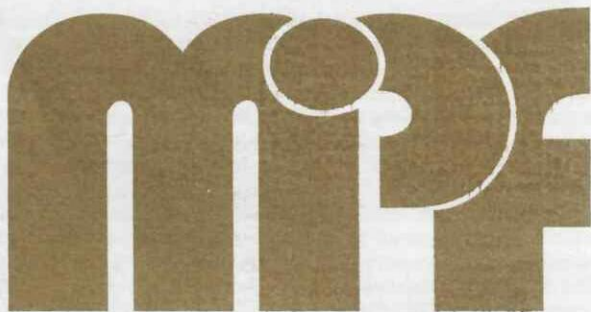




Mining Industry Pension Fund

"Cares for your future"

GENERAL INFORMATION

Mining Industry Pension Fund

[MIPF]

The Mining Industry Pension Fund (MIPF) was set up in 1952 to provide retirement income for employees in the mining industry upon attainment of prescribed retirement ages.

The Fund was set up following a collective bargaining agreement between representatives of employers and those of employees in the mining industry. More about MIPF rules and procedures for members inside



WHO IS THE MINING INDUSTRY PENSION FUND?

- MIPF is a self-administered Defined Contribution pension fund that was set up in 1952 to provide retirement income for employees in the mining industry upon attainment of prescribed retirement ages. The Fund was set up following a collective bargaining agreement between representatives of employers and those of employees in the mining industry.

WHO MANAGES THE FUND?

- MIPF is administered by a Board of Trustees appointed by the National Employment Council (NEC) for the mining industry. The Board of Trustees is made up of employee and employer representatives. However, the day to day administration of the Fund is the responsibility of the Principal Officer who is appointed by the Board.

WHAT IS THE PURPOSE OF THE FUND?

- The purpose of the Fund is to provide retirement income to members when they retire. This is because, in retirement, a former employee will not be in a position to receive regular income as before.
- It is therefore important that money is set aside for the employee during his/her working life for his/her benefit upon retiring, and hence MIPF serves this purpose.

WHO CAN JOIN THE FUND AND WHEN ?

- It is a statutory requirement for every employer whose operations are classified as mining, incidental to mining or provides some services to the mining industry, to join the Fund. It is therefore a condition of service for all employees of such an employer that are aged below the normal retirement age of sixty (60) years to subscribe to the Fund.

HOW MUCH DO I CONTRIBUTE ?

- You are required to contribute a minimum of **7.5%** of your monthly basic salary. However, there is a provision for you to make Additional Voluntary Contributions (AVC). You are allowed an additional voluntary contribution of up to 7.5%, which means the total contributions made to the Fund should not exceed 15% of your monthly basic salary.
- Your employer's obligation is to contribute a minimum of 7.5% of your monthly basic salary. Although there is also a provision for Additional Voluntary Contributions by your employer as part of the terms and conditions of your employment, there is no limit for such additional voluntary contributions and the employer is not required to match the employee's Additional Voluntary Contributions.
- It is in your best interest to take advantage of the Additional Voluntary Contributions in order to earn a better pension during retirement. In the event that your financial circumstances change, you may adjust your contributions to the minimum contribution rate of 7.5%.

HOW DO I KEEP TRACK OF MY CONTRIBUTIONS?

- You will receive an annual **Benefit Statement** showing your personal and financial details maintained in the Fund's records. Your financial details consist of information such as the contributions that you and your employer made into the Fund, contributory service into the Fund, and accumulated interest.

- ▶ If your employer is not up to date with payment of pension contributions to the Fund, the outstanding contributions will also be shown on your Benefit Statement.
- ▶ Your personal details reflected on the Statement include information such as your name, gender, national identification number and date of birth.
These should always be checked for accuracy. If you notice that any of these details on the Benefit Statement are incorrect, please advise the Fund immediately so that the information is corrected.
- ▶ When communicating with the Fund, you should always quote your **Member Number or Record of Service Number (R/S No.)** reflected on your Benefit Statement, for ease of reference.

WHEN DO I GET MY PENSION ?

