



THE ELECTRICAL CONTRACTING INDUSTRY
PENSION & PROVIDENT FUNDS

MEMBER BOOKLET



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INTRODUCTION

The Electrical Contracting Industry Pension Fund and the Electrical Contracting Industry Provident Fund ("ECI Funds") were originally established by collective agreement between the Electrical Contractors Association of South Africa (ECA-SA) and the South Africa Equity Workers Association ("SAEWA") under the jurisdiction and administration of the National Bargaining Council of the Electrical Industry of South Africa ("NBCEISA").

The Funds have proudly served the members and their dependents since 1963 and is committed to continue doing so into the future.

The aim of this booklet is to provide you with an overview of Fund operations and associated benefits to ensure you are empowered to make informed decisions for your financial future.

A LITTLE BACKGROUND

The ECI Funds are Defined Contribution Funds. This means that the contributions paid to the Fund is defined in the Fund's Rules.

Contributions paid to the Fund are invested on your behalf and held in the name of the Fund which is a separate legal entity. This provides security for your retirement benefit to grow and cannot be attached by creditors.



The Funds are Type B Umbrella Funds where many employers participate in a retirement fund arrangement.

All participating employers are bound by the same Rules, have identical contribution rates and enjoy the same insured benefit cover.

The Funds are registered by the Financial Sector Conduct Authority ("FSCA") and primarily governed by the Pension Funds Act No 24 of 1956 (as amended from time to time). The Funds are also subject to comply with various other pieces of legislation e.g. the Income Tax Act, Maintenance Act, Divorce Act, Financial Sector Regulations Act amongst others.

The FSCA Fund Approval Numbers are as follows:

Electrical Contracting Industry Pension Fund: 12/8/4730/1

Electrical Contracting Industry Provident Fund: 12/8/36330

ELIGIBLE MEMBERS

A person who was employed in the Electrical Industry prior to 1 January 2014 (ECI Provident Fund) and prior to 1 March 2025 (ECI Pension Fund), where the NBCEI Main Agreement is applicable to your employer.

When you became an eligible member, your employer would have registered you as a member of the ECI Pension Fund or ECI Provident Fund.

The Funds are currently closed to new members and all new employees will join the Electrical Contracting Industry National Pension Fund from 1 March 2025 onwards.

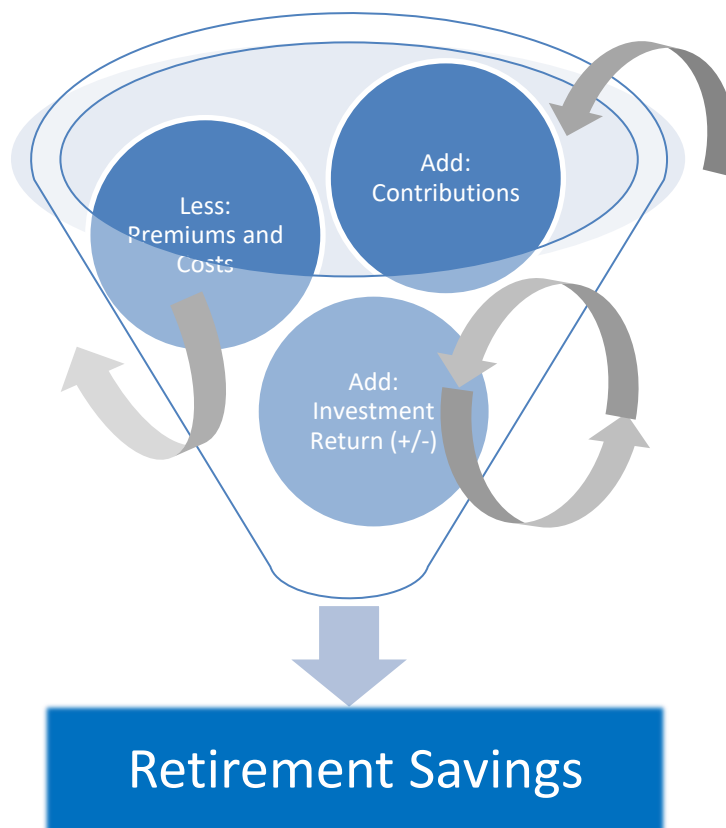
CONTRIBUTIONS

Members and Employers both contribute to the Fund. The contributions are collected by the NBCEI and paid to the retirement fund where the funds are invested on your behalf.

