



What are my options on Resignation/Dismissal/Retrenchment?

When your membership of the fund comes to an end, whether as a result of your Resignation, you being dismissed or Retrenched, you will become entitled to receive a benefit from the fund.

The benefit amount that becomes payable is equal to your Share of Fund, in other words to total accumulated retirement savings that you have built up in the fund during the time that you have been a member.

In order to claim your benefit, you will need to complete a withdrawal claim form. This form can be found on the website www.unicover.co.za, under Standard Forms.

Your employer will also need to complete and sign off the form and they must submit it to the fund in order for your claim to be settled.

You have a number of options as to what you can do with the benefit (further details are also provided on the claim form), and these can be summarised as follows:

1. You can leave your benefit PAID-UP within the Unicover Fund. This means that your retirement savings can continue to grow until such time as you need the money at a future date decided by you (preferably at Retirement).
2. You can Transfer your benefit to your new employer's Pension or Provident Fund. This is also a good choice as it means that your retirement savings can continue to grow and you will enjoy the benefit of further contributions being added to your retirement saving for the future.

Please remember, if you are a member of the Unicover Pension Fund and your new employer fund is a provident fund, there may be tax implications of transferring your benefit to your new employer fund.

3. You can transfer your benefit to a Retirement Annuity Fund or Preservation Fund. This is also a good option and it allows you want to continue growing your savings for retirement.
 - A **Retirement Annuity** allows you to make further contributions in your personal capacity
 - A **Preservation Fund** does not

In order to have your money transferred to a preservation Fund, you will normally need to speak to a financial adviser or assistance and advice regarding the investment.

4. You have the option to take your benefit in cash however we do not recommend this option.

If you take your benefit in cash, there is a good chance that you will be required to pay tax on the money (any amount in excess of R 25 000 will be taxed). This tax will be deducted off the benefit before it gets paid out to you. (refer to How are my Pension and Provident Fund Benefits Taxed – also under FAQ on the Unicover Website. www.unicover.co.za)

Once you have received the after tax benefit, you will then need to decide how to use or reinvest the money – this is not always an easy decision. If you do use it for something else other than retirement savings, you will then have to start all over again with building up your retirement nest-egg.

Taking your benefit in cash will increase the chances of you not having sufficient money available when you reach retirement age.

NEED FURTHER ASSISTANCE OR ADVICE

If you feel that you do need any further information or assistance with regards to any aspect of your benefit, please speak to your financial adviser OR speak to one of our Retirement Benefit Counsellors (Cape Town 021 551 2140 OR JHB 011 675 3000).

If you need advice regarding your benefit and how to reinvest the money, please speak to one of our Financial Advisers.