Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 713 28 November / November 2024 No. 51683

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-5845

AIDS HELPLINE: 0800-0123-22 Prevention is the cure

IMPORTANT NOTICE:

THE GOVERNMENT PRINTING WORKS WILL NOT BE HELD RESPONSIBLE FOR ANY ERRORS THAT MIGHT OCCUR DUE TO THE SUBMISSION OF INCOMPLETE / INCORRECT / ILLEGIBLE COPY.

NO FUTURE QUERIES WILL BE HANDLED IN CONNECTION WITH THE ABOVE.

Contents

No.		Gazette No.	Page No.
GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS			
Communications and Digital Technologies, Department of / Kommunikasie en Digitale Tegnologieë, Departement van			
5597	Post and Telecommunicationrelated Matters Act (44/1958): Amendments to the Rules of the Telkom Pension Fund Statutes	51683	3

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES

NO. 5597 **28 November 2024**

AMENDMENTS TO THE RULES OF THE TELKOM PENSION FUND STATUTES

I, Solly Malatsi, the Minister of Communications and Digital Technologies, acting in terms of section **10** of the **Post and Telecommunicationrelated Matters Act No. 44 of 1958**, as amended, hereby promulgate amendments to the Telkom Pension Fund Statutes.



Hon. Solly Malatsi, MP
Minister of Communications and Digital Technologies
Date: 25 November 2024

TELKOM PENSION FUND

AMENDMENT TO STATUTES

The Board of the Telkom Pension Fund took cognisance of the fact that there are only Category A-members remaining in the Telkom Pension Fund as well as former members with unclaimed benefits and resolved at Centurion on 12 July 2024 that with effect from 1 September 2024, the clauses of the Statutes of the Telkom Pension Fund as far as it relates to Category A-members shall be amended to make provision for changes in legislation by:

(a) ensuring that the portion of the value of the benefits in terms of the Member's Vested Service as at 31 August 2024, as allowed by legislation, will be available to the Member should the Member exit the Fund prior to retirement;

(b) ensuring that all service earned by the Member after 31 August 2024 will be split between Retirement Service and Savings Service as required by legislation;

(c) making provision for a withdrawal from the value of the benefits in terms of Savings Service should the Member so elect;

(d) ensuring that Members may not access value of the benefits in terms of their Retirement Service prior to retirement.

by:

(i) replacing the following definitions in clause 1.2:

Gratuity: shall mean a non-recurrent benefit amount payable in terms of this Statutes, provided that no benefit payable in respect of Retirement Service may be paid as a cash lump sum, subject to the provisions of clause 7.3 in terms of these Statutes.

Pensionable Service shall mean the period of Uninterrupted Service of a Member as well as any other period regarded by the Board to be pensionable up to 31 August 2024 and in respect of which contributions have been made in terms of the Statutes; provided that the period of Pensionable Service shall be expressed

(i) for the purposes of calculating the period of Qualifying Service prior to 1 September 2024, the period of Pensionable Service shall be calculated in years and portions of a year. Portions of a year shall be calculated according to proportion in which the number of days in the said portion of a year stands to 365 days, rounded off to the nearest third decimal; and

(ii) for the purposes of calculating the period of Qualifying Service on or after 1 September 2024, the period of Pensionable Service shall be calculated in completed years and portions of a year. Portions of a year shall be calculated to the portion in which completed months and a fraction of a month stand to 12 months, rounded off to the nearest third decimal.

With effect from the Vested Date, Pensionable Service will comprise of the sum of Vested Service, Retirement Service and Savings Service and Pensionable Service will be increased or decreased in accordance with the provisions set out in the respective definitions of those service components.

(ii) adding the following definitions in clause 1.2:

Retirement Service shall mean two-thirds of Pensionable Service after the Vested Date, adjusted for any Service added due to specific surplus or bonus distributions or two-thirds of any additional Pensionable Service purchased by the Member after the Vested Date in terms these Statutes, and reduced by any service calculated by the Actuary in respect of adjustments to service due to a deduction in terms of clause 7.16.