Member Contributions: 7.5% as per the published minimum wage rates
Company Contributions: 7.5% as per the published minimum wage rates

The following deductions are made from the employer's contribution:

- Insured Death Benefit Premium
- Insured Disability Benefit Premium
- Insured Funeral Cover Benefit Premium
- Fund Operational Expenses i.e. FSCA Levies, Administration Fees, Audit Fees etc.



ADDITIONAL VOLUNTARY CONTRIBUTIONS

Members may make additional voluntary contributions to the Fund. Effective 1 March 2016, annual tax-deductibility of contributions increased to 27.5% of taxable income (inclusive of all contributions made to pension, provident and retirement funds) subject to a maximum of R430 000 per annum.



Increasing your benefits at retirement



Maximising your tax-free benefits



Tax-relief on your contributions

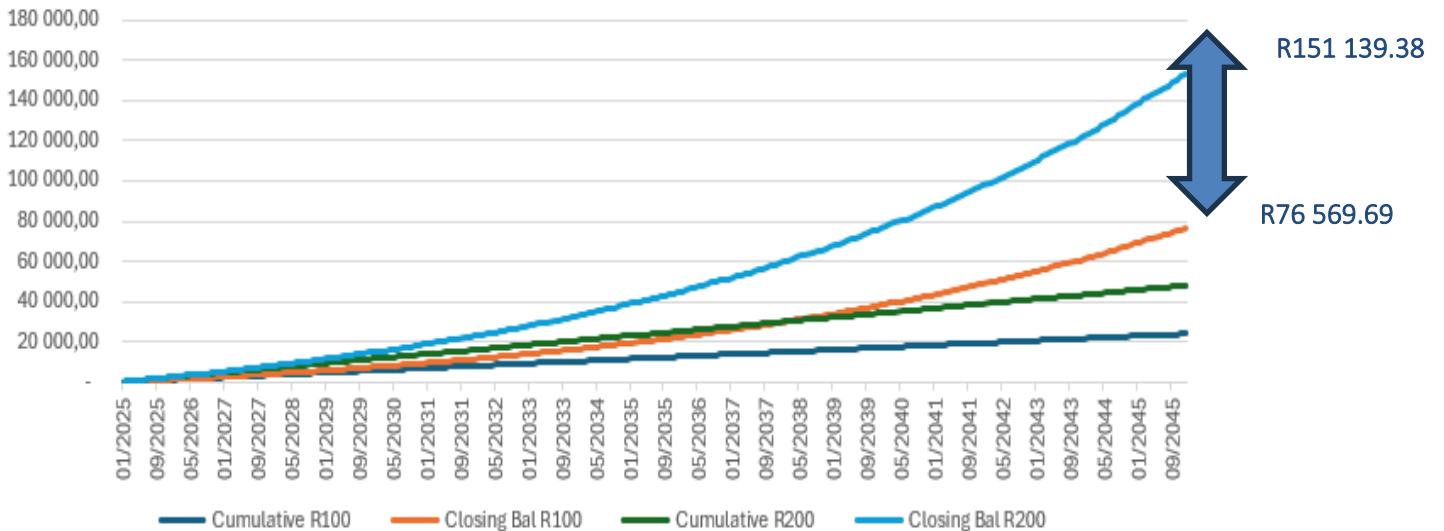


No additional administration fees

You can therefore reduce your SARS tax liability whilst simultaneously enhancing the growth on your retirement benefit. The compounding effect of interest over the longer term will make even the smallest additional contribution matter!

COMPOUND INTEREST-A PRACTICAL EXAMPLE

The difference between R100 contribution v R200 contribution over time...what a difference!



Remember that the earlier you start to save, the more you will benefit from compound interest. The longer your benefit remains invested, the better growth you will have on your savings.

If you can afford to make additional voluntary contributions, you are encouraged to do so!

REDUCE PERSONAL INCOME TAX...

