

NTRF

NATIONAL TERTIARY RETIREMENT FUND



Pensioner
Guide
2024

www.ntrf.co.za



Contents

03 Introduction

03 Contact information

04 What communication to expect from the Fund and the Fund Administrator?

04 What do we need from you?

05 Who manages the Fund?

06 How is your pension calculated?

08 Where should you obtain further assistance?

09 What other benefits are available?

09 What must be done when a pensioner passes away?

11 Keep your affairs in order

12 Interactive Member Portal

12 Protection of Personal Information (POPI)

13 The Fund's compliance process

13 Disclaimer



Introduction

Dear Pensioner

We want to help you, as a pensioner member of the National Tertiary Retirement Fund (*NTRF*), to make the most of all the benefits and options available to you in the Fund. This guide has been created for you to understand what it means to be a pensioner member of the Fund.

Please reach out to us using the contact details below should you have any questions that are not answered in this booklet.

Contact Information



Administrator

Contact the Administrator for all claim queries, pensioners payments and other Fund-related queries.

0860 33 34 40
NTRF@momentum.co.za

Momentum Retirement Administrators
The Marc
129 Rivonia Rd
Sandown
Sandton



Office Of The Principal Officer

Contact the Principal Officer for all escalations of queries.

011 258 8825
info@gobenefits.co.za

Building 2
Country Club Estate
Woodlands Drive
Woodmead

What communication to expect from the Fund and the Fund Administrator?

- Momentum Retirement Administrators (MRA) will issue your annual IRP5 certificate by the beginning of the tax season, which is 1 July every year.
- Life annuitants will receive an annual pension increase letter before the pension increase is applied. The annual increase is usually effective from March each year.
- Living annuitants will receive a drawdown option form and statement two months before the effective date, which is 1 September each year.
- You will receive a pension advice slip from MRA every month.
- The Fund will distribute pensioner newsletters twice a year.
- The Fund will distribute a board report annually.

What do we need from you?

To ensure that all these documents reach you, we need to have your correct contact details on record, including your mobile number and e-mail address. Electronic distribution removes the risk of non-delivery and is more environmentally friendly.

Data verification forms are distributed annually with the annual pension increase letters. This form should be completed and returned to NTRF@momentum.co.za by 31 March each year. The form can also be downloaded from <https://ntrf.co.za/ntrf/forms>



Pensioner Data Verification

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

Download

If you are a living annuitant, the expression of wish form (EoW) can be completed online on the Pensioner Portal, or you can complete the form below and e-mail it to ntrf@momentum.co.za.



Living Annuitant Expression of Wish

<https://rb.gy/hw5h77>

Download

The above form is electronically fillable and submittable. Alternatively, **click here** to capture your expression of wishes on the MRA portal. **Click here** for an explanation of how to capture your online expression of wishes on the MRA portal.

Who manages the Fund?

The Fund is managed by a Board of Trustees, constituted in accordance with the Rules of the Fund and the provisions of the Pension Funds Act.

The Board consists of:



One Independent Chairperson



Six Member-Elected Board Members



One Pensioner-Elected Board Member



Five Appointed Board Members,
One of whom must be a pensioner

The Board Members are responsible for the governance of the Fund. They ensure that members' and beneficiaries' interests are always protected. Board Members undergo an extensive training programme. Where the Board Members lack expertise in a specific field, they are aided by the relevant experts and specialists.



The Board places a high value on transparency, integrity and accountability.

You are given the opportunity to nominate and elect the pensioner representative to speak on your behalf when the Fund holds elections – every five (5) years, or sooner, should a vacancy become available.



How is your pension calculated?

When you retired, and you decided to retire within the Fund, you were given the option of either a life annuity or a living annuity, or both.

