







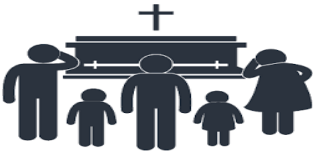







SUMMARY OF BENEFITS OFFERED BY THE HAIRDRESSING BEAUTY AND SKINCARE INDUSTRY PENSION FUND

	<p>Eligibility: Employee means a person who –</p> <ul style="list-style-type: none">(a) is in the part-time or full-time employment of the employer;(b) has attained the age of 15 years; and(c) is under the age of 60 years for all new employees to the industry, otherwise the age of 64 years for current employees moving between jobs.						
	<p>Membership: In terms of the new Bargaining Council Agreement as published in the Government Gazette, the Fund is now compulsory for every Employee in the Hairdressing and Cosmetology Services industry and now includes both Party and Non-Party Salons.</p>						
	<p>Member Contributions: Kwazulu-Natal : 6,50% (tax deductible by employee) All other regions : 6,00% (tax deductible by employee)</p> <p>Employer Contributions: Kwazulu-Natal : 6,50% (all costs included) All other regions : 6,00% (all costs included)</p> <p>1 September 2024: 1/3 of net allocated to Savings Pot and 2/3 to Retirement Pot</p>						
	<p>Resignation/ Retrenchment/ Dismissal benefits on leaving the Industry: Share of Fund, subject to 2-pot restrictions. Monies in Retirement Pot will only be paid from age 55.</p> <table><tr><th>Vested pot</th><th>Savings pot</th><th>Retirement pot</th></tr><tr><td>Full balance (i.e. your member share built up in the Fund before 01/09/2024 with investment returns) may be paid as a cash lump sum.</td><td>Full balance may be paid as a cash lump sum and will be taxed at your marginal tax rate. If you have already taken your one withdrawal during the same tax year as your exit, then an additional withdrawal will be permitted if the amount in your savings pot is less than R2 000. You may elect to transfer the balance in this pot to your retirement pot if you do not wish to take a cash lump sum.</td><td>No withdrawal is permitted from your retirement pot. You may retain your retirement pot in the Fund (i.e. become a paid-up member) or transfer your retirement pot to your new retirement pot in another approved fund.</td></tr></table>	Vested pot	Savings pot	Retirement pot	Full balance (i.e. your member share built up in the Fund before 01/09/2024 with investment returns) may be paid as a cash lump sum.	Full balance may be paid as a cash lump sum and will be taxed at your marginal tax rate. If you have already taken your one withdrawal during the same tax year as your exit, then an additional withdrawal will be permitted if the amount in your savings pot is less than R2 000. You may elect to transfer the balance in this pot to your retirement pot if you do not wish to take a cash lump sum.	No withdrawal is permitted from your retirement pot. You may retain your retirement pot in the Fund (i.e. become a paid-up member) or transfer your retirement pot to your new retirement pot in another approved fund.
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	<p>Retirement Benefit: On retirement the employee becomes entitled to an annuity of such amount that can be purchased from a Registered Insurer with his/her full Share of Fund. The member may elect to commute up to one-third for a cash lump sum. In terms of the Income Tax Act, if the member`s Retirement Pot is less than R165 000, the full amount can be paid as a cash lump sum.</p> <ul style="list-style-type: none">• Normal Retirement Age: 65 (all risk benefits cease at the age of 65 years)• Early Retirement: From age 55• Maximum Retirement Age: Age 70 <table><tr><th>Vested pot</th><th>Savings pot</th><th>Retirement pot</th></tr><tr><td><ul style="list-style-type: none">• Vested rights within this pot: may be paid as a cash lump sum.• Non-vested rights within this pot: Maximum of 1/3rd may be taken as a cash lump sum with a minimum of 2/3rds used to purchase an annuity/ies or pension from the Fund (In-Fund solutions) and/or outside the Fund.</td><td>Full balance may be paid as a cash lump sum and will be taxed in accordance with the retirement tax tables. You may elect to transfer the balance in this pot to your retirement pot at retirement if you do not wish to take a cash lump sum.</td><td>Full balance is used to purchase an annuity/ies or pension from the Fund (In-Fund solutions) and/or outside the Fund, unless the retirement pot plus two-thirds of the non-vested right is less than the <i>de minimus</i> amount.</td></tr></table>	Vested pot	Savings pot	Retirement pot	<ul style="list-style-type: none">• Vested rights within this pot: may be paid as a cash lump sum.• Non-vested rights within this pot: Maximum of 1/3rd may be taken as a cash lump sum with a minimum of 2/3rds used to purchase an annuity/ies or pension from the Fund (In-Fund solutions) and/or outside the Fund.	Full balance may be paid as a cash lump sum and will be taxed in accordance with the retirement tax tables. You may elect to transfer the balance in this pot to your retirement pot at retirement if you do not wish to take a cash lump sum.	Full balance is used to purchase an annuity/ies or pension from the Fund (In-Fund solutions) and/or outside the Fund, unless the retirement pot plus two-thirds of the non-vested right is less than the <i>de minimus</i> amount.
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	<p>Death Benefit before the age of 17 years: Share of Fund (payable as cash lump sum, subject to section 37C of Pension Fund Act).</p> <p>Death Benefit from the age of 17 years: 3 x Annual Salary (insured amount) plus Share of Fund (payable as cash lump sum, subject to section 37C of Pension Fund Act).</p>																
	<p>Disability Benefit before the age of 17 years: Share of Fund (payable as 1/3 cash, balance as monthly pension if total benefit is more than R247 500).</p> <p>Disability Benefit from the age of 17 years: 3 x Annual Salary (insured amount) plus Share of Fund after 6 months waiting period if total and permanently incapable of following his/her own or similar occupation (payable as 1/3 cash, balance as monthly pension if total benefit is more than R247 500). Benefit will reduce by 20% per annum from age 60.</p>																
	<p>Tax on Resignation/Dismissal Benefit: First R27 500 of Vested Pot is tax free, the remaining benefit is taxed according to a sliding scale. Monies withdrawn from Savings Pot will be taxed at Marginal tax rates.</p> <p>Tax at Retirement/Retrenchment: The first R550 000 is tax free and the remaining benefit is taxed according to a sliding scale. Remember, you have only one R550 000 tax free amount that will apply to all your cash payments, including 1/3 cash payments from individual Retirement Annuities.</p>																
	<p>Funeral Benefits:</p> <table border="1"> <tr> <td>Main member/Spouse</td><td>R20 000</td></tr> <tr> <td>Child 14 to 21 years</td><td>R20 000</td></tr> <tr> <td>Child 6 to 13 years</td><td>R10 000</td></tr> <tr> <td>Child 1 to 5 years</td><td>R 5 000</td></tr> <tr> <td>Stillborn to 11 months</td><td>R 5 000</td></tr> </table>	Main member/Spouse	R20 000	Child 14 to 21 years	R20 000	Child 6 to 13 years	R10 000	Child 1 to 5 years	R 5 000	Stillborn to 11 months	R 5 000						
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	<p>Critical Illness Benefit: Provides a lump sum of up to R50 000 payable to an insured after 14 days survival period who is diagnosed with any of the following:</p> <table border="1"> <tr> <td>Heart Attack</td><td>Major Burns</td></tr> <tr> <td>Coronary artery bypass graft</td><td>Total blindness</td></tr> <tr> <td>Stroke</td><td>Coma</td></tr> <tr> <td>Cancer</td><td>Multiple Sclerosis</td></tr> <tr> <td>Kidney failure</td><td>Alzheimer's Disease</td></tr> <tr> <td>Major Organ transplant</td><td>Motor Neuron Disease</td></tr> <tr> <td>Loss of limbs</td><td>Parkinson's Disease</td></tr> <tr> <td>Accidental HIV</td><td>Benign Brain Tumor</td></tr> </table>	Heart Attack	Major Burns	Coronary artery bypass graft	Total blindness	Stroke	Coma	Cancer	Multiple Sclerosis	Kidney failure	Alzheimer's Disease	Major Organ transplant	Motor Neuron Disease	Loss of limbs	Parkinson's Disease	Accidental HIV	Benign Brain Tumor
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	<p>Death Benefit: Tell us of the death and send us the evidence and documents within 12 months from the date of death. If the Fund is not notified within the prescribed periods, the insured amount will not be paid to dependents and/or nominees.</p> <p>Disability Benefit: Tell us of the disability and send us the evidence and documents within 6 months from the date of disability (last day actively employed). If the Fund is not notified within the prescribed periods, the insured amount will not be paid to members who become disabled.</p> <p>Funeral Benefits: Tell us of the death and send us the evidence and documents within 12 months from the date of death.</p> <p>Critical Illness Benefit: Tell us of the claim and send us the evidence and documents within 6 months from the day on which the event occurred.</p>																

