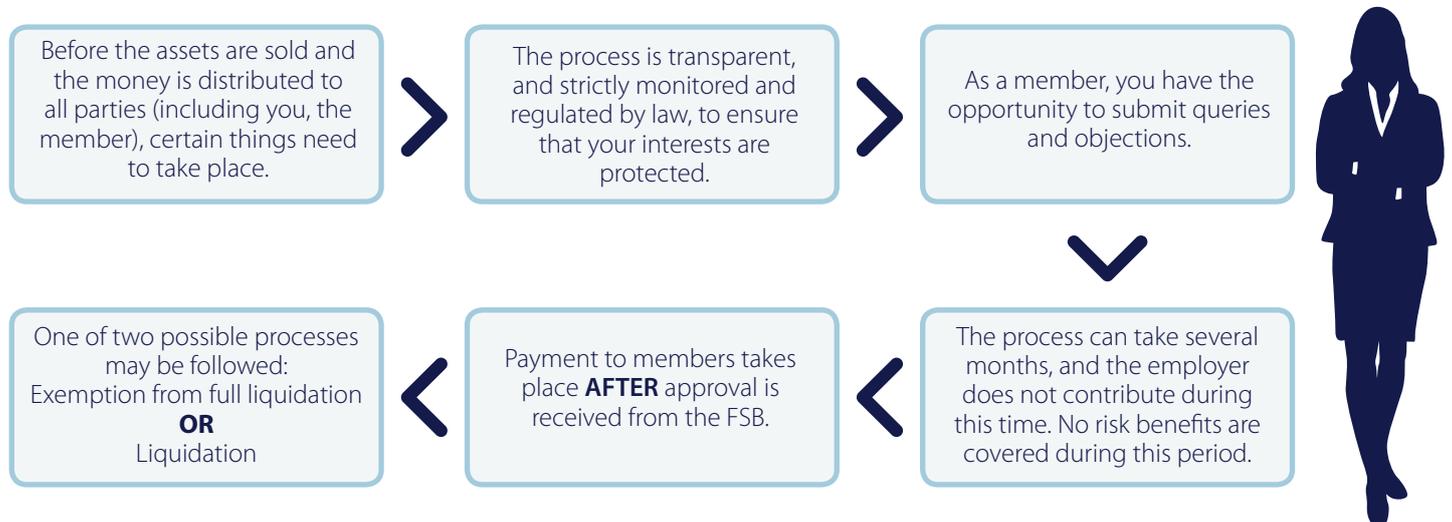


Why liquidate a Participating Employer?

Participating Employers have an option to terminate voluntarily, or may be faced with financial constraints from which they are unlikely to recover.

What happens when liquidation takes place?



EXEMPTION FROM FULL LIQUIDATION (approximately 4 months)



The participant may apply to the Financial Services Board for exemption from full liquidation, which is a quicker, more cost-effective alternative, *as long as:*



There are no arrear contributions on the participant.

There are no unclaimed or unpaid benefits.

The fund may not have more than 50 members.

The average benefit must be less than R 50 000.



LIQUIDATION (approximately 8-12 months)



The trustees need to appoint a liquidator, who acts completely independently.

