



NJMPF

KwaZulu-Natal Joint Municipal
Pension/Provident Funds

10 August 2023

TO ALL DEFINED BENEFIT MEMBERS

Dear NJMPF member

KWAZULU-NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) & KWAZULU-NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) MEMBER AND PENSIONER REPRESENTATIVE TRUSTEE ELECTIONS

Your Fund has for years been on a journey to replace the racially discriminatory laws which established the Superannuation Fund and the Retirement Fund, and to update the legal framework relating to any historic discrimination in the regulations of its two Defined Benefit Funds. During 2019, NJMPF achieved the first phase of this process by getting its promulgated regulations approved. This meant that the previously racially discriminatory laws were eliminated and rationalised by NJMPF in conjunction with Cooperative Governance and Traditional Affairs (COGTA). The rationalised regulations were beneficial to our membership and their dependants and were in no way prejudicial or impact adversely on members benefits. Despite these strides, the difference in benefits is still evident between these two funds mainly due to the significance difference in contributions payable by members of these funds. Therefore, Trustees have further investigated a second phase of expediting the termination of the historic discrimination by the potential merger of the Retirement Fund with the Superannuation Fund.

The objective of the merger is to have one merged Superannuation Fund instead of having two defined benefit Funds with the same benefits and conditions applicable to all Superannuation members. The Fund's Actuary has advised that the funds current funding level makes it feasible for the merger of these two defined benefit Funds to take place now. Meaning that now is the right time for such a merger to take place since both funds have maintained financial stability and have attained the funding requirements of the merger as at 31 March 2022.

The Board of Trustees has actively pursued the implementation of the merger and is fully committed to the merger's stated objective of addressing past discriminations of benefits. The two Funds were supposed to conduct elections in accordance with section 7A of the Pension Funds Act, where at least 50% of representatives are elected by the Funds' members. After considering the financial implications associated with conducting elections for Superannuation and Retirement Fund Trustees this year, the Fund saw it fitting to only conduct the elections after the finalisation of the merger. The Fund is optimistic that the merger will be finalised soon. It is for this reason that the Board of Trustees has resolved to delay the Superannuation and Retirement Fund Trustee Election until the merger has been finalised.

Your Anchor in Uncertain Storms



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The Fund will ensure that all members are kept informed throughout this process and recommends that members ensure that the Fund has their most recent personal details to ensure they do not miss out on any important information regarding the merger of these two Funds and the Trustee election of the merged Fund.

For more information, kindly feel free to enquire with our Client Services Department by emailing: info@njmpf.co.za or call: 0312795300.

Yours sincerely

B. Mkhize

CEO/ Principal Officer

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