	<p>No claim will be paid if any contributions are in arrears. Contributions to continue until assessment of claims have been finalised.</p>
	<p>Maternity Enhancement: 1 March 2023</p> <p>Both member and employer contributions will be placed on hold whilst on maternity leave for a period up to four (4) months. Any administration related fees, as well as the death, disability, funeral and critical illness risk benefit premiums will be payable from the reserve account of the Fund. This is to ensure that your cover for these insured benefits provided by the Fund remains intact whilst on maternity leave. Kindly note that at no point will you be required to catch up any contributions.</p> <p>This enhancement will only apply where employers are in good standing, meaning that both employee and employer current contributions are up to date.</p>
	<p>Policy conditions:</p> <p>The multiple of salary death benefit is subject to all the limitations, exclusions, terms and conditions that are applicable to the death insurance that the Fund has affected with the Insurer in regard to the benefit.</p> <p>Exclusions and Pre-existing conditions:</p> <p>Certain exclusions and pre-existing condition clauses will apply on disability and critical illness benefits as per the policy conditions.</p>
	<p>Physical Address:</p> <p>Unit B3 The Willows Office Park (Behind Toyota Lynnwood) Farm Road (Cnr Simon Vermooten and Lynnwood Road) Die Wilgers, Pretoria</p> <p>Postal Address:</p> <p>Postnet Suite 510, Private Bag X 1, Die Wilgers, 0041 Tel: 0861 114 662 Fax: 0865 512 587 Email: hbsipension@prevue.co.za</p>