



MINEWORKERS
PROVIDENT FUND

MINEWORKERS PROVIDENT FUND

PARLIAMENT ADHOC MEETING

TO BE HELD AT

PARLIAMENT – CAPE TOWN

ON

15 FEBRUARY 2008

AT

09H00



MINEWORKERS
PROVIDENT FUND

PARLIAMENT AD HOC COMMITTEE PRESENTATION - 15 FEBRUARY 2008

- PRESENTERS
- PHILIP JOKO (CHAIRMAN)
 - SIPHO SIDU (ACTING PO)
 - NICOLETTE ERASMUS (TRUSTEE)

AGENDA

- o History of the Fund
- o Service Providers
- o Management of the Fund
- o Eligibility
- o Contributions
- o Benefits
- o Investments
- o Ex Miners (1970 Funds)
- o Housing Loans
- o Questions



MINEWORKERS
PROVIDENT FUND

HISTORY OF THE FUND

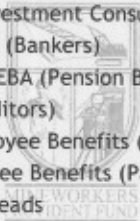
- o Established 1989
- o NUM
- o First for Black Mineworkers
- o Defined Contribution Fund
- o Lump Sum
- o Perpetual poverty



MINEWORKERS
PROVIDENT FUND

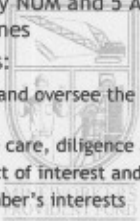
SERVICE PROVIDERS

- ⊖ Lekana Employee Benefit Solutions (Administrators)
- ⊖ Alexander Forbes (Actuary)
- ⊖ Fifth Quadrant (Investment Consultants)
- ⊖ First National Bank (Bankers)
- ⊖ Standard Bank & TEBA (Pension Backed Lending)
- ⊖ Ernst & Young (Auditors)
- ⊖ Metropolitan Employee Benefits (GLA & Funeral)
- ⊖ Momentum Employee Benefits (Paid up mbrs)
- ⊖ Trust Funds - Fairheads



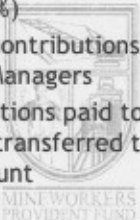
MANAGEMENT OF THE FUND

- ⊖ Board of Trustees (Ten)
- ⊖ 5 Appointed by NUM and 5 Appointed by the Chamber of Mines
- ⊖ Duties includes:
 - Direct, control and oversee the operations of the Fund
 - To act with due care, diligence and good faith
 - To avoid conflict of interest and act impartially
 - To protect Member's interests



CONTRIBUTIONS

- ⊖ Retirement (14% to 16.50%)
- ⊖ Risk (6% to 7%)
- ⊖ Retirement contributions invested with Investment Managers
- ⊖ Risk contributions paid to Insurers and the balance transferred to a risk reserve account

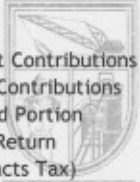


WITHDRAWAL BENEFIT

- ⇒ Dismissal and Resignation (Six Months Waiting Period Before Payment)
- ⇒ Retrenchments (Immediate Payment)

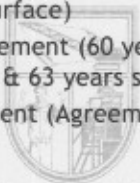
⇒ BENEFIT

- ⇒ Total Retirement Contributions (14% to 16.50%)
- ⇒ Total Voluntary Contributions
- ⇒ Total Transferred Portion
- ⇒ Net investment Return
- ⇒ Lump Sum (Attracts Tax)
- ⇒ Deferred Benefit, Transfer to Provident Preservation, Retirement annuity or New Employer's Provident Fund (Tax Free)



RETIREMENT

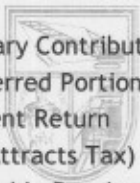
- ⇒ Early Retirement (50 years underground & 53 years surface)
- ⇒ Normal Retirement (60 years underground & 63 years surface)
- ⇒ Late Retirement (Agreement with Employer)



MINE WORKERS
PROVIDENT FUND

RETIREMENT BENEFIT

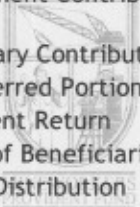
- ⇒ Total Retirement Contributions (14% to 16.50%)
- ⇒ Total Voluntary Contributions
- ⇒ Total Transferred Portion
- ⇒ Net investment Return
- ⇒ Lump Sum (Attracts Tax)
- ⇒ Annuity (Monthly Pension)



MINE WORKERS
PROVIDENT FUND

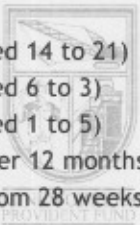
DEATH BENEFITS

- ⊖ 3 x Annual Earnings
- ⊖ Total Retirement Contributions (14% to 16.50%)
- ⊖ Total Voluntary Contributions
- ⊖ Total Transferred Portion
- ⊖ Net investment Return
- ⊖ Nomination of Beneficiaries
- ⊖ Section 37C Distribution



