Actuaries: WTW
Auditors: PwC
Retirement Administrators: Momentum

How does the fund work?

To fully understand how the fund operates, it is important to follow the flow of money through the fund.



You and the employer contribute to the fund



Fund expenses and risk benefit premiums are deducted from the employer contributions received



The balance is invested for you.*

**Remember: Investment returns can be negative during some periods and positive during others, depending on market returns.*



Membership

In terms of the rules of the fund, a member is an employee of one of the participating employers who is eligible, according to his/her conditions of service, to join the fund and who has not reached his/her retirement age in terms of his/her conditions of service. The following employers are currently participating in the fund:

- Cape Peninsula University of Technology [CPUT]
- Durban University of Technology [DUT]
- University SA & HEAIDS
- Mangosuthu University of Technology [MUT]
- Nelson Mandela University [NMU]
- Tshwane University of Technology [TUT]
- University of South Africa [Unisa]
- Vaal University of Technology [VUT]
- Walter Sisulu University [WSU]
- Universities South Africa [USAf]

New Members

This section is specifically for new members. It is our pleasure to welcome you to the National Tertiary Retirement Fund.

As a new member, you will need to familiarise yourself with the fund, complete some important forms, and make a few decisions. To help you get started we encourage you to ask for help, if needed. Studying this member guide and all the supplementary guides that link to it, is a good starting point.

If you have any questions, please see the “Contact us” section at the end of this guide.

Important information if you are transferring money into the fund from a provident fund:

You might want to transfer your member share from your previous fund over to the NTRF. The NTRF is a pension fund: that means, when you retire you can only take a maximum of one third of your savings in cash. The balance must be used to purchase a pension. If you were a member of a provident fund at 1 March 2021, you would have a VESTED amount: this would have been your total fund value on 1 March 2021, plus any interest earned on the amount since that date.

This vested amount, and any interest earned on it, will still be available to be taken in cash when you retire from the NTRF one day. It is important for the administrator of your previous fund to clearly indicate what this vested amount is, when you transfer the money from that fund.

Contributions

Contributions to the fund are made by both members and their employers, in the following percentages:



MEMBER 8% OF PENSIONABLE SALARY






EMPLOYER 16% OF PENSIONABLE SALARY

Alternative retirement contribution arrangement

The NTRF provides flexibility to employers seeking to implement a contribution rate lower than the default arrangement of 24%. Members whose employers have an alternative contribution arrangement will make no member contributions. Please check with your employer whether this applies to you.

What costs and risk premiums are deducted from contributions?

The employer’s contribution of 16% of your pensionable salary, will be applied as follows:

 <p>Risk premium for death and disability benefits: <i>2% of pensionable salary</i></p>	<p>This 2% is used for risk premiums to provide benefits in case of disability, or for death benefits to your family in the event of your passing. If you opted to enhance your cover by contributing an additional 2%, your total risk premiums will be 4% (see the section “Death and disability benefits” for more information).</p>
 <p>Fund expenses to run the fund: <i>0.25% of pensionable salary</i></p>	<p>The good news is that the board is continuously seeking ways to maximise the amount allocated to retirement savings. Board members negotiate with service providers to minimise this expense. Every penny saved here contributes to your retirement savings. If you are saving for retirement through an individual product, you might notice that this cost is likely to be considerably higher.</p>
 <p>Retirement savings: <i>13.75% of pensionable salary</i></p>	<p>This is the total amount that goes towards your retirement savings every month. Remember, if you opted for additional risk cover, this amount will only be 11.75%.</p>

Your full member contribution will go towards your retirement savings.

Additional contributions

As a member, you are allowed to make additional voluntary contributions to enhance your retirement funding. You have the options of selecting 1.5% or 3.5% of your pensionable salary.

Please contact HR to determine whether this option is available to you.

You also have the option to enhance your death and disability cover by contributing an additional 2% (see the section on “Death and disability benefits” for more information).

Please contact HR to determine whether this option is available to you.

