

2017/18 Annual Report Summary

Fund Statistics as at 31/12/2017



Interesting points:

Liberty's research shows that **66%** of retiring employees would like to have guaranteed income for life (life annuity). However, ASISA statistics show that **90%** of retirees purchase living annuities on retirement - i.e. great need for this product.

Update your beneficiaries

Are there changes in your circumstances?

- Marriage/divorce
- Birth of a child
- Changing events in your family

Be sure to update your Nomination form!

Understanding Divorce Orders

If a divorce order is made against your retirement fund benefits, a certified copy of the order must be submitted to the Fund's administrator.

To ensure the portion of the pension interest can be paid, the divorce order should contain:

- The full name of the Fund
- The order to pay the pension interest to the non-member spouse
- The value of the pension interest either as a percentage or rand value

Benefit Statements

Issued annually: a summary of your benefits in the Fund including your total Fund Value, contributions, investment portfolios, death benefits and disability benefits.

Ensure your personal details on the statement are correct. Discuss your benefits with your dependents so they know what they are entitled to, should you pass away.

Payment of Benefits

The Fund pays the vast majority of benefits within 10 days of receipt of necessary documentation.

Minimum information required from claimant:

- Tax Reference Number
- Banking Details

Investments

The Fund provides the **Life Stage Model** as a default investment option for your retirement savings to assist with difficult investment decisions by reducing risk from your portfolio. Your portfolio will be invested according to your number of years to retirement.

Fund Governance

The Board of Trustees is committed to and fully endorses the principles of the Pension Fund Circular 130 on Governance as well as King IV on Corporate Governance.



Regulation 28 (of the Pension Funds Act)

This regulation aims to reduce investment risk in the management of the retirement funds by imposing prudent asset diversification principles and limitations.

Default Regulations

The implementation of the default regulations will be effective 01 March 2019.

The main provisions of the new default regulations are as follows:

- 1** Funds should allow members to preserve their benefits within the fund when they resign from their employer before retirement. The member will become a paid-up member of the Fund until the Fund is instructed by the member, in writing, to pay or transfer the benefits due.
- 2** Funds should have a default investment strategy for members who did not select their own investment strategy.
- 3** Funds should have a default annuity strategy that is simple, cost effective and transparent.