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TO : ALL MEMBERS

NASFUND PREPARES TO PROCESS COVID-19 RELIEF WITHDRAWAL APPLICATIONS

The National Superannuation Fund Limited (NASFUND) has announced through a media statement that it will start receiving withdrawal applications from members who have lost their jobs as a direct result of the COVID-19 pandemic situation.

The article said applications would be vetted to ensure they were for withdrawals by members whose employment were terminated as a direct result of COVID-19 restrictions. Those who are temporarily laid off, stood down or terminated for reasons other than COVID-19 will not be eligible to withdraw under the relief withdrawal scheme.

As part of the process, employers who terminated workers due to COVID-19 will be required to make statutory declarations confirming that the terminations were directly due to the current pandemic and not for other reasons. Member savings withdrawals which are not related COVID-19 terminations will follow the normal process.

The statement further emphasised that actual payments will be made only after the relevant legislative changes to the Superannuation Act are made during the June Parliament Sitting.

We attach for your further information a copy of the newspaper article regarding the announcement published in the Post Courier on 19 May 2020.

For further queries please contact NASFUND Employer Services Division.

Yours sincerely



Florence Willie
Executive Director

Post Courier, Tuesday 19/05/2020

Nasfund to receive relief withdrawal applications

BY MELISHA YAFOI

NASFUND will begin processing withdrawal applications for members who have lost jobs as a direct result of Covid-19 as of today (Tuesday) nationwide.

These applications will be collected and go through a vetting process before payments are made once the Superannuation Act is amended in Parliament in June.

Head of strategy implementation Turaho Morea yesterday said the fund will not wait until June 2 for the amendments to be made, but will go ahead and start receiving withdrawal applications from members affected.

Mr Morea said members can start applying for withdrawals if they are being terminated in the Covid-19 lockdown.

"We will start accepting applica-

tions so we will start screening and validating that these withdrawals are actually due to the impact of Covid-19," he said.

"You can submit your withdrawal applications and we will use this period from now and June 2 or until the legislation has been approved to process the withdrawals.

"But we will not be paying anything until the legislation has been done. We will process it screen it and make sure all your applications are cleaned but the processing will take place after the legislation has been amended."

Mr Morea said the fund has set in place a mechanism to identify companies impacted by Covid-19.

He said affected members will be required to get the company to sign a statutory declaration to declare that the company or the business is in distress or has been impacted by



NASFUND CEO Ian Tarutia

Covid-19.

"Only after that declaration or information form from the employer can we process the members withdrawal so that will be part of that Covid process," Mr Morea said.

"In other normal circumstances if anyone has been or left work the nor-

mal waiting three months period will still apply where they will have to wait until after three months of unemployment before they are entitled to partial payments."

Chief executive officer Ian Tarutia said the fund has modeled around K260 million in long-term savings to be paid out, but the situation may change as they anticipate more applications.

Mr Tarutia said the K260 million is a reflection of the economic stimulus package and the involvement of the superannuation funds where the figure was around K500 million.

"We're actually holding K300 million in cash now in anticipation that there will be an influx of withdrawals coming in," he said. "We are only assisting those members impacted by Covid-19 that meet the criteria and be unemployed because they are terminated but not laid off or stood down."