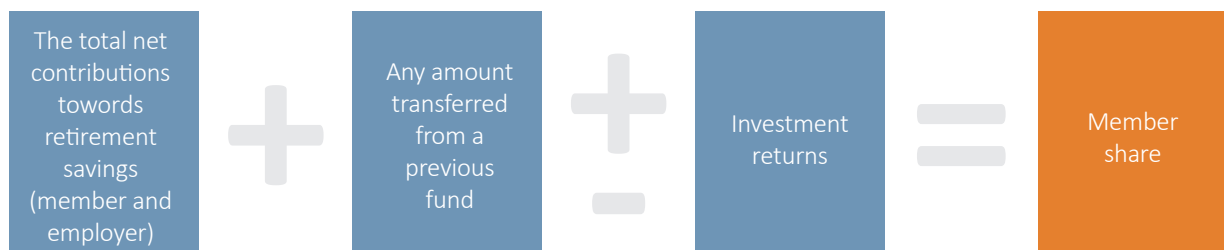
You will receive a tax deduction on your contributions towards all retirement funding, up to 27.5% per annum, of remuneration/ taxable income. This is subject to a maximum deduction of R350 000 per year – any excess amount can be rolled over and deducted in future years. This means that increasing your monthly contributions will result in less of your monthly income being taxed!

Contact your Human Resources Department, should you be interested in making additional contributions.

Member Share

Your total member share in the fund is made up as follows:

- The total net contributions towards retirement savings (employee and employer); plus
- Any amount transferred from a previous fund; plus
- Investment returns (positive or negative, depending on the markets).



Important: Your net contributions are calculated by deducting any risk premiums and fund costs from your gross employer contributions, and adding any additional contributions you make (see the “Contributions” section for more information on how your net contributions are calculated).

Where can I view my member share?



Fund's Website

<https://ntrf.co.za/fund-value>

View

Investments

When saving money for retirement, it is important to earn as much interest (as high a return) as possible. Therefore, your money has to be invested in the right portfolio to suit your needs.

The board members of the NTRF go out of their way to ensure that the fund caters for the needs and requirements of the bulk of its members. One of the ways in which they do this, is to offer members a range of investment portfolios to suit their diverse needs.

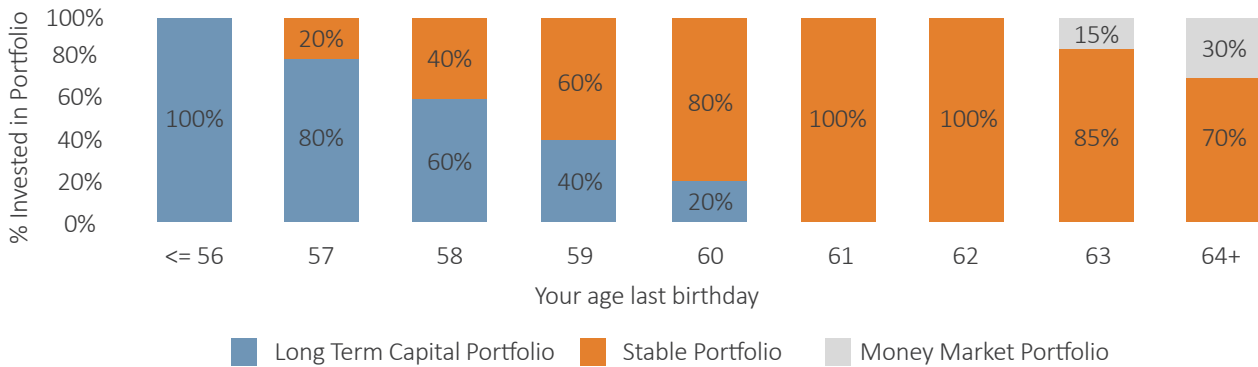
Life Stage Model (default investment option)

The board members know that not all of us are investment experts. For that reason, they provide an investment option that is likely to suit most members – a default investment option called the Life Stage Model. In the Life Stage Model, to protect your capital, your money is automatically moved to a lower-risk portfolio at certain life stages, based on your age.

There are two alternatives, Life Stage Model 60 and Life Stage Model 65.

