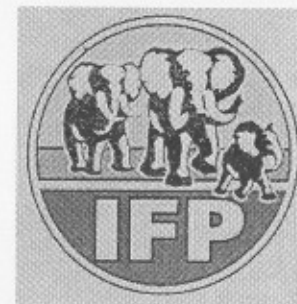


PENSION PROPOSALS

SYBIL SEATON MP

22 MAY 2008



Moseneke Table

Total benefits as pension expressed as a percentage of final salary									
		Age at Retirement					Retirement	Term	
		50	55	60	65	70	Age where	elapsed	
							NRR =	to reach	
							92.5%	NRR =	
							92.5%	92.5%	
Age at Entry	30	73.59%	92.50%	92.50%	92.50%	92.50%	92.50%	53	23
	35	55.88%	79.10%	92.50%	92.50%	92.50%	92.50%	57	22
	40	38.67%	60.15%	86.48%	92.50%	92.50%	92.50%	61	21
	45	18.48%	41.63%	65.76%	92.50%	92.50%	92.50%	64	19
	50	X	19.80%	45.58%	73.42%	92.50%	92.50%	68	18
	55	X	X	21.65%	50.71%	83.89%	92.50%	71	16
	60	X	X	X	24.03%	58.01%	92.50%	74	14
	65	X	X	X	X	27.46%	68.27%	77	12

ASSUMPTIONS

- ◆ Pensionable salary R379 336.00 PA
 - Monthly R 31 611.00 pm
 - Grade A1 member at notch 1
- ◆ Tax deductions at 31%
- ◆ No gratuity payout
- ◆ Parmed deductions not included
- ◆ 15 yrs service

RETIREMENT AT AGE 50

- ◆ 35 yrs at commencement
- ◆ 55.88% of pensionable salary =
 - R379 336 pa or R31611 pm x 55.88% =
 - ◆ R 211973 pa or R17664.42 pm
 - ◆ Less tax at 31% R 5475.97 pm =
 - ◆ Total: R12188.45 pm
 - Parmed Contributions still to be made

RETIREMENT AT AGE 55

- ◆ 40 yrs at commencement
- ◆ 60.15% of pensionable salary =
 - R379 336 pa or R31611 pm x 60.15% =
 - ◆ R 228170.60 pa or R19014.16 pm
 - ◆ Less tax at 31% R 5894.38 pm =
 - ◆ Total: R13119.78 pm
 - Parmed Contributions still to be deducted

RETIREMENT AT AGE 60

- ◆ 45 yrs at commencement
- ◆ 65.76% of pensionable salary =
 - R379 336 pa or R31611 pm x 65.76% =
 - ◆ R 249451.35 pa or R20787.58 pm
 - ◆ Less tax at 31% R 6444.14 pm =
 - ◆ Total: R14343.44 pm
 - Parmed Contributions still to be deducted

RETIREMENT AT AGE 65

- ◆ 50 yrs at commencement
- ◆ 73.42 % of pensionable salary =
 - R379 336 pa or R31611 pm x 73.42% =
 - ◆ R 278508.49 pa or R23209.04 pm
 - ◆ Less tax at 31% R 7194.80 pm =
 - ◆ Total: R16014.24 pm
 - Parmed Contributions still to be deducted

RETIREMENT AT AGE 70

- ◆ 55 yrs at commencement
- ◆ 83.89% of pensionable salary =
 - R379 336 pa or R31611 pm x 83.89% =
 - ◆ R318224.97 pa or R26518.74 pm
 - ◆ Less tax at 31% R 8220.80 pm =
 - ◆ Total: R18297.94 pm
 - Parmed Contributions still to be deducted

JUDGES PENSIONS

◆ FACTS:

- No specific additional qualification requirements to become a Judge
- Large percentage of Judges in their 40's
- Judges can retire at age 70 or on completion of 12 years service whichever is earlier
- Judges do not make a contribution to their pensions

