

THE CONTRIBUTIONS PAYABLE TO THE RETIREMENT FUND

The following is covered in this section:

- What contributions are paid?
- What is the definition of pensionable earnings?

What contributions are paid?

- CPUT pays a contribution rate of 18.75% of your pensionable earnings into your Member's Share towards your retirement savings (of this amount 7.5% is a "deemed employee contribution");

Plus

- An additional contribution rate towards Personal Risk Benefits of a maximum of 2.775% of your pensionable earnings (less the cost of the separate spouse's insurance arranged by the CPUT).

In the event that this contribution rate is insufficient to cover the Personal Risk Benefits, the Personal Risk Benefits will be reduced accordingly. However, should the contribution rate be more than what is required to cover the Personal Risk Benefits, the excess will be allocated to your Member Share;

Plus

- An additional contribution rate of 0.75% of your pensionable earnings towards the cost of all administration expenses;

Plus

- An additional amount of 1% of your pensionable earnings less the contribution rate required in respect of the Income Security Scheme which will be credited to your Member Share.

Note: The Rules of the Fund allow any member to transfer in benefits from a former Fund, subject to the requirements of the Pension Funds Act.

What is the definition of pensionable earnings?

The amount of your salary that is regarded as pensionable is your basic annual salary, including the annual bonus (or value thereof) and any other regular amounts which are regarded as pensionable by the Board at CPUT's request.