



**Microsoft SA (Pty) Ltd  
Retirement & Risk Benefits Structure**

Benefit Feature	Benefits
<b>Region</b>	Gauteng Province
<b>Nature of Business</b>	Software Industry, Computer hardware and Consumer Electronics
<b>Name of Fund</b>	Microsoft SA (Pty) Ltd
<b>Pension/Provident</b>	Provident
<b>FSB Registration Number</b>	12/8/36813
<b>Tax Approval Number</b>	18/20/4/41147
<b>Fund Code</b>	1702738
<b>Retirement Fund Administrator</b>	Sanlam Employee Benefits
<b>Risk Benefits Administrator</b>	Hollard Group Risk
<b>Investment Managers</b>	Sanlam and various other
<b>Consultants</b>	Aon South Africa (Pty) Ltd
<b>Eligibility</b>	All permanent employees under the age of 65 years
<b>Member Contribution</b>	Choice of 7.5%, 10%, 15% 18% or 20% of pensionable salary. Administration, consulting and risk insurance premiums are offset from your contribution.
<b>Employer Contribution</b>	<b>7.5%</b> of pensionable salary. No costs are deducted. All goes in investment savings.
<b>Additional Voluntary Contributions (AVCs)</b>	<p>Allowable on both member and employer %.</p> <p>Employees allowed to deduct up to 27.5% of the larger of gross remuneration and taxable income on contributions to all types of retirement funds, with an annual cap of R430 000.</p> <p>If an employee's contributions exceed 27.5% and/or R430 000 in a tax year, the balance is rolled over to the following year/s. Any balance remaining on withdrawal from service or at retirement may be taken as a tax-free lump sum or be deducted from the tax payable on the annuity.</p> <p>If you wish to make an additional contribution, please inform your HR personnel.</p>
<b>Housing Loan facility</b>	Not applicable
<b>Normal Retirement Age</b>	65 years
<b>Withdrawal Benefit</b> (Resignation, Dismissal or Retrenchment)	<p>If you leave employment before age 65 years, you will be entitled to a benefit equal to your fund credit (on what is allowed to take in cash). Your monies are allocated into the following pots:</p> <p><b>Vested Pot (if applicable)</b> - value as at 31 August</p>

	<p>2024 plus returns.  <b>Savings Pot</b> - 1/3<sup>rd</sup> of all new contributions plus returns effective from 01 September 2024.  <b>Retirement Pot</b> - 2/3<sup>rd</sup> of all new contributions plus returns effective from 01 September 2024.</p> <p>Members may leave all monies in fund preserved or transfer tax free to another approved provident/retirement annuity fund or new employer fund. Members are able to encash their Vested and Savings Pots, if they so wish to. <b>The Retirement Pot cannot be accessed and will remain preserved until retirement.</b></p> <p><u>Taxation of Withdrawal Benefit:</u></p> <p><b><i>On resignation or dismissal:</i></b></p> <p><u>Tax scale on taking cash:</u></p> <ul style="list-style-type: none"> <li>✓ First R 27 500 is tax free</li> <li>✓ R27 501 to R726 000 taxed at 18%</li> <li>✓ R726 001 to R1 089 000 taxed at 27%</li> <li>✓ Any amount above R1 089 000 taxed at 36%</li> </ul> <p><b><u>On retrenchment:</u></b></p> <ul style="list-style-type: none"> <li>✓ First R 550 000 is tax free</li> <li>✓ R550 001 to R770 000 taxed at 18%</li> <li>✓ R770 001 to R1 155 000 taxed at 27%</li> <li>✓ Any amount above R1 155 000 taxed at 36%</li> </ul>
