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BOUBEDINGINGSRAAD  
BUILDING BARGAINING COUNCIL



BOLAND NOORD & WES BOLAND

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## INTRODUCTION TO THE PENSION SCHEME

The following is a summary of the main aspects of the **Pension Scheme (the Scheme)** which provides retirement, death and disability benefits to its members.

Whilst every effort has been made to ensure accuracy, this document by no means replaces the rules of the Scheme or the insurer's policy documents.

## 1 MEMBERSHIP

### Who is the member of the Scheme?

Any employee in the industry for whom a contribution is paid as per the Collective Bargaining Agreement and who have decided not to join the industry's Provident Fund.

### When can I leave the Scheme?

On retirement, disability, death, resignation or dismissal.

## 2 RETIREMENT

### When can I retire?

You will normally retire on the last day of the month in which you reach the retirement age of 60. With the permission of your employer, you may continue to work and retain membership of the Scheme until age 63.

Early retirement may take place from age 55 onwards.

### What will my retirement benefit be?

Your share in the scheme will be utilised to purchase a pension. A maximum of one-third of this amount, after tax deductions may be taken as a lump sum. The excess will be used to buy a monthly pension.

### Will my retirement benefit increase after pension payments started?

You have the choice to buy a pension which will increase each year at a rate of your choice.

### How will my pension be paid?

Your pension will be paid in monthly instalments in arrears.

### Can I retire due to disability?

If your disability is of a permanent nature, and the Trustees and the insurer is satisfied with the medical evidence you provided, you may qualify for an early retirement benefit due to ill-health.

## 3 RESIGNATION

If you resign from the Scheme before you reach the age of 55:

You will receive the employer's contributions (minus all administrative and risk costs) plus the growth that the Scheme has experienced.

In addition, your own contributions (if you have made any) plus the growth the Scheme has experienced will be paid to you.

This means that your own share in the Scheme will be paid out to you.

**You qualify for this benefit once there have been no contributions made to the Scheme for a period of 6 months. During this period you will be known as a Dormant Member.**

See section 8 for the death benefits during the waiting period of 6 months.

## 4 DEATH BENEFIT

### What benefit will be paid if I die whilst I am still in service?

a Lump sum of three times your annual pensionable salary (insured benefit), PLUS your share in the Scheme as at the date of death will be paid to your dependants/designated beneficiaries. The insured benefit ends at age 63.

### What amount will be paid if I die after retirement?

The share in the Fund will be payable to a member who has retired but has not yet claimed the retirement benefit.

### What benefit will I receive if I become totally and permanently disabled before retirement?

A lump sum equal to the death benefit will be paid as long as the Trustees and the insurer are satisfied with the information submitted. This benefit ends when you leave service or at the age of 63. The insured benefit reduces during the final 5 years of membership before reaching normal retirement age.



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## 5 TAX

All benefits payable may be subject to tax.

## 6 CONTRIBUTIONS

**What amount is being paid towards the provision of this benefit?**

Contributions are made by your employer in accordance with the remuneration classifications noted in the Collective Bargaining Agreement.

**May I contribute additional voluntary contributions to the Scheme?**

With the approval of your employer, you may contribute further additional voluntary contributions. You may contact the Council for further information in this regard.

## 7 DEATH BENEFITS OF DORMANT MEMBERS

An amount of 3 times annual salary (insured benefit) over and above the share in the Scheme on the date of death will be paid for members who have already been Dormant on 31 December 2017.

For members who became dormant members from 1 January 2018 onwards, a benefit according to the table below, including the share in the Scheme on the date of death will be payable.

Months Dormant	Insured benefit
1) First month	Cover during the month before the Member became dormant.
2) Second month	Cover in (1) above minus 1 times annual salary
3) 3 to 6 months	Cover in (2) above minus 1 times annual salary

Note: The insured benefit falls away once you have been Dormant for a period of 6 months.

Premiums for the insured death benefit is obtained from the share in the Scheme. If there is not enough money in the share in the Scheme to pay the premium the insured benefit will cease.

When a Dormant member is re-employed within the 6 month period then the insured benefit will reinstate to what it was the month prior to becoming Dormant.