Gross Monthly Salary	R 15 000,00
Monthly Retirement Fund Contribution (7,5%)	R 1 125,00
Additional Voluntary Contribution	
Taxable Salary	R 13 875,00
Taxation	R 2 497,50
Nett Salary	R 11 377,50

Gross Monthly Salary	R 15 000,00
Monthly Retirement Fund Contribution (7,5%)	R 1 125,00
Additional Voluntary Contribution	R 1 000,00
Taxable Salary	R 12 875,00
Taxation	R 2 317,50
Nett Salary	R 10 557,50

*Please note this is a simplified example and for illustration purposes only.

ARREAR AND LATE CONTRIBUTIONS

The duty of deducting money and paying over contributions remains the responsibility of the Employer. Failure to do so will result in late payment interest becoming payable by the Employer, as prescribed by the Pension Funds Act.

Contributions are payable by the 15th of each month, following the month in which such contributions were deducted.

Late contributions and arrear contributions could possibly disqualify you from insured benefit cover as insured benefit premiums will also be in arrears. If you become aware that your employer is not paying across contributions, please report this immediately. The Employer is criminally liable if contributions that are deducted from your salary, is not paid across to the ECI Funds.



When your employer does not pay contributions, lodge a formal complaint with your Employer/Union/NBCEI in writing.

If your Employer is aware of this and does not rectify the situation within 30 days, please contact the ECI Funds on Tel: 011-339 2312 or email ecifund@nbcei.co.za.

If the situation is still not resolved, alert the Office of the Pension Funds Adjudicator via www.pfa.org or enquiries @opfa.org.za or 086 066 2837. There is no cost related to lodging a complaint.

HOW THE FUNDS ARE MANAGED

The Board of the Fund is ultimately responsible for the efficient operation of the Fund and dedicates time and effort to protect member interests. The Board is comprised of four (4) representatives appointed by the union, the South African Equity Workers Association ("SAEWA"), four (4) representatives appointed by the employer's organization, the Electrical Contractors Industry Association of South Africa ("ECASA") as well as an Independent Trustee.

The Board diligently manages the Fund in collaboration with licensed, accredited service providers who also comply with the requirements of the Financial Advisory and Intermediary Service (FAIS) Act.

MEET YOUR BOARD MEMBERS



▶ **Deon van Deventer**
Chairperson



▶ **Mark Mfikoe**
Vice Chairperson



▶ **Siphon Mayisela**
Trustee



▶ **Robert MC Alpine**
Trustee



▶ **Eckard van Zyl**
Trustee



▶ **Tony Van Niekerk**
Trustee



▶ **Desigan Pillay**
Trustee



▶ **Jeremy Gill**
Independent Trustee



▶ **Michael Straton**
Trustee



The Board appoints a Principal Officer in terms of Section 8 of the Pension Fund Act who is responsible for the day-to-day operations of the Fund.

The Principal Officer also acts as a liaison between the Funds, its members, participating employers, and regulatory authorities.

Claudette Nel was appointed as the Funds' Principal Officer effective 1 February 2025.

INVESTMENT STRATEGY

Retirement Investments are long-term investments spanning over many years of your working life and there will be many market cycles during this long investment term.

It is important not to be concerned with short-term market fluctuations and to stay committed to the Fund's strategic asset allocation to meet long term retirement objectives.



The Fund's principal investment objective is to attempt to ensure that members retire with sufficient income to maintain their standard of living in retirement.

The investment objective is to achieve appropriate risk-adjusted long-term growth for members, while maximising the members' fund values at retirement.

The Funds' investment strategy is to beat inflation. Returns in excess of inflation add real returns to member's benefits.

Remember that investing for retirement is a long-term investment. The earlier you start investing for your retirement, the greater the benefit you will reap from compounding returns.

The Board has appointed professional investment consultants who provide strategic advice and assist the Fund in optimising the Fund's asset allocations.

The performance of the underlying asset managers is continuously monitored to ensure they are performing in terms of their investment objectives which are designed to optimally contribute towards investment performance.

The Board monitors investment performance on an ongoing basis to ensure that growth on your Retirement benefit is maximised.