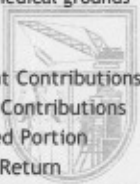
FUNERAL BENEFITS

- | | |
|------------------------------|---------|
| ⊖ Members | R10 000 |
| ⊖ Spouse | R 5 000 |
| ⊖ Children (aged 14 to 21) | R 5 000 |
| ⊖ Children (aged 6 to 3) | R 1 500 |
| ⊖ Children (aged 1 to 5) | R 1 000 |
| ⊖ Children under 12 months | R 750 |
| ⊖ Still Born (From 28 weeks) | R 750 |



TERMINALLY ILL AND ILL HEALTH BENEFIT

- ⊖ Early Retirement
 - ⊖ Repatriation on medical grounds
- ⊖ **BENEFIT:**
- ⊖ Total Retirement Contributions (14% to 16.50%)
 - ⊖ Total Voluntary Contributions
 - ⊖ Total Transferred Portion
 - ⊖ Net investment Return
 - ⊖ The Employer continues to pay premiums for the Death Benefit for 12 months, 'terminally ill'



DEFERRED BENEFIT

- ⇒ Members can park their benefit until they reach retirement age (resignation, dismissal, retrenchment)
- ⇒ Minimum Amount R10 000
- ⇒ No Further Contributions
- ⇒ Death Benefit 3 x Annual Salary Ceases
- ⇒ Funeral Benefit Ceases

MINEWORKERS
PROVIDENT FUND

INVESTMENTS

ASSETS

	MPF
31 April 2002	R 6 171 562 740
31 April 2004	R 7 258 505 529
31 April 2006	R10 787 836 037
31 DEC 2007	R15 446 645 594

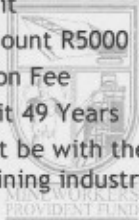
INVESTMENTS RETURNS

RETURNS (31 DEC 2007)	MPF	Market Related	OM Guaranteed
3 Months	0.10%	-1.00%	1.70%
6 Months	2.80%	2.40%	3.40%
1 Year	14.30%	12.70%	16.40%
3 Years	22.70%	23.40%	21.50%
5 Years	20.70%	24.30%	16.60%
7 Years	17.00%	18.90%	14.70%

MINEWORKERS
PROVIDENT FUND

HOUSING LOANS

- ⇒ Housing loan: The Fund stands surety for 60% of benefit
- ⇒ Minimum Amount R5000
- ⇒ Administration Fee
- ⇒ Max Age Limit 49 Years
- ⇒ Member must be with the employer/mining industry 2 years



EX MINERS (1970 PROVIDENT FUND)

- ⇒ History
- ⇒ Outstanding Section 14's
- ⇒ Approved Section 14's
- ⇒ Nil Contributors
- ⇒ Unclaimed
- ⇒ Paid Ups



**THANK YOU
QUESTIONS**



OUTSTANDING FSB S14 APPROVALS

APPROVED AND FINALISED S14



**MINEWORKERS
PROVIDENT FUND**
Reg no 12/8/23053/1

Ground Floor
Southern Life Centre
45 Commissioner Street
Johannesburg 2001
PO Box 1583
Johannesburg 2000
Call Centre: (011) 491-6705
Fax (011) 491 6665

APPROVED AND FINALISED S14

Tranferee Fund (IN)	Transferor Fund (OUT)	Effective Date	Number of Members	Total Amount at Effective Date	Total Amount Transferred	Schedule Received	Approval Date
MPF	Mines 1970	2-Aug-00	4	47,448.47	62,889.90	yes	19-Nov-01
MPF	Mines 1970	13-Feb-01	12	15,848.73	15,848.73	yes	19-Nov-01
MPF	Mines 1970	30-Mar-01	24	159,609.25	159,609.25	yes	19-Nov-01
MPF	Mines 1970	31-May-01	18	67,538.63	67,538.63	yes	4-Mar-02
MPF	Mines 1970	15-Jun-01	15	60,633.12	60,633.12	yes	28-Feb-02
MPF	Mines 1970	30-Sep-01	4	9,602.00	9,602.00	yes	18-May-04
MPF	Mines 1970	22-Feb-02	2	10,675.18	10,675.18	yes	18-May-04
MPF	Mines 1970	26-Jul-02	2	14,978.85	14,978.85	yes	18-May-04

MINEWORKERS
PROVIDENT FUND