

RULES FOR UTATU SARWHU DISCRETIONARY BENEFIT (“the Benefit”)

INTRODUCTION

The Benefit has been created in the spirit of the Labour Relations Act 66 of 1995 as amended (“the Act”) and the Constitution of UTATU SARWHU. The Benefit is in no way, or in any respect whatsoever, a pension fund. The Benefit has been created purely in an effort to provide an additional Benefit in certain circumstances to long standing and loyal members of UTATU SARWHU.

1. CONTROL OF THE BENEFIT

The Benefit will be controlled by the Executive Council of UTATU SARWHU which has delegated certain of its powers to the Management Committee as set out hereunder.

2. MANAGEMENT OF THE BENEFIT

The Management Committee shall:

2.1. manage the administration of the Benefit which shall include, but not be limited to the following:

2.1.1. The management of investments;

2.1.2. The acquiring, purchasing or selling of any moveable or fixed assets necessary for the proper management of the Benefit;

2.1.3. Monitoring trends of the Benefit;

2.1.4. Causing bank accounts to be opened and operated in the name of the Benefit;

2.1.5. Carrying out any other activity that would reasonably be required in the management of the Benefit;

2.1.6. Keeping accurate books and records of the Benefit.

2.2. Report to the Executive Council each month by way of management accounts which shall include details of the cash and investments for the prior month.

3. FUNDING AND DETERMINATION OF THE VALUE OF THE BENEFIT

3.1. Payments of the Benefit shall be funded by UTATU SARWHU.

3.1.1. The extent of the funding by UTATU SARWHU towards the Benefit shall be determined by the Executive Council from time to time.

3.1.2. The extent of the Benefit payable to UTATU SARWHU members shall be determined by the Executive Council from time to time.

4. PAYMENT OF BENEFIT

4.1. The Benefit shall be granted to members ("Eligible Members"):

4.1.1. who have been members of UTATU SARWHU for a continuous period of 5 years immediately prior to the member's termination of employment; and

4.1.2. whose membership fees have been fully paid up at the date of the member's termination of employment; and

4.1.3. whose employment has been terminated either by;

4.1.3.1. the member's retirement on reaching the Statutory Retirement Age, which is currently 63 years old; or

4.1.3.2. the member's ill health. This provision shall only apply to those members who at the time of that member's termination of their employment belonged to the Transport Pension Fund or Sub Funds.

4.2. No Benefit shall be granted to those members;

4.2.1. who have been offered and have taken a retrenchment package; or

4.2.2. who have received a special dispensation.

4.3. Claim Procedures

4.3.1. An Eligible Member must submit his request for the Benefit which request must:

4.3.1.1. be in writing;

4.3.1.2. be duly supported by an official company letter confirming the termination of the Eligible Member's employment and setting out the grounds for such termination;

4.3.1.3. set out the date of joining UTATU SARWHU and the member's period of membership; and

4.3.1.4. be submitted within 12 months of the date of termination of the Eligible Member's employment.

4.4. Payment

The General Secretary shall pay an Eligible Member the Benefit as soon as may be possible after the receipt of the Eligible Member's application, which must be submitted in accordance with 4.3.

4.5. Disputes

Any dispute arising in respect of this Benefit shall be resolved in terms of the UTATU SARWHU Constitution.

5. PENALTY OF BENEFIT

An Eligible Member's Benefit will be reduced by 25% of the applicable value of the Benefit at the time of the Eligible Member's termination of employment, should that Eligible Member have;

5.1 been a member of UTATU SARWHU; and

5.2 cancelled their membership of UTATU SARWHU; and

5.3 joined another Union or decided to become a non-unionized employee; and

5.4 subsequently re-joined UTATU SARWHU.

6. EFFECTIVE DATE

These rules supersede and replace all prior rules, practices and documents relating to the Benefit and will become effective on 1 October 2013.