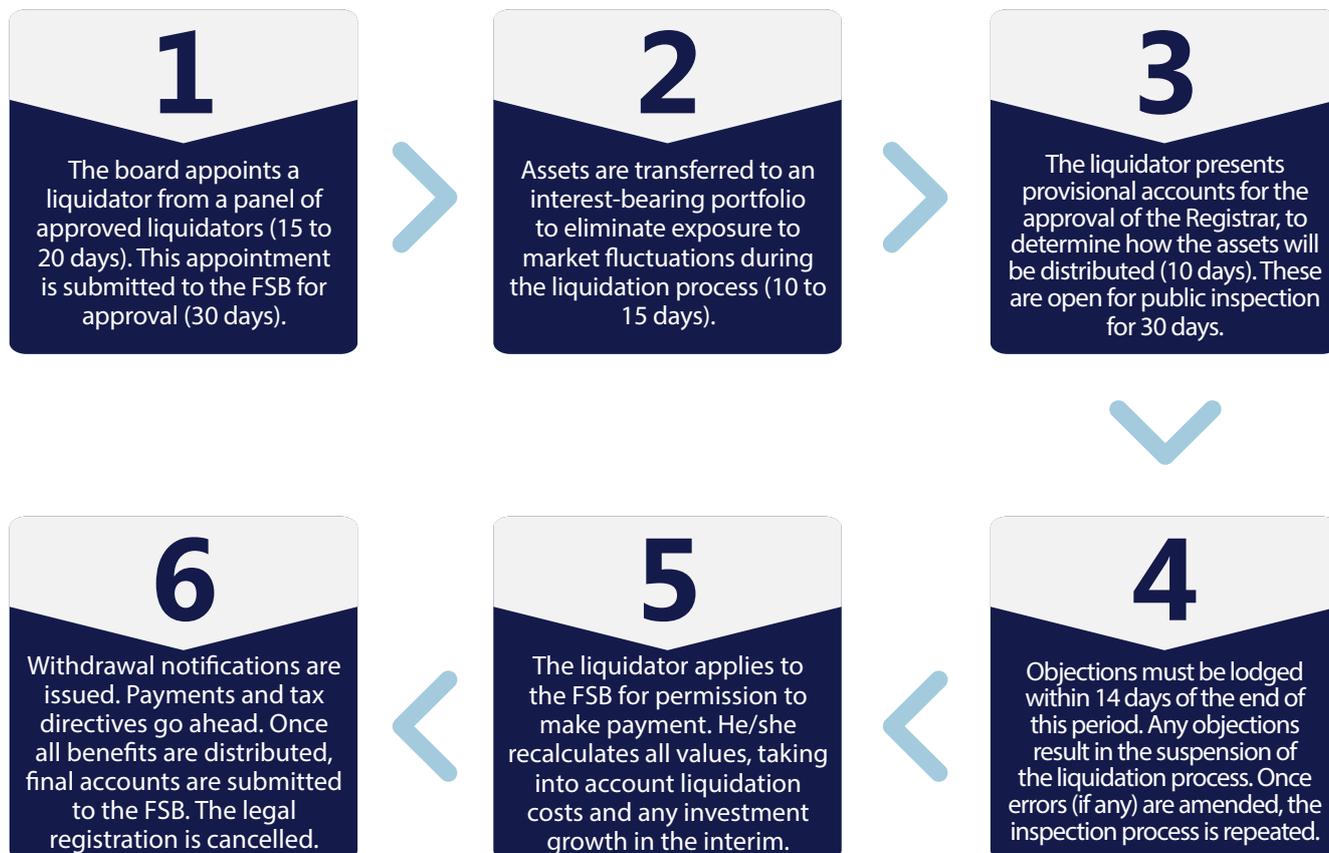


The Registrar of Pension Funds needs to approve this appointment, and monitor and approve key steps in the process, as required by legislation.



Liquidation procedure explained

Should the exemption not apply, the following full liquidation process needs to take place (*only after the fund is wound up and prepared for application to appoint a liquidator, which can take a significant amount of time*):



What happens to my benefits?

- You will be provided with a **Withdrawal Notification for Liquidated Funds** form at the point when the termination instruction is received, in which you will be given a choice: either to preserve or withdraw your benefit. Please note that the payment will only be processed after the Registrar has approved the liquidation.
- Once the Registrar has approved the liquidation, we will be able to process your choice either to preserve or withdraw your benefit. **Unless full documentation has been received, no benefit can be processed.**

You will need to provide the following documents to Liberty to process your choice to preserve or withdraw your benefit:



Please note: Delays of up to 90 days may occur if any query is raised by the FSB, or if the liquidator has to try to recover any outstanding contributions as required by law. If your bank account details or contact details change after you have submitted your documents, you need to inform Liberty of this fact, so that payment can be made correctly.



Still unsure? All queries can be lodged by emailing lc.corpterm@liberty.co.za.

Telephonic queries can be made to the call centre on **011 408 2999**. They are able to access the information to respond to the query.