<p><b>Retirement Benefit</b>  (Early, Ill-Health, Normal or Late Retirement)</p> <ul style="list-style-type: none"> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> </ul>	<p>The 1/3<sup>rd</sup> annuitisation rule will apply to all new build-ups from 01 March 2021 (can only take up to 1/3<sup>rd</sup> in cash and remaining 2/3rds in annuity income). The 1/3<sup>rd</sup> rule won't apply if you were aged 55 and over on 01 March 2021 and provided you remained in the same fund. If your benefit (the new build-ups) is less than R360 000, you may take the whole benefit as a cash lump sum.</p> <p>The 2 Pot legislation applies from 01 September 2024.</p> <p>1/3<sup>rd</sup> of your contributions will be allocated to the Savings Pot which you may access once per tax year should you have an emergency. The minimum withdrawal amount is R2000. You will be taxed at your marginal rates (from 18% to 45%) should you access any monies from the Savings Pot. You may take your Savings Pot in cash when you retire.</p> <p>2/3<sup>rd</sup> of your contributions will be allocated to the Retirement Pot. You will have no access to this Pot until you retire. You must purchase an annuity income with the Retirement Pot. You may encash your Retirement Pot if the amount is R240 000 or less.</p> <p>You may take your Vested Pot in cash.</p>

	<p><u>Taxation of Retirement Benefit:</u></p> <ul style="list-style-type: none"> <li>✓ First R 550 000 is tax free</li> <li>✓ R550 001 to R770 000 taxed at 18%</li> <li>✓ R770 001 to R1 155 000 taxed at 27%</li> <li>✓ Any amount above R1 155 000 taxed at 36%</li> </ul>						
<p><b>Death Benefit - Provident Fund</b></p>	<p>The full fund credit will become payable, that is, the total savings built up. Dependants and/or beneficiaries may take cash or purchase an annuity income. The tax scale below will apply should one opt for cash:</p> <ul style="list-style-type: none"> <li>✓ First R 550 000 is tax free</li> <li>✓ R550 001 to R770 000 taxed at 18%</li> <li>✓ R770 001 to R1 155 000 taxed at 27%</li> <li>✓ Any amount above R1 155 000 taxed at 36%</li> </ul> <p>Benefits will be paid in terms of Section 37C of the Pension Funds Act. Trustees will have full discretion when apportioning the proceeds.</p>						
<p><b>Life Insurance - Core</b></p> <ul style="list-style-type: none"> <li>• <i>Tax status</i></li> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> <li>• <i>Maximum Benefit</i></li> <li>• <i>Temporary Accident Cover Maximum Benefit</i></li> <li>• <i>Conversion to an individual policy</i></li> <li>• <i>Life cover during disability</i></li> <li>• <i>Benefit expiry age</i></li> </ul> <ul style="list-style-type: none"> <li>• <i>Medical free cover limit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unapproved (benefit is paid free of tax)</li> <li>• Lump sum</li> <li>• <b>3 x Annual Salary</b></li> <li>• R 25 000 000</li> <li>• R 1 500 000</li> </ul> <ul style="list-style-type: none"> <li>• Yes</li> <li>•</li> <li>• Yes</li> <li>• 65 years</li> </ul> <p>It is important that your Employer maintains an up-to-date record of your dependents and any other persons you may wish to nominate as beneficiaries in the event of your death. It is recommended that you complete a "Beneficiary Nomination Form" and return it to your Human Resources department as soon as possible. You must complete a new form whenever your dependents/beneficiaries or wishes change.</p> <p>R12 950 00 (combined for flex &amp; core benefits)</p>						
<p><b>Life Insurance – Voluntary</b></p> <ul style="list-style-type: none"> <li>• <i>Tax status</i></li> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unapproved</li> <li>• Lump Sum</li> </ul> <table border="1" data-bbox="794 1966 1420 2074"> <thead> <tr> <th style="text-align: center;">Flex Cover Options</th> <th style="text-align: center;">Benefit</th> </tr> </thead> <tbody> <tr> <td>Flex Members with 1x</td> <td>1x annual salary</td> </tr> <tr> <td>Flex Members with 2x</td> <td>2x annual salary</td> </tr> </tbody> </table>	Flex Cover Options	Benefit	Flex Members with 1x	1x annual salary	Flex Members with 2x	2x annual salary
