

# NAMIBIA BUILDING WORKERS PENSION FUND

## *Fund News 31.12.2010*

### 1. INTRODUCTION

This newsletter aims to inform members of the Namibia Building Workers Pension Fund of the developments on your Fund.

### 2. BOARD OF TRUSTEES

A Board of Trustees is established to manage the affairs of the Fund. By law your Board of Trustees consist of three (3) employer appointed Trustees and three (3) member elected Trustees. The current Board of Trustees is made up of the following persons.

EMPLOYER REPRESENTATIVES	EMPLOYEE REPRESENTATIVES
Mr. AB Reussink (Chairman) Multi-Engineering Tel: 061 261 370 Fax: 061 216 402	Mr G Munamava NABWU Tel: 061 246 143 Fax: 061 212 828
Mr. E Marais Murray & Roberts Tel: 061 238 500 Fax: 061 222 189	Mr. B Millinga MANWU Tel: 061 263 100 Fax: 061 264 300
Ms. D Meyer Multi-Engineering Tel: 061 261 370 Fax: 061 216 402	Mr. J Shirunga MANWU Tel: 061 311 409 Fax: 061 216 151

**Principal Officer :** Mr. B Millinga  
MANWU  
Tel: 061 263 100  
Fax: 061 264 300

It is the Board of Trustees' responsibility to ensure that the Fund is managed in a responsible and prudent manner.

### 3. Contribution Rates

Employee contributions: 4% of salary  
Employer contributions 4% of salary

The employee contributions (4% of salary) are put aside in the Member's account for retirement funding. From 1 September 2010, the employer's contributions are used as follows:

Group Life Cover	0.590%
Administration costs	0.982%
Fund Reserve Account	0.428%
Employer contribution - Retirement funding	<u>2.000%</u>
<b>Total</b>	<b><u>4.000%</u></b>

It's important for the Fund's members to understand that a total of 6% (comprising of 4% member contribution and 2% employer contribution) is contributed towards the members retirement benefit.

#### **4. INVESTMENTS**

The assets of the members of the Namibia Building Workers Pension Fund are invested with Sanlam Investment Managers.

The values of the Fund's invested assets as at 31 December 2010 were: -

Sanlam Stable Bonus Portfolio	N\$ 62,637 million
Sanlam Impetus Classic Portfolio	N\$ 34 673 million
<b>Total</b>	<b>N\$ 97,310 million</b>

The Trustees hereby request your assistance. Should you be aware of any Member that have not received his/her Fund Credits, kindly contact the Principal Officer of the Fund, the Member or alternatively, Alexander Forbes. As an Active Member of the Fund, you are requested not to respond to the aforementioned advertisements.

#### **5. BENEFITS**

*The following benefits are provided by the Fund as from 01 July 2004: -*

##### **5.1 Death in Service benefit**

If a Member dies while in Service then, subject to the provisions of the Rules, there shall be payable as a lump sum benefit, the greater of his Fund Credit or N\$ 10,000.

Below are two examples on how the payments of the Death in service benefit work: -

- A) Should member "A" die while in service and it is established that he has a Fund Credit of N\$ 6,750 at date of his death, the Fund will pay a benefit of N\$ 10,000 since it is greater than the member's Fund Credit.
- B) Should member "B" die while in service and it is discovered that he has a Fund Credit of N\$ 17,425 at the date of her death, then the Fund will pay a benefit equal to the Member's Fund Credit since it is greater than the fixed amount of N\$10,000.

Kindly note that the Trustees would not be in a position to finalise your death claim timeously if the following originally certified copies are not forwarded to them by your family:

- Death Certificate;
- Your ID or passport;
- Your marriage certificate;
- The ID or passport of your spouse;
- **Full** birth certificates of your children;
- Original Beneficiary Nomination Form

## **5.2 Disability Benefit**

A Member will be classified as Disabled if he is prevented for the duration of the waiting period by injury, surgical operation or disease from carrying out his own occupation or any other occupation which he is suited or could become suited to, taking into account his age, education, training, knowledge, ability or experience and the Registered Insurer must be convinced that his disablement is total and permanent.

A Member who was accepted as being Disabled will be entitled to a benefit equal in amount to the benefit that would have been payable, if he had died on the day he became disabled. The benefit is subject to a maximum benefit as may be specified from time to time by the Registered Insurer. If the Member's disablement occurs after he has reached age 60, the benefit will be reduced in accordance with the provisions of the insurance policy. The waiting period is a period of absence from the employer's service equal to 6 consecutive months from the first day of absence from work.

Payment of the disability benefit will be made in a lump sum.

## **5.3 Retirement Benefit**

The Fund changed from a Pension to a Provident Fund

Upon Retirement, a Member will receive the Fund Credit, of which the full benefit could be commuted for cash. Of this, 1/3<sup>rd</sup> will be free of tax, while the balance will be taxed at the Member's marginal tax rate.

The member has the option to purchase a pension from a registered insurer rather than to take the full benefit in cash.

## **6. CONCLUSION**

The newsletter has a dual purpose, firstly to keep the members up to date on all developments of the Fund and secondly as an educational tool. You are thus requested to forward topics for discussion to the Principal Officer or Trustees for inclusion in future editions.