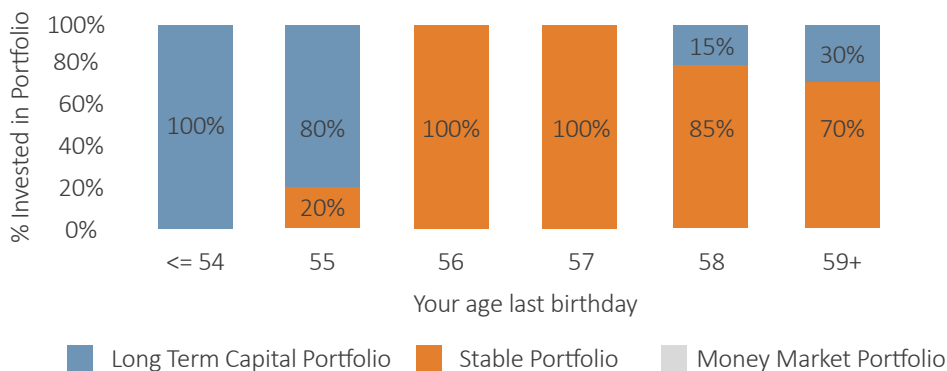
If your normal retirement age is 65 years, your contribution will automatically be invested in the Life Stage Model 65.

Life Stage Model 65



If your normal retirement age is 60 years, your contributions will automatically be invested in the Life Stage Model 60.

New Life Stage Model 60 Years




Your investment options

Members who are not entitled to a conditional retirement benefit can decide to switch to the other Life Stage Model (either 60 or 65), or to opt out of the Life Stage Model entirely. They can choose to invest their total accumulated funds (in the NTRF) in one or more of the following four portfolios on offer:


- Long-term Capital Portfolio
- Stable Portfolio
- Money Market Portfolio
- Shari'ah Portfolio





Portfolios on Offer
<https://ntrf.co.za/portfolios-on-offer>

View



Portfolio Performance
<https://ntrf.co.za/how-did-they-perform>

View


Please note: You are either a Life Stage Model member or an own choice member – you cannot have a mix of the two.

- You can select any combination of the four portfolios (see above) to invest in, if you select the member investment choice option.
- You can exercise this choice once a month. Option forms received in the month will be implemented with effect from the 1st of the following month.
- Having exercised a choice you will remain in that portfolio or Life Stage Model option until such time as you submit a revised option form.
- If you become a deferred member, you need to complete an option form, otherwise your savings will remain invested in the strategy that you selected at date of retirement.
- Your total accumulated funds and ongoing retirement savings can be invested differently if you are an own choice member.

No fee is applicable if you switch between Life Stage Model 60 and Life Stage Model 65, or exercise an own choice.

Where can I view my investment option?

To view your investment option, log in to the member portal.



Investment Option
<https://tinyurl.com/2nhht47x>

View

Withdrawal Benefits

Resignation, dismissal, or retrenchment

Savings Pot claims can only be paid into the account to which your salary is paid.

The following applies for each of category of your retirement savings:

Vested pot: "OLD" savings up to 31 August 2024	Savings pot: "EMERGENCY" money – only for emergencies!	Retirement pot: NO TOUCHING
You may withdraw the full balance.	You may withdraw the full balance, but you may only withdraw once in a tax year unless the amount in savings pot is less than R2 000	You cannot make withdrawals from this pot. This money must be used to purchase an annuity when you retire.
Taxed in line with tax tables for withdrawal.	Any withdrawals from this pot before retirement will be taxed at your marginal rate – in other words, the same rate as your income. At retirement it will be in line with retirement tax table.	The annuity that you buy will be taxed as and when you receive your monthly pension income, in line with tax tables for retirees.

Certain amounts may be deducted from your member share, before your withdrawal benefit is paid.

- Tax on the benefit, in accordance with the Income Tax Act.
- Outstanding housing loans where the member’s member share was used as surety.
- Arrears maintenance payments awarded via a court order.
- Amounts awarded to an ex-spouse via a divorce order and not yet paid.
- Losses suffered by the employer because of fraud and theft by the member, and in respect of which the member admitted liability in writing, or judgement has been obtained against him/her.

The deductions indicated below are dependent on which (if any) occurred first:



MAINTENANCE ORDERS



FRAUD AND THEFT



HOUSING LOANS



DIVORCE ORDERS

Please note: It is important to notify the fund 30 days before your final day of service.

Where can I view my withdrawal benefit?

To view your member share, log in to the fund's website at www.nrf.co.za or [click here](#).

Options when you resign

Various options are available to you when you resign from your employer.

