



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

FROM The Registrar, Supreme Court of Appeal
DATE 1 June 2016
STATUS Immediate

Please note that the media summary is for the benefit of the media and does not form part of the judgment.

National Tertiary Retirement Fund v Mokadi (419/2015) [2016] ZASCA 92 (1 June 2016)

MEDIA STATEMENT

Today, the Supreme Court of Appeal (SCA) dismissed the appeal by the National Tertiary Retirement Fund (the Fund) against a judgment of the Gauteng Local Division of the High Court (the court a quo) in an application in terms of s 30P of the Pension Funds Act 24 of 1956 (the PFA), which was lodged by the Fund. The appeal arose from a decision by the Fund to withhold the respondent's pension fund benefits, in terms of s 37D(1)(b) of the PFA, following instructions by the Vaal University of Technology (the University) to do so. The University had terminated the respondent's employment in July 2006.

When the respondent had still not received his benefit by early 2010, he lodged a complaint with the Pension Fund's Adjudicator. The Adjudicator issued a determination in which she found that the Fund was not justified in withholding the pension benefits as the University was not persisting with the pending civil action against the respondent and awarded him, in terms of s 30N of the PFA, his pension benefits with interest at a rate of 15.5 per cent from 2 June 2010. The Fund paid the pension benefits to the respondent in November 2012, but did not pay the interest.

Both in the court a quo and the SCA, the Fund complained that the Adjudicator was not empowered to cause interest to accrue to the respondent's pension benefit. The Fund was also of the view that the award of interest would mean that the respondent would receive a double benefit, as he had already receiving fund return on his pension benefit.

The SCA held that the court a quo was correct in upholding the Adjudicator's decision to order the Fund to pay the respondent his pension benefit together with interest, and dismissed the appeal.

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