The Investment Performance for the 5-years period ending 28 February 2026 is listed below:

	3M	12M	36M	60M
ECI Provident Fund*	8.61%	31.21%	16.50%	14.39%
ECI Provident Fund Benchmark	1.40%	7.92%	9.02%	9.60%
ECI Pension Fund*	8.11%	30.02%	15.98%	13.56%
ECI Pension Fund Strategic Benchmark	7.27%	28.40%	16.62%	14.10%

*Please remember that past performance is not an indication of future performance

“Compound interest is the eighth world wonder of the world. He who understands it, earns it...he who doesn't...pays it.”

-Albert Einstein

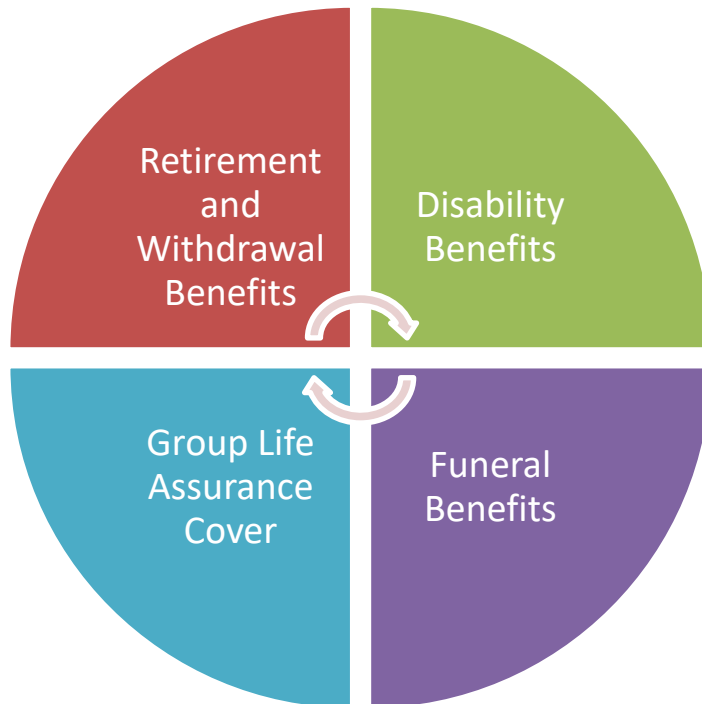
MEMBER BENEFITS

The main objective of the ECI Funds is to provide you with retirement savings. However, you also enjoy cover for a comprehensive range of insured benefits.

These premiums are negotiated on a group rate basis and is far more affordable than what you would be able to secure in your individual capacity. You are also not required to provide a record of good health as you would with any other individual life or disability insurance.

It is important to review your insured benefits on a regular basis with the assistance of your financial planner to ensure your individual benefits remain appropriate.

It is also important to avoid duplication that could result in aggregation of benefits.



RETIREMENT AND WITHDRAWAL BENEFITS

Contributions made by you and your employer are invested on your behalf and help constitute your fund credit value. This is the value indicated on your annual benefit statement and is made up as follows:

	Member Contributions
Add:	Employer Contributions
Add:	Additional Voluntary Contributions
Add:	Transfers from other Funds
Add/Less:	Investment Return
Less:	<u>Insured Benefit Premiums and Costs</u>
	Total Fund Credit

When you leave service, you may access your fund benefit (or portion thereof), subject to existing legislation.

The Fund's normal retirement age is 65 and early retirement is allowed from age 55 in terms of the Income Tax Act.

LEGISLATIVE CHANGES & YOUR BENEFIT PAYMENT OPTIONS

The Annuitisation of Provident Funds (effective 1 March 2021) and the Implementation of the Two-Pot system effected the benefit payment options available to you.



All contributions made to the Provident Fund on your behalf prior to 1 March 2021 (and growth thereon) will remain available to you as a cash payment should you select a cash payment option. This is called your vested benefit and is recorded separately by the administrator.

All contributions made after 1 March 2021 is subject to annuitisation and is your "non-vested benefit". Only if this value is less than R350 000 will you still be able to take this portion in cash.

If the value of your non-vested benefit is more than R350 000 you have to purchase a pension/annuity and will not be able to take your full fund value in cash.