Savings Service shall mean one-third of Pensionable Service after the Vested Date, adjusted for any Service added due to specific surplus or bonus distributions or one-third of any additional Pensionable Service purchased by the Member after the Vested Date, and any transfers from Vested Service as allowed by legislation, and reduced by any Service calculated by the Actuary in respect of cash withdrawal benefits paid to the Member while in Service, and adjustments to Service due to a deduction in terms of clause 7.16.

Vested Date shall mean 1 September 2024.

Vested Service shall mean Pensionable Service prior to the Vested Date, adjusted for any Service added due to specific surplus or bonus distributions and reduced by any transfer from Vested Service to Savings Service as at 31 August 2024 and adjustments to Service due to a deduction in terms of clause 7.16.

(iii) replacing clause 4.1 with the following:

4.1 Retirement on reaching the Statutory Retirement Age

An A-Member who reaches his Statutory Retirement Age shall retire on his Statutory Retirement Date with the following Pension Benefits:

(a) a Gratuity of 6,72 per cent of his Pensionable Emoluments on retirement multiplied by the sum of the Member's Savings Service and Vested Service;

(b) A Gratuity equal to the value of an Annuity of 1/55th of his Pensionable Emoluments on retirement from Service multiplied by the Member's Savings Service, as calculated by the Actuary;

(c) an Annuity equal to the sum of:

(i) 1/55th of his Pensionable Emoluments on retirement from Service multiplied by the sum of the Member's Retirement Service and Vested Service;

(ii) the Additional Annuity Amount; and

(iii) the Annuity that can be secured with an amount equal to 6,72 per cent of his Pensionable Emoluments on retirement from Service multiplied by the Member's Retirement Service, as calculated by the Actuary.

(iv) replacing clause 4.2 with the following:

4.2 Retirement after reaching the Statutory Retirement Age

If an A-Member who reaches his Statutory Retirement Age is requested by the Employer to remain in his Service, and the A-Member agrees, he shall remain an A-Member of the Fund and further contributions by and for him shall be made to the Fund. Such Member shall retire from Service upon reaching the age of 70 years at the latest, with the Pension Benefits calculated in terms of clause 4.1, based on his Pensionable Emoluments and the sum of the Member's Retirement Service, Savings Service and Vested Service at the date of his actual retirement.

(v) replacing clause 4.4 with the following:

BENEFITS ON DISABILITY

4.4 (1) Subject to the provisions of subclause (2), an A-Member who becomes Disabled before reaching his Statutory Retirement

Age shall retire from Service with benefits as set out in clause 4.1; provided that his Retirement Service shall be increased by two-thirds and Savings Service by one-third of the shortest of the following periods:

(i) One-third of the sum of the Member's Retirement Service, Savings Service and Vested Service at the date of his retirement as a result of Disability;

(ii) The period between the date of his retirement from Service as a result of Disability and his Statutory Retirement Date;

(iii) five years.

(2) An A-Member who becomes Disabled before reaching his Statutory Retirement Age as a result of an injury arising out of and in the course of his employment, shall retire with benefits as set out in clause 4.1; provided that the Member's Retirement Service shall be increased by two-thirds and the Savings Service by one-third of the period contemplated in clause 4.1(1)(ii); provided further that the Board are satisfied that the value of the benefits is not less than the value of the benefits that would in such a case have been applicable to the Member on 30 September 1991, but based on his Pensionable Emoluments and the sum of his Retirement Service, Savings Service and Vested Service at the date of his retirement.

(3) An A-Member who retires as a result of Disability shall become an A-Pensioner and shall be entitled to the benefits and subject to the conditions applicable to Pensioners of the Fund.