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<ul style="list-style-type: none"> <li>• <i>Maximum Benefit</i></li> <li>• <i>Temporary Accident Cover Maximum</i></li> <li>• <i>Conversion to an individual policy</i></li> <li>• <i>Life cover during disability</i></li> <li>• <i>Partial Waiver – actively at work</i></li> <li>• <i>Benefit expiry age</i></li> </ul>	<table border="1" data-bbox="794 152 1420 286"> <tr> <td>Flex Members with 3x</td> <td>3x annual salary</td> </tr> <tr> <td>Flex Members with 4x</td> <td>4x annual salary</td> </tr> <tr> <td>Flex Members with 5x</td> <td>5x annual salary</td> </tr> </table> <ul style="list-style-type: none"> <li>• 5 x annual salary</li> <li>• R 1 500 000</li> <li>• Yes</li> <li>• Yes</li> <li>• Yes</li> <li>• 65 years</li> </ul> <p>It is important that your Employer maintains an up-to-date record of your dependents and any other persons you may wish to nominate as beneficiaries in the event of your death. It is recommended that you complete a “Beneficiary Nomination Form” and return it to your Human Resources department as soon as possible. You must complete a new form whenever your dependents/beneficiaries or wishes change.</p> <p>All unapproved life insurance benefits are paid to your nominated beneficiaries. In the absence of a nomination form, the proceeds will be paid into the deceased’s estate.</p> <p><u>No Taxation on Unapproved Life Insurance Benefit</u></p> <p>✓ Benefits are payable to the member’s nominated dependents and/or beneficiaries in a lump sum payment and it is not subject to tax.</p>	Flex Members with 3x	3x annual salary	Flex Members with 4x	4x annual salary	Flex Members with 5x	5x annual salary
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<p><b>Income Disability Benefit</b></p> <ul style="list-style-type: none"> <li>• <i>Tax status</i></li> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> </ul> <ul style="list-style-type: none"> <li>• <i>Rehabilitation Maximum Benefit</i></li> <li>• <i>Waiting Period</i></li> <li>• <i>Benefit Annual Increase.</i></li> <li>• <i>Option to convert to individual policy</i></li> <li>• <i>Maximum Employee Benefit</i></li> <li>• <i>Maximum Employer Benefit</i></li> <li>• <i>Temporary Accident Cover Maximum</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unapproved (benefit paid free of tax)</li> <li>• Monthly</li> </ul> <p>75% of monthly salary capped at the lower of R195 000 per month and your net monthly income.</p> <ul style="list-style-type: none"> <li>• R 75 000</li> <li>• 3 months</li> <li>• 10% or lesser of CPI</li> <li>• Yes</li> <li>• R 160 000</li> <li>• R 35 000</li> <li>• R 15 000</li> </ul>						

<ul style="list-style-type: none"> <li>• <i>Partial Waiver – actively at work</i></li> <li>• <i>Partial Waiver – pre-existing conditions</i></li> <li>• <i>Benefit expiry age</i></li> <li>• <i>Medical free cover limit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• Yes</li> <li>• 65 years</li> <li>• R195 000</li> </ul> <p>Definition of disability means you are continuously and totally prevented from following your regular occupation in the first 24 months of disablement, and thereafter also continuously and totally prevented, with or without further in-service training, from following the occupations for which you are reasonably eligible by virtue of your training and experience.</p> <p>If admitted/accepted, the disability income benefit is payable from the end of the 3-month waiting period and reviewed at the earlier of your recovery or after 24 months (initial period). The benefit is paid until your death or the benefit expiry age. While you are in receipt of the disability income benefit, you will remain covered for the life insurance benefit. The disability income is payable tax-free.</p>								