The Implementation of the **Two Pot System** (effective 1 September 2024) further changed the accessibility of your fund credit and affected both Pension and Provident Fund members.



The Two-Pot System effectively created three components/pots to your retirement benefit.

- A Vested Pot
- A Savings Pot
- Retirement Pot



Vested pot	<ul style="list-style-type: none"> • All fund savings up to 31 August 2024 • Investment growth on value 	<ul style="list-style-type: none"> • Cash accessible on resignation • Accessible at retirement in terms of Fund Rules
Savings pot	<ul style="list-style-type: none"> • One-third of contributions from 1 Sept 2024 • Seeding (10% of value as at 31 August 2024 up to a maximum of R30 000) 	<ul style="list-style-type: none"> • Cash accessible at any time • One withdrawal per tax year, minimum of R2 000, subject to fees and marginal tax rates
Retirement Pot	<ul style="list-style-type: none"> • Two-thirds of contributions from 1 September 2024 • Investment growth on value 	<ul style="list-style-type: none"> • Not accessible on resignation • Compulsory annuity at retirement

Please note the following:

- If you started saving for retirement after 1 September 2024, you may not have a vested pot.
- You cannot leave some "pots" in the Fund and move your other pots out of the Fund.

The Two-Pot legislation has significantly changed the benefit payment options available to you and the Fund has made an explanatory guide available to you. This guide is available on the Fund website.

RETIREMENT BENEFITS COUNSELLING

To help you navigate your benefit payment options and to select the most appropriate annuity for you, members have access to retirement benefit counselling free of charge.

The Fund has also selected a default annuity product which you can consider as part of your annuity options at retirement.

The Fund has outsourced this function to Liberty Life. Should you require more information, please engage with the benefit counselling team at: benefitcounselling@liberty.co.za or 0800 456 235.

WITHDRAWAL AND RETIREMENT CLAIM SUBMISSION

When a member leaves service or retires, the member should submit the documents detailed below.

Please note that neither the ECI Funds nor the administrator shall be held liable in instances where benefits were paid into incorrect bank accounts because of incorrect information provided.

Documentation Required:

- 1) Fully Completed Benefit Claim Form (available from the ECI Call Centre and Fund Website)
- 2) Certified Copy of Member's Identity Document
- 3) Confirmation of banking details not older than 3 months
- 4) Confirmation of SARS Income Tax Number
- 5) If benefit is being transferred, a transfer detail/application form from your financial advisor
- 6) Divorce decree if applicable
- 7) Maintenance order if applicable

Please note that where a member's tax affairs are not up to date or they have outstanding tax returns, the claim can only be finalised once any SARS related issues have been resolved



HOW TO CLAIM YOUR TWO-POT SAVINGS

Legislation does allow you to access the value held in your "savings pot" once in a tax year. Please carefully consider the tax implications as the withdrawal amount will be added to your taxable income for the year and will be taxed at marginal tax rates.

Any arrear taxes will also be deducted by SARS at the time of withdrawal.

Taxation can have a huge impact on the amount that eventually becomes payable to you. Also consider the long-term impact on the future growth of your retirement benefit. Ultimately, these funds remain part of your retirement provision and should be managed accordingly.

Any Two-Pot Savings withdrawals must be submitted electronically via the NBC Member Portal.

Kindly access the below link to access a step-by-step video on how to claim your Two-pot savings:

<https://eciretirementfunds.co.za/video-library/>

DISABILITY BENEFITS

This benefit is an unapproved benefit with the NBCEISA as policyholder.

This benefit will pay a monthly income of 55% of your prescribed minimum wage after a waiting period of 6-months and will remain payable whilst you remain unable to perform your occupation at your employer. After 24-months, the claim will be reassessed and continued disability will be determined based on your ability to perform any occupation with any employer. Ongoing disability is therefore determined by the underwriter and is subject to regular medical evaluations.

Please note the following:

- Medical Assessments will be conducted regularly to determine whether you continue to qualify for receipt of a disability income.
- The ECI Funds or the NBCEI cannot be held liable where the claim is not approved by the insurer or paid into an incorrect bank account as a result of incorrect information provided.
- The disability income benefit will increase by 5% each year, on the anniversary of your "date of disability".
- The benefit will be paid out to you tax-free as the monthly premiums are taxed as a fringe benefit.
- You will remain a member of the ECI Funds and contributions to your retirement benefit will continue i.e. your retirement benefit will continue to grow.
- You will also remain covered for group life assurance benefits and funeral benefits whilst in receipt of a disability income benefit.

