

Summary of TERS & UIF Benefits – as at 15 April 2020

	Temporary Employer/ Employee Relief Scheme (TERS)	Reduced Work-Time Benefit	Illness Benefits	Death Benefit
Criteria to qualify	<p>The company must:</p> <ol style="list-style-type: none"> 1. close its operations or a part of its operations for a duration of 3 months or less; 2. be registered with the UIF; 3. comply with the application procedure for the financial relief scheme; and 4. The company's closure must be directly linked to the Covid-19 pandemic. <p>Note: Employers whose employees' work have been reduced following a closure or a partial closure of business operations due to the COVID-19 pandemic, qualifies for TERS if all other requirements are met.</p>	<ul style="list-style-type: none"> • The Company shuts down for a certain period (more than 3 months) or • Implements Reduced or Short Time for more than 3 months <p>Note Employers whose employees' work have been reduced following a closure or partial closure of business operations due to the COVID-19 pandemic, qualifies for TERS if all other requirements are met. Accordingly TERS should be applied for and not RWT</p>	<ul style="list-style-type: none"> • If an employee has been quarantined for 14 days - • A Confirmation Letter from both the employer and employee must be submitted together with the application as proof that both the employer and employee have agree to the 14 days 'special leave'. • In this instance the letters will stand in place of the medical certificate as the beneficiary would have self – quarantined without prior consultation with a medical practitioner. • Benefits will be paid based on these letters. • Should an employee be quarantined for more than 14 days, a medical certificate from a medical practitioner must be submitted together with the Continuation Form UI3. 	<ul style="list-style-type: none"> • In the undesirable event where a contributor passes on, the following will apply: • Benefits are paid to the beneficiaries of the deceased. • People eligible to apply are a Spouse, Life Partner, Children and nominated persons, in that order
Who applies?	<ul style="list-style-type: none"> • Employer 	<ul style="list-style-type: none"> • Employee 	<ul style="list-style-type: none"> • Employee 	<ul style="list-style-type: none"> • Employee
Who are exempted?	<ul style="list-style-type: none"> • Employees who are receiving a full salary from the Employer. (Employees who receives a portion of their salaries as a result of reduced work still qualifies) • Employees who are receiving UIF benefits. 	<ul style="list-style-type: none"> • Employees who are already receiving a salary from the Employer. • Employees who are receiving other UIF benefits. • Employees receiving funds from TERS. 	<ul style="list-style-type: none"> • Employees who are already receiving a salary from the Employer. • Employees who are receiving other UIF benefits. • Employees receiving funds from TERS. 	<ul style="list-style-type: none"> • Employees who are already receiving a salary from the Employer. • Employees who are receiving other UIF benefits. • Employees receiving funds from TERS.

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Forms to be completed	<ul style="list-style-type: none"> • Letter of Authority • MOA • Prescribed template • Evidence/payroll • Confirmation of bank account details <p>Note: See further details below under application process</p>	<ul style="list-style-type: none"> • UI19 and UI2.7 (completed by Employer) • UI 2.1 (application) • UI 2.8 (bank form completed by the bank) • A letter from the Employer confirming Reduced Work Time is due to the Corona Virus • Copy of ID document. 	<ul style="list-style-type: none"> • UI19 and UI2.7 (completed by Employer) • UI2.2 (a portion of which is completed by the Doctor) • UI 2.8 (bank form completed by the bank) • Copy of ID document. 	<ul style="list-style-type: none"> • UI19 and UI 53 (completed by the Employer) • UI 2.5 or UI2.6 (deceased application) • Death Certificate • ID of deceased and applicant • UI 2.8 (bank form completed by the bank) • Copy of ID document