If you chose a life annuity inside the Fund, the actuary calculated a monthly pension payable to you based on the amount of your Member Share (*excluding any cash commutation amount*). The pension is payable to you for the rest of your life (*and your spouse's life if applicable*). The amount of your pension depended on the following factors at retirement:

- Amount available to purchase a pension, that is, your retirement benefit
- Your age and the age of your spouse (*if any*)
- The guarantee period (*currently 5 and 20 years*) chosen
- The yearly pension increase target chosen (*currently 65% or 100% of inflation*)
- If a spouse exists, the spouse will receive 75% of the members pension at date of death of the principal pensioner (*or at the end of the guarantee period*). If a member who is married chose a single life pension (*provided the spouse consented to it*), no provision is made for a spouse's pension on the death of the principal pensioner.
- The interest rate applicable at the time of retirement

On retirement, the administrator provided you with the final quotation based on the retirement election you made.

If you chose a living annuity in the Fund, you can invest your retirement savings according to the guided strategy offered by the Fund or in a range of investment portfolios and withdraw a regular income from the investment, based on the value of your investments and your chosen withdrawal rate (*drawdown rate noting the restrictions imposed by the Fund*).

These living annuities are not guaranteed and depend on the investment returns, drawdown rates and value of the investment portfolio. The Fund has set a maximum drawdown percentage on an age-related basis as set later in the guide. The purpose of doing so is to lower the odds of you (and you spouse if applicable) running out of money before you pass away.

In terms of legislation, living annuitants are required to review the drawdown and their investment strategy annually.



If you are a life annuitant, MRA will communicate your annual pension increase to you.

The Fund tries its best to ensure that your pension income increases in line with the target, subject to affordability, according to the option you selected from those listed below.



An annuity targeting (*but not guaranteeing*) annual pension increases of around **65%** of inflation (*the guided annuity strategy the Fund follows*)



An annuity targeting (*but not guaranteeing*) annual pension increases of around **100%** of inflation.

The Fund currently follows a so-called “liability-driven investment” (*LDI*) strategy for about **75%** of the assets backing your pension. This part of the strategy helps the Fund to deliver a more stable pattern of pensioner increases by investing in assets that closely match the profile of the monthly pensions and are adjusted with inflation in line with the pensioner increase policy of at least **65%** of inflation. The remaining **25%** of your money is mainly invested offshore (*20%*) and in local infrastructure (*5%*), including renewable energy projects. This component of the strategy is designed to provide some protection against investment volatility in South Africa.

If you are a living annuitant, you are allowed to elect your drawdown percentage from two (2) months before 1 September each year. You are also permitted to choose your own investment portfolios from the portfolios available. See more at



Investment Options

<https://ntrf.co.za/ntrf/investment-options>

Download

Living annuitants should inform the Fund annually at least one ⁽¹⁾ month before the effective date of 1 September, should they prefer to amend their drawdown percentage. Otherwise, it will be maintained at its existing level for another year.

Regulation 39 of the Pension Funds Act provides that:

“Where the living annuity is provided from the Fund, the Board must monitor the sustainability of the drawdown percentage and, where applicable, inform the retiree that his or her drawdown is considered as unsustainable.”



It is for this reason that, if you elect a living annuity when you retire and you decide annually how much capital you wish to draw as a monthly income, the Board imposes the following limits to the drawdown rate:

Age Band	Maximum Fund drawdown
Up to 60	5.0%
61–65	6.0%
66–70	7.0%
71–75	8.0%
76–80	10.0%
81–85	12.0%
86–90	14.0%
91 and above	17.5%

Although the legislation provides for drawdowns that are higher than the above, the In-Fund Living Annuity must be structured so that the drawdown percentage must attempt to preserve the capital of the living annuity from reducing to an unacceptable level. The drawdown must at all times be such as an attempt to preserve the capital of the living annuity from dilution. If this is not done, you run the very real risk of your money running out.