Documentation Required:

- 1) A Completed Disability Claim Form (available from the ECI Call Centre and Fund Website)
- 2) A Certified Copy of the member's Identity document
- 3) Bank Confirmation not older than 3 months
- 4) Employer Report Form (Insurer Form)
- 5) Employee Report Form (Insurer Form)
- 6) Detailed Medical Report by medical professional (not older than 3 months)
- 7) Any additional report that will aid your claim



GROUP LIFE ASSURANCE BENEFIT

Should you pass away whilst a member of the Fund, an insured benefit of three times your minimum annual wage will become payable to your dependants, beneficiaries and/or nominees.

This benefit that will become payable is made up as follows:

Your Fund Credit Value held in the Fund + 3 x minimum annual wage

The Fund is the policyholder of this benefit and the Trustees are responsible for distributing the total benefit payable as prescribed in Section 37C of the Pension Funds Act.

In terms of legislation, the Trustees are required to conduct a thorough investigation to identify and trace all dependants, beneficiaries and nominees.

WHY YOUR BENEFICIARY NOMINATION FORM IS SO IMPORTANT...

Trustees are guided by your completed Beneficiary Nomination and you are requested to provide as much information as possible therein. The Trustees will always consider this document, although they do have discretion to distribute the benefit in a manner different to what is indicated on your form. By law, the Trustees are required to make a fair and equitable distribution based on the information available to them. The Pension Funds Act describes the definition of a "dependant" and there are three different types of dependants:

1. Financial Dependant

A person in respect of whom the member is legally liable for maintenance e.g. spouse, child.

2. Factual Dependant

A person who was in actual fact financially dependent on the deceased i.e. someone being financially supported by you.

3. Future Dependant

A person in respect of whom a member would have become legally liable for maintenance i.e. posthumous child, fiancé etc.



Please update this form each time your personal circumstances change i.e. in the event of the birth of a child, marriage, divorce or any other reason for change in your nominated beneficiaries.



If a completed beneficiary nomination form is not on record, this will delay payments to be made to your beneficiaries and dependants.

Please ensure that yours is up to date!

DEATH CLAIM DOCUMENTATION

Documentation Required:

- 1) Fully Completed Benefit Claim Form (available from the ECI Call Centre and Fund Website)
- 2) Latest Beneficiary Nomination Form on record
- 3) Certified Copy of the deceased's member's Death Certificate
- 4) Copy of the DHA-1663 – Notice of Death Form
- 5) Certified Copy of the deceased's member's Identity Document
- 6) Certified Copy of Marriage Certificate (if applicable)
- 7) Certified Copies of the Identity Documents and/or Birth Certificates of the Deceased's spouse, children and/or any other beneficiaries.

The NBCEI will conduct an investigation as required in terms of Section 37C of the Pension Funds Act and will advise the deceased's family of any additional information required.

Please note that written notice of death and all documents must be submitted within 9 months of date of death. If this time period is not adhered to, the claim may be declined for payment.

FUNERAL BENEFITS

The policyholder of this benefit is the NBCEI and benefits are paid out tax-free.

The funeral benefit scale is detailed below:


Beneficiary	Benefit Payable
Main Member (up to age 65)	R20 000
Spouse (up to age 65)	R15 000
Children aged 21-25	R10 000
Children aged 14-20	R10 000
Children aged 6-13	R 7 500
Children aged 1-5	R 3 500
Children younger than 1 (including Stillborn)	R 3 500

*Up to 21 years if child is unmarried

*Up to 25 years if the child is studying full time at a recognized education institutions

*Up to the date the membership ceases for the Principal Member/Spouse if the child is mentally handicapped or totally and permanently disabled.

IMPORTANT NOTICE



The Insurance Act 18 of 2017 amended the definition of "beneficiary". In terms of the revisions to the legislation governing long term insurers, this benefit can **ONLY** be paid according to your completed beneficiary nomination form.