- ▶ When you leave employment after reaching the prescribed early retirement age of fifty-five (55) years, regardless of your length of contributory service, you qualify to go on early retirement.
In terms of the Fund Rules, you also qualify to go on early retirement if you withdraw from the Fund and you are between the ages of fifty (50) and fifty-four (54) years, and have contributed for at least fifteen (15) years.
- ▶ When you attain the age of sixty (60) years, you qualify for the normal retirement.
You can however opt to defer your retirement for a further period of not more than five (5) years, that is, up to the age of sixty-five (65) years.

WHAT DO I GET WHEN I RETIRE?

- ▶ On retirement, you will receive a monthly pension guaranteed for either five (5) or ten (10) years depending on your choice, and thereafter, for life.
- ▶ As part of options available for retiring members, you may opt to receive a third (1/3) of your total pension accumulation payable as a lump-sum, subject to tax depending on your age. The remaining two thirds of your pension will be paid as a monthly pension guaranteed for either five (5) or ten (10) years, and thereafter for life.
- ▶ There is a tax relief for members who retire at the age of fifty-six (56) years or more. Pension Benefits for Members who retire below the age of fifty-six (56) years are still subject to tax.
You can also opt for a Joint and Survivorship Pension option which guarantees a pension for life to your chosen beneficiary after you die.
- ▶ The above is subject to prescribed limits set by the Pensions Regulator from time to time. This means that retiring members whose pension falls below the minimum pension prescribed are allowed to commute their pension as a lumpsum.

HOW DO I ACCESS MY PENSION BENEFITS

- ▶ Upon leaving employment you must visit your Employer's Human Resources Office and complete a Claim Form (Form BN1). Please note that the Claim Form should be submitted to the Fund together with a copy of your National Identification Document (National ID Card, Valid Passport or Driver's License), and your last payslip showing year-to-date figures to facilitate processing of your pension benefit. On the Claim Form, you must provide your bank account details. If you do not already have a bank account, you will be required to open one to facilitate payment of your pension benefit which will be

deposited by the Fund into your bank account on a monthly basis. In the event that your former employer is no longer in existence/operational, you should contact the Fund for assistance.

WHAT HAPPENS TO MY PENSION IF I EMIGRATE ?

- ▶ The laws of Zimbabwe allow for the remittance of pension benefits to pensioners who emigrate (non-resident pensioners). Please note that remittance of pension benefits to non-resident pensioners is subject to exchange control approvals and availability of foreign currency. Pensioners who are emigrating should advise the Fund before they do so.

WHAT HAPPENS IF I DIE IN RETIREMENT ?

- ▶ If the chosen five (5) or ten (10) years guaranteed period has not yet expired at the point of death, your beneficiaries will receive a monthly pension up to the end of the chosen guaranteed period. If the guaranteed period has expired, then your pension will cease on your death. However, if at your point of retirement, you opt for a Joint and Survivorship Pension option, in the event of your death, your pension will be paid for the lifetime of your chosen beneficiary. In the event that your chosen beneficiary dies first, the pension will be paid to you for as long as you live. Beneficiaries of deceased pensioners who died on or after 1 July 2010 are also entitled to an Additional Death Benefit (ADB) which is a funeral assistance paid by the Fund on death of a member or pensioner.

WHAT HAPPENS WHEN I DIE IN SERVICE?

- ▶ If you have qualified to go on early or normal retirement at the time of your death, your spouse will be entitled to a monthly pension guaranteed for five (5) years and thereafter for life.
- ▶ However, if you have more than one spouse, your pension will be apportioned to each spouse and paid as a once off lump sum. If you have not yet qualified to go on early or normal retirement at the time of your death, your spouse, children or other beneficiaries will receive a lump sum pension benefit equivalent to the sum of your contributions and the employer's plus interest. In addition, a funeral assistance (Additional Death Benefit) will be paid to the surviving spouse or beneficiaries to assist with funeral expenses.
- ▶ The Pension and Provident Funds Regulations provide that death benefits should be paid in the following order:
 - a) Surviving spouse(s) and dependent children
 - b) Parents
 - c) Siblings
 - d) Nominated beneficiaries
 - e) Estate of the late member

WHAT HAPPENS WHEN I DIE OUT OF SERVICE ?