Please note: the table is slightly more restrictive in terms of the drawdown in the earlier years and more generous when the annuitant becomes older, relative to the draft Conduct Standard issued by the FSCA in June 2020. It is up to you to manage your annuity to ensure you do not run out of capital. You can elect a drawdown percentage that is lower than that indicated in the table above, subject to a minimum of **2.5%**.

Where should you obtain further assistance?

Speaking to an accredited financial planner before making big decisions about your retirement savings is essential. Visit the Financial Planning Institute (FPI) website to find a qualified financial advisor who can offer expert advice.



Financial Planning Institute
www.fpi.co.za

Download

You can contact the NTRF Benefits Counsellors for guidance if you have any questions about your options in the Fund or your benefits. **THIS SERVICE IS FREE TO NTRF MEMBERS.**

E-mail: ntrf@benefitcounsellor.com **Tel:** 021 300 5729

What other benefits are available?

Should you pass away, there may be some benefits payable to your dependants:



LIFE ANNUITANTS

A lump sum of **R15 000** is payable on the death of the principal annuitant. This is to cover immediate expenses.

Upon your death, **100%** of your pension annuity at date of death will be paid to your surviving spouse for the balance of the first five years from date of retirement, reducing at that point after the five years (*unless you elected 20 years*) to **75%** for the rest of his/her life, provided that your spouse was registered with the Fund as your spouse at your date of retirement and that you selected this option when you retired.

Please Note:

If you were a pensioner on 1 December 1994 only a **50%** spouse's pension applies unless you have opted to reduce your pension at the time with the aim to secure a **75%** spouse's pension on your death.

If applicable, any amount remaining in your member share account (*after the deduction of all payments made to you or your spouse since retirement*) when your spouse dies, will be paid to his/her estate.



LIVING ANNUITANTS

After you have passed away, your surviving spouse will take over your annuity account and continue to draw down on the account as per his/her choice, provided you have nominated your spouse to continue to receive this living annuity.

If no spouse is nominated, the benefit will be allocated in terms of section 37C of the Pension Funds Act.

Subject to provisions in the Income Tax Act, your spouse may commute the full benefit (*not part of it*) within six (6) months of your death.

After your nominated spouse has passed away, the balance in his/her Living Annuity Capital Account will be distributed in accordance with the completed Beneficiary Nomination form on file. If no nomination is made, the benefit will be paid to the estate.

What must be done when a pensioner passes away?

It is so important to have your affairs in order. Not having all your documents updated, or not telling your family where these documents are kept, can lead to unpleasant administrative delays after your death.





LIFE ANNUITANTS

Upon your death, 75% of your pension at the date of death will be paid to your surviving spouse for the rest of his/her life, provided that your spouse was registered with the Fund as your spouse at your date of retirement/ fixed risk disability/death in service.

There is an exception – where a **50%** spouse’s pension will be paid to your surviving spouse. This is only for members who were previously pensioners from the Associated Institutions Pension Fund (AIPF) and did not opt to amend their spouse’s pension.

Supporting documentation to be submitted to the Fund for life annuitants

PLEASE ALERT YOUR LOVED ONES

- ✓ The pensioner’s death certificate.
- ✓ The front page of the pensioner’s identity document is needed to confirm the pensioner’s identity.
- ✓ If there is a surviving spouse and there is a spouse’s pension payable, as applicable to life annuitants:
 - a. The marriage certificate to prove you were married at the time of going on pension. This is a requirement of the Rules of the Fund.
 - b. The front page of the spouse’s identity document, to prevent fraud.
 - c. Proof of banking details of the spouse. This could be in the form of a letter from the bank or a stamped bank statement.
 - d. The spouse’s tax reference number.

Keep these documents together in a safe place, and be sure your family knows where to find them – whether hard copy or electronic.



LIVING ANNUITANTS

After **you** have passed away, your surviving spouse will take over your annuity account and continue to “draw down” on the account as per his/her choice, provided you have nominated your spouse to continue to receive this living annuity. If no spouse is nominated, the benefit will be allocated according to the requirements of section 37C of the Pension Funds Act. This means that the NTRF Board will allocate the money to all your financial and other dependants at its discretion.