Should this form not be on record, legislation stipulates that this benefit will become payable to your **ESTATE** and will therefore not be payable to your dependents in the short term. This will result in delays in payment

There have been instances when employers assist their employees by advancing them the funeral benefit and then request the insurers to refund the employer when the funeral benefit is paid. Please note that in light of the changes to legislation, this is no longer legally permitted.

FUNERAL CLAIM DOCUMENTATION

Documentation Required:

- 1) Fully Completed Benefit Claim Form (available from the ECI Call Centre and Fund Website)
- 2) Latest Beneficiary Nomination Form on record
- 3) Certified Copy of the deceased's member's Death Certificate
- 4) Copy of the DHA-1663 Notice of Death Form
- 5) Certified Copy of the deceased's member's Identity Document
- 6) Certified Copy of the Nominated Beneficiary's Identity Document and proof of banking details
- 7) In the event of the death being due to unnatural causes, a SAPS statement/police report.

Please note that written notice of death and all documents must be submitted within 9 months of date of death. If this time period is not adhered to, the claim may be declined for payment.



ecifund@nbcei.co.za



@ECIRegionAandB



068 210 6783

COMMUNICATION

The Board values communication with members and regular communication is issued to keep members updated of important fund related matters.

Communication is published on the Fund's website and social platforms.

SOCIAL MEDIA PLATFORMS



Facebook Handle: @ECIRegionAandB



Instagram Handle: [ECI_PensionFund](#)



Tik Tok Handle: [@eci_provident_fund](#)



The prescribed in Pension Fund Circular Number 86, the Fund is required to provide members with an annual benefit statement. These are normally issued in July each year. Please carefully review your benefit statement and the information contained therein.

Should you have any queries related to your benefit statement, please contact the NBCEI.

MEMBER PORTAL

The online portal provides a seamless and secure way to access your data anytime, anywhere. By utilising this platform, you can efficiently manage your information, stay informed, and make well-informed decisions with confidence. Access NBCLAND via the website on www.nbc.co.za.

1. Members need to be onboarded on ASK with either their email address or Mobile Number
2. Template available to bulk register the members
3. Automated email/SMS will be sent to members once the template has been loaded.
4. Member will then need to change their password on initial login.

NBC Holdings Products and Services About NBC Careers

NBC-LAND

Provide your employees with
Retirement Fund Administration
solutions that make sense [Find out more...](#)

NBC
Leader in People Benefits in Africa

Channel For Individuals Fund Members Employers Fund Trustees Two-Pots System

FINANCIAL ADVISOR

Deciding on what to do with your retirement savings may be the most important financial decision that you could make in your life. To ensure your financial future it is important to spend sufficient time and effort to consider all your available options, with the assistance of a financial advisor.

An accredited financial advisor must be registered with the Financial Sector Conduct Authority ("FSCA") and you can verify if a person is registered at https://www.fsca.co.za/Fais/Search_FSP.htm

Consider the following:

- Is he/she a certified financial planner registered with the FSCA?
- What experience does he/she have?
- Does he/she have good references?
- Has your advisor ever been found guilty of misconduct?
- How does your advisor's fee compare with other advisors.

QUERIES AND COMPLAINTS

In the event that a member is dissatisfied with the service provided by the Fund, such member may lodge a written complaint via the NBCEISA, the Union or their employer.

The contact details of the NBCEISA are:

E-mail address: nomsam@nbcei.co.za ; portia@nbcei.co.za

Telephone number: (011) 339 2312

Address: 122 Queen Str. Kensington, Johannesburg 2094

If a member is not satisfied with the outcome of the complaint or did not receive a reply within 30 days, such member may lodge a written complaint with the Office of the Pension Funds Adjudicator.

E-mail address: enquiries@pfa.org.za

Telephone number: (012) 346 1738

Fax number: (086) 693 7472

Address: 4h Floor, Riverwalk Office Park, Block A, 41 Matroosberg Road, Ashlea Gardens, Pretoria, 0081

Should you not be satisfied with the decision of the Pension Funds Adjudicator, you may apply to the High Court for relief, within a 6-week period.

Prepared as a practical information guide to fund members by the Trustees of the



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