(vi) replacing clause 4.5 with the following:

BENEFITS ON DEATH OF MEMBER

4.5 (1) Subject to the provisions of subclause (2), the Fund shall pay the following benefits if an A-Member dies before reaching his Statutory Retirement Age:

(i) a Gratuity of:

(a) once the Member's Pensionable Emoluments at the time of his death if the sum of his Retirement Service, Savings Service and Vested Service is less than ten years' and he leaves a dependant;

(b) the Member's benefit in terms of clause 4.8(1) if the sum of his Retirement Service, Savings Service and Vested Service is less than ten years' and he does not leave a dependant;

(c) the total of the Gratuity and five times the Annuity calculated in terms of clause 4.4(1), excluding the Additional Annuity Amount, if the sum of his Retirement Service, Savings Service and Vested Service is at least ten years;

(ii) An Annuity to a Qualifying Widow of half of both his Prospective Annuity and the Additional Annuity Amount.

(2) If an A-Member dies as a result of an injury arising out of and in the course of his employment, the Fund shall pay the following benefits:

(i) a Gratuity of a total of the Gratuity and five times the Annuity both calculated in terms of clause 4.4(2), excluding the Additional Annuity Amount;

(ii) an Annuity to a Qualifying Widow of half of both his Prospective Annuity and the Additional Annuity Amount;

provided that the Board are satisfied that the value of the benefits is not less than the value of the benefits that in such a case would have been applicable to the Member on 30 September 1991, but based on his Pensionable Emoluments and the sum of his Retirement Service, Savings Service and Vested Service at the date of his death.

(3) If an A-Member dies after reaching his Statutory Retirement Age, but before retiring in terms of clause 4.2, the benefits shall be paid as though the Member had retired in terms of clause 4.2 on the day before his death.

(vii) replacing clause 4.7 (1) with the following:

4.7 (1) If the services of an A-Member are terminated by the Employer as a result of the abolition of his post or a reorganisation of the Employer's activities, the Member shall become entitled to the following benefits:

(i) if the sum of the Member’s Retirement Service, Savings Service and Vested Service is less than ten years: A Gratuity calculated at 20,67 per cent in the case of a male A-Member, and 15,33 per cent in the case of a female A-Member, of the Member's Pensionable Emoluments at the date of termination of his services

multiplied by the sum of his Savings Service and Vested Service; It is specifically provided that the A-Member may not receive any lump sum payment attributable to his Retirement Service. The actuarial value of his Retirement Service, as calculated by the Actuary, shall be transferred to another pension fund, provident fund, pension preservation fund, or retirement annuity fund, as defined in the Income Tax Act.

(ii) if the sum of the Retirement Service, Savings Service and Vested Service is ten years or longer: An Annuity and Gratuity calculated in terms of clause 4.4(1). The Member shall become a Pensioner for purposes of the Statutes at the date of termination of his services, and shall become entitled to benefits and subject to the conditions applicable to Pensioners of the Fund.

(viii) replacing the opening paragraph in clause 4.8(1) with the following:

4.8 (1) If an A-Member resigns or his services with his Employer are terminated and he does not become entitled to benefits provided for elsewhere in the Statutes, he shall receive a Gratuity which is the larger of the amounts calculated in (i) and (ii) below, plus an additional Gratuity calculated in (iii) below:

(ix) replacing N(2) in clause 4.8(1)(i) with the following:

N(2) is the Member's period of Vested Service less Qualifying Service in a Previous State Fund;

(x) replacing clause 4.8 (1) (ii) with the following:

(ii) [R(1) x N(1) + R(2) x N(2)] x Z x D, increased by 2,5 per cent of the said amount for each completed year of the sum of the Retirement Service, Savings Service and Vested Service, where the said symbols have the same meanings as set out in clause 2.5.1(a) above, save that in the case of N(1), N(2) and D, the reference to Qualifying Service in the table shall be a reference to the sum of the Retirement Service, Savings Service and Vested Service, but subject to the provisions of clause 4.10 (7).

