

## INFORMATION GUIDE PAID-UP MEMBERS



It is a well-known fact that most South Africans will not be able to afford to retire financially independent. Many people who reach retirement age end up either being forced to cut back on their lifestyles, having to rely on friends and family for financial support or they end up having to try and survive on the State Old Age Pension.

There are many reasons why people find themselves in this unfortunate position however one of the main factors that contributes to this situation is that when people change jobs, they often choose to take their savings out their retirement fund in cash instead of preserving benefits for later in life.

In order to help improve this situation and assist members preserve their benefits for retirement, we have made some changes to the Unicover Pension and Provident Funds:

As a member of the Unicover Retirement Funds, when you resign from service with your employer, you can now leave your retirement savings in the Unicover Fund as a PAID-UP benefit.

### ❖ WHY LEAVE YOUR BENEFIT PAID-UP?

The PAID-UP BENEFIT option provides you with an effortless and cost-effective way to preserve your retirement savings for the future within the Unicover Pension or Provident Funds.

Once your benefit has been made PAID-UP, no further contributions are payable, and your money will be invested up until you give us an instruction to either pay a portion of the benefit out in cash, transfer it to another fund or until you retire and elect to receive your savings as a retirement benefit.

Becoming a PAID-UP member will assist you with preserving your hard-earned retirement saving for later in life and as long as you remain a PAID-UP member, the Unicover Trustees will continue to ensure that your benefit remains invested and continues to grow.

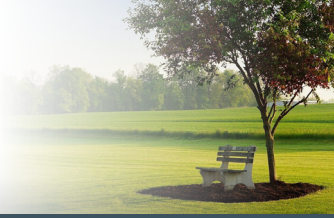
### ❖ COMMUNICATION

Once your benefits have been made PAID-UP within the fund, you will receive a confirmation Benefit Certificate. As long as your benefit remains PAID-UP, you will receive an annual Benefit Statement in August each year.

### ❖ KEEPING IN CONTACT

Important: in order for us to be able to keep in contact with you, please make sure that you provide us with your most recent and up-to-date contact details (these details MUST be provided on your claim form when leaving your employer).

Once your benefit is PAID-UP and if any of your contact details change, please make sure that you provide us with your new updated details as soon as possible. Go to [www.unicover.co.za](http://www.unicover.co.za) (PAID UP & DEFERRED MEMBERS), download a Change of Personal Details Form, complete, and email it to us: [info@unicover.co.za](mailto:info@unicover.co.za)



Any cash portion taken on withdrawal or retirement will be subject to tax.

## ❖ WHAT HAPPENS IN THE EVENT OF YOUR DEATH?

When membership of your employer Pension or Provident fund ends, any insured death benefits that you enjoyed as part of that arrangement will fall away. In the event of your death whilst you are a PAID-UP member, the value of your retirement savings become payable to your dependents as a death benefit.

Please note that the PAID-UP benefits that are held in the Unicover Pension or Provident Fund do not form part of your estate and will not be paid out according to your Will.

Benefits will be paid out in accordance with the requirements of Section 37c of the Pension Funds Act and will be payable to your dependents and/or nominated beneficiaries. The Trustees of the Unicover Funds will be responsible for making sure that all your dependents are traced and considered for benefit payments.

Your beneficiary nomination plays a very important part in this process so please make sure that you submit an up-to-date beneficiary nomination form to us.

Beneficiary nomination forms can be obtained from [www.unicover.co.za](http://www.unicover.co.za). Go to PAID UP & DEFERRED MEMBERS

Completed nomination forms can be emailed to [info@unicover.co.za](mailto:info@unicover.co.za)

## ❖ HOW IS MY MONEY INVESTED WHILE I AM A PAID-UP MEMBER?

Your benefits will be invested in the same portfolio(s) they were invested in before you decided to become a PAID-UP member.

For more information about your investment portfolio, please request this from [info@co.za](mailto:info@co.za).

## ❖ WHEN CAN YOU CLAIM YOUR PAID-UP FUND BENEFITS?

You may claim your benefits at any time after leaving your employment. Please keep your options of the different components in mind when you want to claim the benefit. More information about the different components can be requested from [info@unicover.co.za](mailto:info@unicover.co.za)

Please note, you may not make a partial withdrawal from your PAID-UP Benefit.

## ❖ HOW DO YOU CLAIM YOUR PAID-UP BENEFITS?

You may claim your retirement savings as a withdraw benefit at any time up until your reach age 65 after which you will only be able to receive your savings as a retirement benefit.

In order to claim your PAID-UP Benefit, you will need to complete the necessary claim form, which can be found on the website ([www.unicover.co.za](http://www.unicover.co.za)). Go to PAID UP & DEFERRED MEMBERS

**PLEASE NOTE:** If you claim your retirement savings as a withdrawal benefit, you will have various options available to you including the option of a portion in cash, transferring to another Employer Fund OR transfer to a preservation Fund.

Any cash portion taken on withdrawal or retirement will be subject to tax.



Please note that some of the underlying fund managers charge performance fees in addition to these costs.



## ❖ WHAT IS THE COST OF BEING A PAID-UP MEMBER

- There is no cost for becoming PAID-UP member.
- There is a monthly administration fee for being a PAID-UP member which is R50 per month, including VAT. This fee is payable to Evolution Corporate Benefits for ongoing administration and maintenance of your PAID-UP account as well as for maintaining communication and other administration services relating to the arrangement.
- As part of the PAID-UP arrangement, you will be charged a fund governance levy of R3.20 per month. This levy covers the fees of the trustees, as well as audit and valuation fees, and any other ad-hoc legal and compliance related fees that may arise in respect of the arrangement from time to time.

These Fees are deducted from your PAID-UP fund account on a monthly basis.

- A basic Investment management fee will be charged for the management of the underlying investment portfolio. This fee remains the same as it was before you became a PAID-UP member.

Please note that some of the underlying fund managers charge performance fees in addition to the above.

## ❖ NEED FURTHER ASSISTANCE?

If you have any questions regarding the PAID-UP benefit option, please contact Evolution Corporate Benefits (Pty) Ltd and speak to one of our RETIREMENT BENEFIT COUNSELLORS.

- Cape Town (021) 551 2140

Or email [info@unicover.co.za](mailto:info@unicover.co.za)