JUDGES PENSIONS

- ◆ Upon retirement a Judge receives a pension equal to 100% of salary
- ◆ Judges receive a gratuity equal to 266.7% of highest salary
- ◆ Apparently Judges do not have to contribute towards Parmed

PENSION MPS V/S JUDGES

MPS & JUDGES			P1 P2 P3 MEMBERS OF PARLIAMENT			DIFFERENCE MPS/JUDGES			J1 J2 J3 JUDGES			
Age	Yrs	Age	Existing As at Present	Moseneke Proposals	Parliament Proposals	P2/J2	P3/J2	P3/J3	Existing As at Present	Moseneke Proposals	Salary as per MP Proposals	
able Salary P A	35	15	50	R 379,336.00	R 379,336.00	R 379,336.00	R 415,623.00	R 415,623.00	R 0.00	R 794,959.00	R 794,959.00	R 379,336.00
able Salary P M				R 31,611.00	R 31,611.00	R 31,611.00	R 34,636.00	R 34,636.00	R 0.00	R 66,247.00	R 66,247.00	R 31,611.00
sion P M				R 11,114.00	R 17,664.00	R 31,611.00	R 48,583.00	R 34,636.00	R 0.00	R 66,247.00	R 66,247.00	R 31,611.00
Final salary				35.16%	55.88%	100%				100%	100%	100%
less 31%)				R 3,445.00	R 5,476.00	R 9,800.00	R 15,061.00	R 10,737.00	R 0.00	R 20,537.00	R 20,537.00	R 9,800.00
(before Pamed)				R 7,669.00	R 12,188.00	R 21,811.00	R 33,522.00	R 23,899.00	R 0.00	Total + MA R 45,710.00	R 45,710.00	R 21,811.00
turity				R 758,672.00	R 0.00	R 758,672.00	R 1,363,866.53	R 2,122,540.53	R 254,155.00	R 2,122,540.53	R 2,122,540.53	R 1,012,827.00
nula				2 X Salary	N/A	2X Salary				266.70%	266.70%	266.70%
nable salary				200%		300%						

PENSION MPS V/S JUDGES

	MPS & JUDGES			P1 P2 P3 MEMBERS OF PARLIAMENT			DIFFERENCE MPS/JUDGES			J1 J2 J3 JUDGES		
	Age	Yrs	Age	Existing As at Present	Moseneke Proposals	Parliament Proposals	P2/J2	P3/J2	P3/J3	Existing As at Present	Moseneke Proposals	Salary as per MP Proposals
Pensionable Salary P A	45	15	60	R 379,336.00	R 379,336.00	R 379,336.00	R 415,623.00	R 415,623.00	R 0.00	R 794,959.00	R 794,959.00	R 379,336.00
Pensionable Salary P M				R 31,611.00	R 31,611.00	R 31,611.00	R 34,636.00	R 34,636.00	R 0.00	R 66,247.00	R 66,247.00	R 31,611.00
Pension P M				R 13,213.40	R 20,787.39	R 31,611.00	R 45,459.61	R 34,636.00	R 0.00	R 66,247.00	R 66,247.00	R 31,611.00
% of Final salary				41.80%	65.76%	100%				100%	100%	100%
Tax (less 31%)				R 4,096.03	R 6,444.09	R 9,800.00	R 14,092.91	R 10,737.00	R 0.00	R 20,537.00	R 20,537.00	R 9,800.00
TOTAL (before Parmed)				R 9,116.97	R 14,343.30	R 21,811.00	R 31,367.00	R 23,899.00	R 0.00	Total + MA R 45,710.00	R 45,710.00	R 21,811.00
Gratuity				R 758,672.00	R 0.00	R 758,672.00	R 1,363,868.53	R 2,122,540.53	R 254,155.00	R 2,122,540.53	R 2,122,540.53	R 1,012,827.00
Formula				2 X Salary	N/A	2X Salary				266.70%	266.70%	266.70%
Pensionable salary				200%		300%						