(xi) adding (iii) to clause 4.8 (1):

(iii) plus an additional Gratuity equal to the value of the Savings Service, as calculated by the Actuary, shall be added to the amount in either (a) or (b) above.

(xii) adding (iv) to clause 4.8 (1):

(iv) It is specifically provided that the A-Member may not receive any lump sum payment attributable to his Retirement Service. The value of his Retirement Service, as calculated by the Actuary, shall be transferred to another pension fund, provident fund, pension preservation fund, or retirement annuity fund, as defined in the Income Tax Act.

(xiii) replacing clause 4.10(1) with the following:

(1) Subject to the requirements of the Income Tax Act, an A-Member shall be entitled to extend the period of his Pensionable Service by making additional contributions to the Fund; provided that an A-Member's Pensionable Service, after extension thereof in terms of this clause, shall not result in his period of Pensionable Service commencing before the age of eighteen years. Any additional Pensionable Service purchased after the Vested Date shall be allocated one third to Savings Service and two thirds to Retirement Service.

(xiv) replacing clause 4.10(5) with the following:

(5) A Member contemplated in clause 2.7.4 shall in respect of the sum of his Retirement Service, Savings Service and Vested Service, thus recognised, pay to the Fund the benefit thus paid to him together with Interest thereon calculated from the date on which the said benefit was paid to him up to and including the date on which the said benefit is paid to the Fund.

(xv) adding subclause (4) to clause 7.8 as follows:

(4) Any transfer to or from other funds shall be applied under the Member's Vested Service, Retirement Service and Savings Service, as applicable, in the same proportions as the Fund or the transferee fund as applicable.

(xvi) adding clause 9.19 to the Statutes as follows:

9.19 In the event that a Member ceases to be a South African tax resident, the limitations and requirements as set out in the Income Tax Act, 1962 shall be applied.

(xvii) adding clause 10 to the Statutes as follows:

CASH WITHDRAWALS

10 (1) With effect from the Vested Date, the Member may request one payment in every tax year of assessment equal to the actuarial value, as determined by the Actuary, of some or all of the Savings Service, subject to any limitations imposed by the Income Tax Act.

(2) Any such withdrawal will result in a reduction in the Member's Savings Service, as determined by the Actuary.

(3) The value of such withdrawal before taking into account any reasonable charges or transaction costs, may not be less than R2000 or such amount as per legislation.

(4) The benefit paid to the Member will be subject to tax as determined in terms of the Income Tax Act.

(5) Where a Member's employment is terminated in any year of assessment and such Member has already taken such cash withdrawal from the Savings Service in that tax year of assessment and the actuarial value of the Savings Service, as determined by the Actuary, is less than R2000, or such amount as per legislation, such Member may be allowed a second withdrawal equal to the actuarial value, as determined by the Actuary, of the total Savings Service.

(6) Where a Member's employment is terminated in any year of assessment and such Member has already taken such cash withdrawal from the Savings Service in that tax year of assessment and the actuarial value of the Member's Savings Service, as calculated by the Actuary, is more than R2000, or such amount as per legislation, such amount shall be transferred to a similar component in the fund to which the actuarial value of the Member's Retirement Service is transferred in terms of clause 4.8(1)(iv).

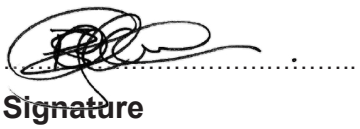
Certified that the above resolution has been adopted in accordance with the provisions of the Statutes of the Fund.

.....	.....	.....
Chairperson of Trustees	**Trustee**	**Principal Officer**

Certified that the above amendments are financially sound.

Petrus Johannes Geldenhuis

Actuary to the Fund



Signature

BSC, FASSA, FFA

Qualifications

June 2024

LM

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Contact Centre Tel: 012-748 6200. eMail: info.egazette@gpw.gov.za
Publications: Tel: (012) 748 6053, 748 6061, 748 6065

This gazette is also available free online at **www.gpwonline.co.za**