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Application process	<p>Step 1</p> <ul style="list-style-type: none"> The employers shall apply by reporting their closure or partial closure to email box Covid19ters@labour.gov.za and there shall be an automatic response outlining the application process. <p>Step 2</p> <p>Key documents required:</p> <ul style="list-style-type: none"> Letter of Authority, on an official company letterhead granting permission to an individual specified to lodge a claim on behalf of the company Signed MOA (completion of the agreement between UIF, Bargaining Council and/or Employer) <i>Only applicable to employers that has more than 10 employees</i> OR written electronic confirmation of acceptance by an employer or BC of the terms and conditions of the scheme provided to the employer or BC or published in writing to the UIF. Prescribed template that will require critical information from the employer Evidence/payroll as proof of last three months employee(s) salary(ies) 	<ul style="list-style-type: none"> Employers must complete the last mentioned forms and submit via the following methods: Online at: www.ufiling.co.za. Email the application to the nearest UIF processing Centre. (Cape Town - Capet.BCP@labour.gov.za) or (Germiston.BCP@labour.gov.za) 	<ul style="list-style-type: none"> Employers must complete the last mentioned forms and submit via the following methods: Online at: www.ufiling.co.za. Email the application to the nearest UIF processing Centre. (Cape Town - Capet.BCP@labour.gov.za) or (Germiston.BCP@labour.gov.za) 	<ul style="list-style-type: none"> Employers must complete the last mentioned forms and submit via the following methods: Online at: www.ufiling.co.za. Email the application to the nearest UIF processing Centre. (Cape Town - Capet.BCP@labour.gov.za) or (Germiston.BCP@labour.gov.za)

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	<ul style="list-style-type: none">• Confirmation of bank account details in the form of certified latest bank statement.• All documents submitted will be subject to verification. <p>Step 3 Submission Process</p> <ul style="list-style-type: none">• Submit/transmit all documents as required in Step 1 to UIF via dedicated mailbox: Covid19UIFclaims@labour.gov.za• NB: If the spreadsheet is complete; valid and accurate, it will be dumped into an automated calculator to produce the benefit amount due to the beneficiaries and the total amount to be transferred to the employer or bargaining council or method agreed.• The means to payment is critical and provide banking details as per the mode selected, example, if the payment should go to the employer, then the employer special banking account should be given.• However, proof of payment is required to satisfy that the payments indeed went to the employees. This is also critical, if further payments are required.			
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	<p>Step 4</p> <ul style="list-style-type: none"> • Conclusion of the MOA between parties. • Payment will only be effective after MOA sign off between the Fund and the Employer/Bargaining Council. 			
Payout amount	<ul style="list-style-type: none"> • The salary to be taken into account in calculating the benefits will be capped at a maximum amount of R17 712, 00 per month, per employee. • An employee will be paid in terms of the income replacement rate sliding scale (38% - 60%) as provided in the UI Act. • Should an employee's income determined in terms of the income replacement sliding scale fall below R3500 per month, the employee will be paid a replacement income equal to that amount. • Qualifying employees will receive a benefit calculated in terms of sections 12 and 13(1) & (2) of the UI Act, provided that an employee shall receive a benefit of no less than R3500 per month. 	<ul style="list-style-type: none"> • Benefits payable is the difference between what employer pays and normal UIF benefits payable should an employee lose employment. • For every 4 days worked the employee accumulates 1 credit day, and maximum credits days payable is 365 for every four completed years. • Benefits are paid as per prescribed benefits structure from 239 to 365 days. 	<ul style="list-style-type: none"> • For every 4 days worked the employee accumulates 1 credit day, and maximum credits days payable is 365 for every four completed years. • Benefits are paid as per prescribed benefits structure from 239 to 365 days. 	<ul style="list-style-type: none"> • For every 4 days worked the employee accumulates 1 credit day, and maximum credits days payable is 365 for every four completed years. • Benefits are paid as per prescribed benefits structure from 239 to 365 days.
Duration of payment	<ul style="list-style-type: none"> • Payment will only be for the duration of closure of the business (3 months or less). 	<ul style="list-style-type: none"> • Payment will only be for the duration of the temporary shut down or reduced working hours. 	<ul style="list-style-type: none"> • Payment will only be for the duration of the quarantine. 	