<p><b>Critical Illness Standard Benefit Compulsory for all staff</b></p> <ul style="list-style-type: none"> <li>• <i>Tax status</i></li> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> <li>• <i>Maximum Benefit</i></li> <li>• <i>Cover to continue for death if disabled</i></li> <li>• <i>Benefit Annual Increase.</i></li> <li>• <i>Temporary Accident Cover Maximum Benefit</i></li> <li>• <i>Benefit expiry age</i></li> <li>• <i>Medical free cover limit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unapproved (benefit paid free of tax)</li> <li>• Lump sum</li> <li>• 1 x Annual Salary</li> <li>• R 3 000 000</li> <li>• Yes</li> <li>• No</li> <li>• R 1 000 000</li> <li>• 65 years</li> <li>• R3 000 000</li> </ul> <table border="1" data-bbox="794 1624 1423 1809"> <thead> <tr> <th>Flex Benefit Cost Per Age Band</th> <th>Cents per R 1000 cover</th> </tr> </thead> <tbody> <tr> <td>Up to age 40</td> <td rowspan="5">Calculated based on Cents per R 1000 cover</td> </tr> <tr> <td>Age 41 - 50</td> </tr> <tr> <td>Age 51 - 55</td> </tr> <tr> <td>Age 56 - 60</td> </tr> <tr> <td>Age 61 - 65</td> </tr> </tbody> </table>	Flex Benefit Cost Per Age Band	Cents per R 1000 cover	Up to age 40	Calculated based on Cents per R 1000 cover	Age 41 - 50	Age 51 - 55	Age 56 - 60	Age 61 - 65
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<p><b>Spouses Death Benefit – Voluntary</b></p> <ul style="list-style-type: none"> <li>• <i>Tax status</i></li> <li>• <i>Benefit Type</i></li> <li>• <i>Benefit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Unapproved (benefit paid free of tax)</li> <li>• Lump Sum</li> <li>• 1 x Annual Salary</li> </ul>								

<ul style="list-style-type: none"> <li>• <i>Cover to continue for death if disabled</i></li> <li>• <i>Temporary Accident Cover Maximum Benefit</i></li> <li>• <i>Benefit expiry age (member)</i></li>   <li>• <i>Benefit expiry age (spouse)</i></li>   <li>• <i>Medical free cover limits</i></li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• R 600 000</li>   <li>• 70 years</li>   <li>• 70 years</li>   <li>• R2 900 000</li> </ul> <table border="1" data-bbox="794 548 1420 728"> <thead> <tr> <th>Flex Benefit Cost Per Age Band</th> <th>Cents per R 1000 cover</th> </tr> </thead> <tbody> <tr> <td>Up to age 40</td> <td rowspan="5">Calculated based on Cents per R 1000 cover</td> </tr> <tr> <td>Age 41 - 50</td> </tr> <tr> <td>Age 51 - 55</td> </tr> <tr> <td>Age 56 - 60</td> </tr> <tr> <td>Age 61 - 65</td> </tr> </tbody> </table>	Flex Benefit Cost Per Age Band	Cents per R 1000 cover	Up to age 40	Calculated based on Cents per R 1000 cover	Age 41 - 50	Age 51 - 55	Age 56 - 60	Age 61 - 65
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<p><b>Funeral Benefit – Voluntary</b></p> <ul style="list-style-type: none"> <li>• <i>Benefit</i></li> </ul>	<ul style="list-style-type: none"> <li>• Member: R 10 000</li> <li>• Spouse: R 10 000</li> <li>• Child 14 – 21 years: R 10 000</li> <li>• Child 6 – 13 years: R 5 000</li> <li>• Child 1 – 5 years: R 2 500</li> <li>• Child 0 -11 months: R 2 500</li> <li>• Stillborn: R 2 500</li> <li>• Parent: R 0</li> </ul> <p>Maximum number of Children: unlimited</p> <p>Funeral benefits are paid to your nominated beneficiary. In the absence of a signed nomination form, the proceeds will be paid into the deceased's estate.</p>								