- ▶ There are different scenarios for payment of pension benefits to beneficiaries of a member who dies out of service before claiming his/ her pension benefits:
- ▶ If you die out of service before attaining the prescribed retirement ages, your spouse, children or other beneficiaries will receive a lump sum pension benefit equivalent to the sum of your contributions and the employer's plus accumulated interest. In addition, if your death occurs within six (6) months of leaving employment, your beneficiaries will also receive an Additional Death Benefit (ADB) which is a funeral assistance meant to assist with funeral costs. The Additional Death Benefit is reviewed from time to time;
- ▶ If you have already qualified to go on retirement at the time of

your death, your spouse will be entitled to a monthly pension guaranteed for five(5) years and thereafter for life. If you have more than one spouse, your pension will be apportioned to each spouse and paid as a once off lump sum; or

- ▶ If your death occurs when you are already on pension, payment of your pension to your beneficiaries will depend on the option that you chose when you retired. In addition, your beneficiaries will receive an Additional Death Benefit to assist with funeral expenses.

WHAT HAPPENS WHEN I AM DISMISSED OR RESIGN?

There are a number of options to take if you leave service due to dismissal or resignation:

- ▶ You can leave your accrued pension benefits in the Fund as a Deferred Pension until you attain the prescribed retirement age. In the event that you rejoin the mining industry and resume contributing to the Fund again, your contributions under your new record will be combined with your deferred benefit and accumulate as one benefit;
- ▶ Alternatively, you can opt for a refund of contributions made by both you and your employer, plus accumulated interest. However, the employer portion of contributions is subject to preservation limits that are set by the Insurance and Pensions Commission from time to time. This means that if you leave employment due to resignation or dismissal and your employer portion of contributions exceeds the prescribed limit, you can only be paid your own portion of contributions. Your employer contributions will be retained in the Fund and kept as a preserved benefit until you attain the prescribed early retirement age of fifty-five (55) years where they will be payable on application, or upon your death, whichever occurs earlier;
- ▶ If you are aged fifty-five (55) years or more, or between fifty (50) and fifty-four (54) years and have contributed to the Fund for at least fifteen (15) years, you are entitled to go on early retirement and receive a monthly pension guaranteed either for five (5) or ten (10) years, and thereafter for life; or
- ▶ If you are employed outside the mining industry, you can opt to transfer your pension benefits to your new registered pension fund that your new employer subscribes to.

WHAT HAPPENS WHEN I AM RETRENCHED?

- ▶ If you are retrenched and have already attained the retirement age, you qualify to go on retirement and receive a monthly pension depending on the amount which you would have contributed. If you have not yet qualified to go on retirement, you will receive a retrenchment benefit made up of your own contributions and those of your employer, plus accumulated interest. The interest is recommended by the Actuary from time to time, based on the performance of the Fund's investments assets.

WHAT HAPPENS WHEN I LEAVE SERVICE DUE TO ILL-HEALTH?

- ▶ If you leave employment due to ill-health and you have already attained the retirement age, you qualify to receive a monthly pension depending on the amount which you would have contributed. If you have not yet qualified to go on retirement, you will receive an ill-health once off lump sum benefit made up of your own contributions and those of the employer, plus accumulated interest. The interest is recommended by the Actuary from time to time, based on the performance of the Fund's investments assets
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WHAT ARE THE COMMUNICATION CHANNELS ?

Should you have any queries or need further information to do with the handling of your pension benefits, please write to :

THE PENSIONS MANAGER

Mining Industry Pension Fund
5 Central Avenue,
P.O. Box CY 1452
Causeway,
Harare

MIPF-Harare, Tel. Numbers

(+263 242) 793821-5 , 796234 - 6, 796262- 3 , 251550
Cell: (+263)772 220678/9, 772 147605, 712 607557
08677010117

FAX numbers (+263 242)792024/796266

MIPF-Bulawayo Office

Exchange Building
Cnr L.Takawira Ave / J.M.N.Nkomo St
P.O. Box 2501
Tel.(+263 292) 264629 , 265132 ,884110
Fax:(+263 292) 266788

WhatsApp: 0772 147 606

E-mail: pr@mipf.co.zw

Website: www.mipf.co.zw

If you are not happy with the handling of your query you may write to the following:

1. **THE PRINCIPAL OFFICER**
(Confidential)
Mining Industry Pension Fund

2. **THE CHAIRMAN**
of the
MIPF Board of Trustees
(Confidential)
Mining Industry Pension Fund

3. **THE COMMISSIONER OF INSURANCE
& PENSIONS**
(Confidential)
160 Rhodesville Ave.
Greendale
HARARE