Your options:



Leave your money in the fund (paid-up member)



Take a portion of your money in cash (NOT recommended)*



Transfer your money to your new employer's pension and/or provident fund



Transfer your money to a commercial retirement annuity fund



Transfer your money to a preservation fund.

** Should you take your benefit in cash, you will have to start saving all over again, and will not be able to accumulate a retirement benefit which gives you 70% or 75% of your salary as a pension. In other words, the income that replaces your salary will be insufficient for you to maintain your standard of living.*

For more information on the options available to you, [click here](#) to access the withdrawal guide: it provides all the details you need to make an informed decision, as well as links to the forms you need to complete.

Ask someone

Retirement fund legislation requires that members be given access to retirement benefit counselling (RBC) before any withdrawal of a benefit is paid to the member or transferred to another fund.

- **Speak to a benefit counsellor** if you have any questions about your options in the fund, or your benefits. This service is FREE. For their contact details, see the "Contact us" section or log in to the fund's website at www.ntrf.co.za to complete a guided withdrawal process. Alternatively, [click here](#).
- **For advice on what to do:** Always ensure that you speak to an accredited financial advisor to help you make an informed decision. Visit the website of the Financial Planning Institute (FPI) at <http://www.fpi.co.za> to find a qualified financial advisor who can offer expert advice.

Retirement Benefits

When you retire from the NTRF, your member share will become payable (see the section on “Member share”).

What is my normal retirement age?

- An employee’s normal retirement age is as specified in the employer’s conditions of service, but is no later than the end of the year in which the employee turns 65.
- You may retire early, from the age of 55, but only with your employer’s approval.

What is my retirement benefit?

The following applies for each of category of your retirement savings:

Vested pot: “OLD” savings up to 31 August 2024	Savings pot: “EMERGENCY” money – only for emergencies!	Retirement pot: NO TOUCHING
You may withdraw a portion in cash.	You may withdraw the full balance in cash.	This money must be used to purchase an annuity when you retire.
Taxed in line with tax tables for retirement.	Taxed in line with tax tables for retirement	The annuity that you buy will be taxed as and when you receive your monthly pension income, in line with tax tables for retirees.

Permissible deductions which may be deducted from your member share before your retirement benefit is paid, include the following:

- Tax on the benefit, in accordance with the Income Tax Act;
- Outstanding housing loans, where the member’s member share was used as surety or where there is an outstanding balance on direct loans from the fund;
- Arrears maintenance payments awarded via a court order;
- Amounts awarded to an ex-spouse via a divorce order and not yet been paid; and
- Losses suffered by the employer as a result of fraud and theft by the employee, and in respect of which the member admitted liability in writing, or judgement has been obtained against him/her.

The deductions indicated below are dependent on which (if any) occurred first:



**HOUSING
LOANS**



**DIVORCE
ORDERS**



**MAINTENANCE
ORDERS**



**FRAUD AND
THEFT**

Where can I view my retirement benefit?

To view your member share, log in to the fund’s website.

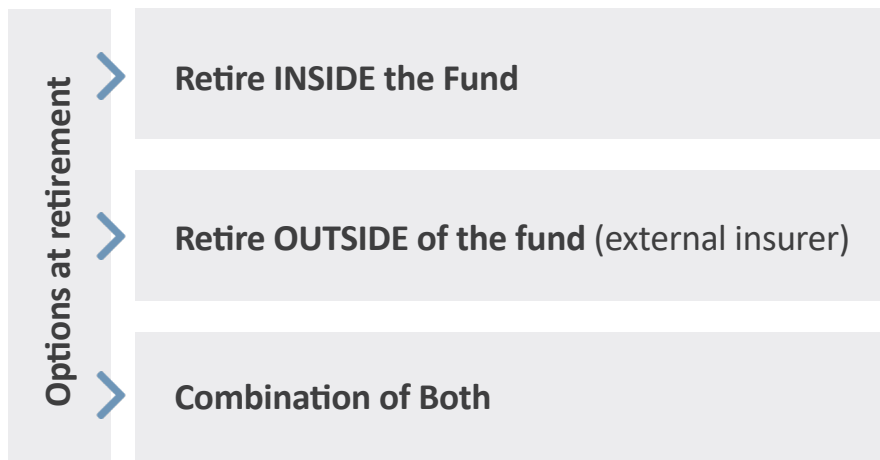


Retirement Benefits

<https://ntrf.co.za/retirement-guide>

Download

What are my options at retirement?