<p><b>Medical Free Cover Limits</b></p> <ul style="list-style-type: none"> <li>• <i>Life Insurance benefit</i></li> <li>• <i>Disability Income benefit</i></li> <li>• <i>Critical Illness benefit</i></li> <li>• <i>Spouses Death benefit</i></li> </ul>	<p>R 12 950 000 (combined for flex &amp; core benefit)</p> <p>R 195 000</p> <p>R 3 000 000</p> <p>R 2 900 000</p> <p>The Medical Free Cover Limit is the level below which the insurer gives cover without the need for medical underwriting. If your benefit exceeds the Medical Free Cover Limit, you will not be covered for your full entitlement of cover until you have undergone the medical requirements of the insurer and have been fully underwritten by the insurer. However, you will always be covered for benefits up to the Medical Free Cover Limit.</p> <p>Medical evidence will be required for members whose Death and Disability Benefit exceeds the</p>								

	<p>Medical Free Cover Limits. You will be notified if this applies to you.</p> <p>Please note that the Free Cover Limits are reviewed annually at each renewal or when there's a significant change in the membership profile.</p>
<p><b>Current Fund Costs</b></p> <ul style="list-style-type: none"> <li>• <i>Core Life Insurance Benefit</i></li> <li>• <i>Voluntary Life Insurance benefit</i></li> <li>• <i>Income Disability benefit</i></li> <li>• <i>Critical Illness Benefit</i></li> <li>• <i>Funeral benefit</i></li> <li>• <i>Administration</i></li> <li>• <i>Consulting fees</i></li> </ul>	<ul style="list-style-type: none"> <li>• 0.342%</li> <li>• Calculated based on Cents per R1000 cover</li> <li>• 0.522%</li> <li>• 0.20%</li> <li>• R 4.75</li> <li>• R30.14 per member per month</li> <li>• 0.0404%</li> </ul>
<p><b>Investments</b></p> <ul style="list-style-type: none"> <li>• <i>Default portfolio</i></li> <li>• <i>Investment Portfolio Options</i></li> </ul>	<p>Sanlam LifeStage – Accumulation Portfolio</p> <ul style="list-style-type: none"> <li>• Ninety One Balanced Fund</li> <li>• Lifestage Capital Protection Preservation</li> <li>• Passive Lifestage Accumulation</li> <li>• SIM Cash Fund</li> <li>• Sanlam Coronation Houseview</li> <li>• Sanlam Food Balanced Fund</li> <li>• Sanlam NUR Balanced Fund</li> <li>• Sanlam Prudential Balanced Fund</li> <li>• SIM Balanced Fund</li> <li>• SIM Inflation Plus Fund</li> <li>• SMM Absolute Return CPI +5% Portfolio</li> <li>• SUF Prov Accumulation Portfolio</li> <li>• SUF Prov Inflation Annuity Tracker Preservation</li> <li>• SUPR: Allan Gray Life Global Balanced</li> <li>• Sanlam the Most Aggressive Portfolio</li> <li>• Sanlam Wealth Creation</li> <li>• Sanlam Living Planet Fund</li> <li>• SIM Temperance Balanced Fund</li> <li>• SPW Balanced Fund</li> <li>• SMM Moderate Absolute Fund</li> <li>• Camissa Balanced Fund</li> <li>• Truffle Balance Fund</li> <li>• PSG Balanced Fund</li> <li>• M&amp;G Balanced Fund</li> <li>• Sanlam Monthly Bonus Fund</li> <li>• Sanlam Stable Bonus Fund</li> <li>• SMM Select Balanced Fund</li> <li>• SMM 30 Portfolio</li> <li>• SMM 50 Portfolio</li> <li>• SMM 70 Portfolio</li> <li>• SIM Moderate Absolute Fund</li> <li>• SATRIX Enhanced Balanced Tracker Fund</li> <li>• Sanlam Progressive Smooth Bonus Fund</li> </ul>

**Disclaimer:** In the event of any conflict between this Benefit Summary and the Rules/Policies of the Fund, the Rules/Policies will prevail.