

CUTTING EDGE



Registered as a trade union in terms of the labour relations Act, (Act 66 of 1995) as amended

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Dear Members,

5TH QUADRENNIAL CONGRESS

The 5th Quadrennial Congress took place on Monday 31 October 2016 at *The Mannah Conference Centre* in Pomona. We had a full house attending the Congress from SAAT, SAX and SAA (Fight Simulators). Only two delegates did not attend, they were informed on very short notice by the Company that due to operational requirements release of duty will not be granted. We thank you for your attendance.



We received a detailed overview on the Union's Finances for the last 4 years from the Auditors—*Moore Stephens FRRS Inc.* We had a presentation by Johan Botha from *Global Asset Management Financial Services (GAMFS)* around Pension and the influence on the economy. Both these presentations are available at the Union's office.

AUSA UMBRELLA RETIREMENT FUND (AUSAURF)



Since the last Cutting Edge dd. 17 October 2016, the Fund met with SAAT and Labour Unions to inform them on the process that needs to be followed to terminate the fund. As the fund will be liquidated, the first requirement is to get the rule change approved by the FSB (Financial Service Board) to insure no outstanding contributions are reflected on the Financial Statements. This will only be approved if all parties sign an addendum to the combination agreement. This Agreement was signed by SAAT and AUSA. We still await NUMSA and SATAWU to sign.

We once again need to point out that information sessions will be scheduled with all members of the fund, to ensure members can make an informed decision on the various options provided for in the fund rules.

LIQUIDATION OF FUND

The standard cost of liquidation consists of the following components,

- ◆ 0.5% of the fund assets,
- ◆ R15-00 per member and
- ◆ 10% of interest earned during the liquidation process.

This fee is inclusive of all expenses incurred in completing the liquidation, including benefit payments, tax applications, member communication and all other administrative or operational expenses that may be incurred.



The fund will be liquidated as per Section 28 of the Pension Fund Act. This process can take anything from 6 to 18 months from the date of the appointment of the liquidator for the following reasons:

- ◆ The liquidator gets appointed by the Board after request and receiving approval from the FSB. The liquidator then takes over from the board and runs the fund till completion.
- ◆ The FSB approves the financial statements submitted to them by the liquidator.
- ◆ Financial statements shall lie open for inspection by interested persons for a period of 30 days.
- ◆ A notice is placed in the *Gazette* and a local newspaper for up to 3 weeks.
- ◆ Members have up to 14 days to lay complaint or object after viewing the financial statements.
- ◆ The FSB will resolve complaint and instruct liquidator on outcome.
- ◆ The liquidator will submit final statement to FSB for approval.
- ◆ Only after receiving the approval from the FSB on the final statements can payments be done
- ◆ The fund will then be closed and deregistered by the liquidator.

We will keep you informed on new developments.

WAGE NEGOTIATIONS (DEFERRED ITEMS)



This is still an ongoing process and new dates for this are the 3rd and 9th of November 2016.

The following points still needs to be motivated by Labour:

- ◆ Technical notch levels (AUSA & SATAWU)
- ◆ Expat agreements (AUSA) and
- ◆ Job security (NUMSA)

The points to be motivated by Management are as follows:

- ◆ Shifts (7 on 4 off 7 on 3 off)
- ◆ Increase of weekend under Flexi shift and
- ◆ Lock in of staff.

We will keep you informed.

Regards,
AUSA