You will have a few options available to you, whether you retire **INSIDE** or **OUTSIDE** of the fund. Click here to view the Retirement Guide, or visit the website at www.ntrf.co.za and select Benefits in the main menu. Then select Retirement benefits from the dropdown options.

Remember: This money will have to last you for the rest of your life, so it is important not to take any decision at retirement lightly. Speak to an accredited financial advisor to assist you with this important step.

What if I do not want to make a decision now?

The rules provide for a member who has retired from the service of the employer to postpone payment of the retirement benefit until a date after termination of service, as elected by the member.

The following will apply to deferred retirees:

- No further contributions towards retirement will be accepted.
- No further deductions/cover for risk benefits will apply.
- Admin and investment fees will be deducted from your member share.
- Your contributions will be invested in the same option as before you became a deferred retiree, so ensure that you are comfortable with your investment option.
- You will receive a benefit statement once a year.
- If you were to pass away before making your choice, your member share in the fund will become payable to your family. Read the section on “Death and disability benefits” for more information on how this benefit will be distributed.
- When you are ready to retire one day, you will have the same options in the fund as normal members do. **Click here** to view the Retirement Guide, or visit the website at www.ntrf.co.za and select Benefits in the main menu. Then select Retirement benefits from the dropdown options.



Ask someone

Retirement fund legislation requires members to be given access to retirement benefit counselling (RBC) before retirement.

- You can speak to a **benefit counsellor** if you have any questions about your options in the fund, or your benefits. This service is FREE. See their contact details under the “Contact Us” section. You can also log in to the fund’s website at www.ntrf.co.za to complete a guided retirement process, or click here.
- **For advice on what to do:** Always ensure that you speak to an accredited financial advisor to help you make an informed decision. Visit the website of the Financial Planning Institute (FPI) at <http://www.fpi.co.za/> to find a qualified financial advisor who can offer expert advice.

Taxation

As a member, you need to understand the different tax implications when benefits are paid. Let’s take a look at a few of those ...*

Retirement and retrenchment benefits

The first R550 000 payable at retirement, from a pension, provident or retirement annuity fund, is tax free. The balance is 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

This amount applies to the aggregate of all retirement lump sums received. This means you cannot get R550 000 from the NTRF and R550 000 from another fund. Your accumulated credit will be added together, and the first R550 000 will then be tax free. The balance will be taxed according to the scale above.

Benefits on withdrawal (excludes savings pot withdrawals, which are taxed at marginal income tax rates)

The first R27 500 of a cash withdrawal will be tax free, with the balance taxed as follows:

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

This amount applies to the aggregate of all withdrawal lump sums received. This means you cannot get R27 500 from the NTRF and R27 500 from another fund. Your accumulated credits will be added together, and the first R25 000 will then be tax free. The balance will be taxed according to the scale above.

**The information is applicable under the current tax legislation and is subject to change if and when SARS announces changes.*



Death and Disability Benefits

As a member of the NTRF, you are covered for death and disability benefits. It is important to be informed of these benefits and how to claim, to ensure that you and your family are taken care of in a time of need.



Risk Benefit Structure

<https://ntrf.co.za/risk-benefits>

View



Benefit Distribution

<https://ntrf.co.za/expression-of-wish-form>

View



Expression of Wish Form

<https://ntrf.co.za/forms>

View

Who will receive my death benefit?

Section 37C of the Pension Funds Act governs the distribution and payment of lump-sum benefits if a fund member dies. According to this statute, the duty is placed on the board of the retirement fund to allocate and pay the benefit to your beneficiaries in a manner that is fair and equitable, with due consideration of your Expression of Wish form (click here to download the form).

Please see the links above for more information on how your death benefit will be distributed, and how to complete or update the Expression of Wish form.

This benefit is completely separate from your last will and testament, and does not fall within the scope of your estate. Understanding this will allow you to make the best possible decisions for your loved ones, as you set your retirement goals.

Please Note: If your circumstances change and you have new dependents (*you get married, have a financially dependent parent, or have another child*), you must list them as your beneficiaries.