After your nominated spouse has passed away, the balance in his/her Living Annuity Capital Account will be distributed in accordance with the completed nomination form on file and not in terms of section 37C of the Pension Funds Act.



Supporting documentation to be submitted to the Fund for living annuitants**PLEASE ALERT YOUR LOVED ONES**

- ✓ The pensioner's death certificate
- ✓ The front page of the pensioner's identity document to confirm the pensioner's identity.
- ✓ The expression of wish form.
- ✓ The estate account of the longest living person (*principal pensioner or spouse*).

Keep these documents together in a safe place, and be sure your family knows where to find them – whether hard copy or electronic.

Keep your affairs in order

**DRAW UP A PROPER WILL**

This legal document must be clear, dated, signed and witnessed. Ensure that an original copy of your will is stored safely and can be easily located.

**LIST YOUR MOST IMPORTANT ASSETS**

Make sure your spouse or next of kin knows where any documentation required to prove ownership (*title deeds, etc.*) is kept. If you have a safe or a safe deposit box, make sure your spouse knows how to gain access.

**VISIT YOUR LOCAL SARS OFFICE**

Another cause for delay arises when a benefit is payable and cannot be made because the surviving spouse has no income tax reference number. Visit your local SARS office to obtain the reference number.

**LIST YOUR DEBIT ORDERS ON YOUR BANK ACCOUNTS**

If you pay any accounts by debit order on your bank account, payments will be stopped when the account is frozen. Your spouse or next of kin will need to arrange for payments of these accounts.

**LIST YOUR POLICY DOCUMENTS**

Make sure your spouse or next of kin knows where the policy documents are kept and what to do in order to claim any benefits, where applicable. If you have not already done so, ensure the Insurers for each of your policies knows who your nominated beneficiaries are.


**LIST YOUR GENERAL DOCUMENTS**

Several items like householder's insurance, club memberships and the like may be in your name. List them so that your spouse or next of kin has a reference.

Interactive Member Portal

MRA, the administrator of the NTRF, has a Member Portal which is a web-based application that provides you as a member with both self-service and viewing features regarding important Fund benefits and processes.

The Member Portal can be accessed via the following link.



The Member Portal
<https://mra.momentum.co.za/momentum/portals>

Visit

You can then either log in if already registered, or register by clicking the Registration tab and following the instructions.

Once you have registered on the portal, you will be able to do the following:

- View/edit your personal details.
- View Fund-related documents and correspondence from the administrator.
- View and select your investment portfolios, if you are a living annuitant.

If you have web-related queries, please contact:

MRAWebqueries@momentum.co.za | 0860 00 00 82.

Protection of Personal Information (POPI)

The Fund is committed to ensuring that all personal information will be processed in a responsible manner that does not unjustifiably infringe the privacy of any Fund officer or member; securing the integrity and confidentiality of personal information of any Fund officer or member that comes into its possession or under its control; and complying with its obligations in accordance with all applicable and relevant laws including, but not limited to, data protection laws.



The Fund's compliance process

The Fund aims to ensure that all queries are timeously responded to and further aims to resolve any complaints as far as possible. If you are unhappy about the administration of the Fund, your benefit in the Fund or the interpretation and application of the Fund's rules, you may lodge a complaint in writing with the Principal Officer of the Fund (*see page 2 for contact details*). The Principal Officer needs to be provided with an opportunity to resolve the complaint on behalf of the Fund. However, if you do not feel satisfied with the response, or if you do not receive a response within 30 days, you may refer your complaint to the Pension Funds Adjudicator.

Pension Funds Adjudicator

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

Tel: +27 (12) 346 1738

Fax: 086 693 7472

E-mail: enquiries@pfa.org.za

Website: www.pfa.org.za



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