Divorce Orders

Divorce is a reality of life. A member's retirement benefits forms part of his/her overall assets and a portion is often paid to the ex-spouse in the case of divorce. The portion paid to your ex-spouse will depend on the percentage specified in your divorce order.

Please note: *It is your responsibility to notify the fund of a divorce order. If the fund is not notified, this may delay the retirement/resignation exit process.*

Information to be contained in a divorce order

Ensure that the following information is included in your divorce order, otherwise the fund cannot pay your former spouse directly:

- The name of the fund (National Tertiary Retirement Fund)
- The percentage (0–100%) or Rand value to be paid to your ex-spouse
- It must be clear that a portion of your “pension interest” is being awarded; and
- The fund must be expressly ordered to 1) pay over the awarded portion of your pension interest to your ex-spouse or a fund of your ex-spouse's choice, and 2) endorse its records accordingly.

If the divorce order does not make these provisions, the administrator of the fund has no obligation to pay your ex-spouse any portion of the member's benefit.

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

The payment will be processed once you have provided the fund with your divorce order. Your ex-spouse must complete a divorce application form. The administrator has 60 days to make payment after receipt of the final divorce decree and the divorce application form.

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

Previously, the member paid the tax on the ex-spouse's benefit, but with effect from 1 March 2009, the ex-spouse has to pay the tax on the benefit. With effect from 1 March 2009, the ex-spouse may transfer the amount tax free to a preservation fund.



Housing Loans

Speak to your Human Resources Department if you wish to make use of a pension-backed housing loan. This service will allow you to use your retirement savings as surety for a loan, to do any of the following, at competitive interest rates:

- Buy a new house or vacant land
- Build a new home
- Improve an existing home
- Pay a deposit when buying a home, and
- Pay bond fees.

The property must be in the name of the member, or member and spouse, AND be occupied by the member, spouse, or dependents, as defined in the Pension Funds Act.

Important: *This facility will need to be approved by the employer before you can access it, as there are agreements which need to be signed by the employer. Deductions in relation to the housing loan need to be made by the employer on a monthly basis.*

Also note: *The new pension-backed housing loan facility does not have an impact on members who previously took out pension-backed housing loans with Absa. These loans will continue based on the terms and conditions agreed with the members at the time the loan was taken out.*



Contact Us

To find information:

Chat live with us on the fund's website at www.ntrf.co.za

For more about your options at withdrawal and retirement:

Make an appointment with a benefit counsellor. It is **FREE**.

Log in to the fund's website at www.ntrf.co.za



Benefit Counsellors
<https://ntrf.co.za/ask-someone>

[Learn More](#)

Email: info@benefitcounsellor.com

Tel: 021 300 57290

Need other assistance?

Office Of The Principal Officer *(management of the fund)*

Contact the principal officer to escalate queries

Physical address

Building 2
Country Club Estate
Woodlands Drive
Woodmead

Telephone

011 258 8825

Email

info@gobenefits.co.za

Administrator *(administrative matters)*

Contact the fund administrator for all investment and claim queries and other admin-related queries

Physical address

Fund Retirement Administrators
The Marc 129
Rivonia Road
Sandown Sandton


Telephone

0860 000 071

Email

NTRF@momentum.co.za

Need forms?



Fund Forms
<https://ntrf.co.za/forms>

[Download](#)

Pension Funds Adjudicator

The trustees of the fund strive to instil confidence in both the fund and its service providers. Should you have a complaint, you may bring it to the attention of any trustee or the principal officer. If no response is received within 30 days, or the response proves unsatisfactory, you have the option to approach the pension funds adjudicator to lodge a complaint about your fund. The adjudicator's rulings hold the same legal weight as a civil judgement.

Contact details of the Adjudicator:

Pension Funds Adjudicator

4th Floor
Riverwalk Office Park Block A
41 Matroosberg Road
Ashlea Garden
Pretoria 0181

Tel: 012 346 1738
Fax: 086 693 7472
Email: enquiries@pfa.org.za

Disclaimer

This member guide provides you with a summary of how the fund works, and the benefits members derive from joining the fund. The document is not meant to replace the rules of the fund, and where there is contradictory information, the rules of the fund will prevail. You are entitled to inspect all documents associated with the fund at its registered address. The rules are available at www.ntrf.co.za





**NTRF**

NATIONAL TERTIARY RETIREMENT FUND