



CORPORATE SELECTION  
SUITE OF UMBRELLA FUNDS

Sponsored by  LIBERTY

# Trustees' Annual Report

2019/2020

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Visit the Funds' website:  
<https://csuf.liberty.co.za>

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## Statement of the Board of Trustees

The Board of Trustees of the Corporate Selection Suite of Umbrella Funds (CSUF) recognises its responsibility in terms of the King Reports to ensure the accuracy and integrity of this Annual Report. The Board has applied its mind to the Report, has assessed all content it contains, and is satisfied that it addresses and fairly represents all of the material issues relating to the Funds and the impact of these issues on all stakeholders.

### **In this regard the Board has completed the following actions:**

- ✓ Ensured that proper documentation and records in terms of the operations of the Fund were kept as required by section 7D(a) of the Pension Funds Act;
- ✓ Taken into consideration all the facts and risks that could impact the integrity of this report;
- ✓ Reviewed the Annual Financial Statements and the Auditor's report; and
- ✓ Reviewed the accounting practices and the effectiveness of the internal financial controls as required by section 7D(b) of the Pension Funds Act.

As such, this annual report has been unanimously approved by the members of the CSUF Board.



David Morris  
Chairperson of the Board

# Corporate Selection Suite of Umbrella Funds

## Mission Statement

To be the umbrella fund of choice in terms of good governance, service excellence, treating members fairly, value for money, ease of fund operation and empowering members



# Message from the Chairperson

## Introduction and structural description

Welcome to our Corporate Selection Umbrella Funds Trustees' Report for 2019, a year filled with a variety of trends and developments, the more significant of which I have reflected on below.

## Review of 2019

Membership numbers, at both a participating employer level and a member level, continued to decline. This trend reflects the underlying challenges faced by the wider South African economy in terms of minimal economic growth, increasing rates of unemployment and business closures. These headwinds are amongst the many factors that detract from fund members' ability to consider their retirement savings as a long-term investment intended to provide them with a reasonable post-retirement lifestyle. National Treasury, working through the Financial Sector Conduct Authority and SARS, continues to urge all South Africans to save for their post-retirement lives; and has placed the Boards of Trustees of retirement funds at the centre of this initiative by introducing a number of regulatory requirements during 2019. These have included:

1. Implementation, with effect from March 2019, of three member default regulations, aimed at optimising members' **investment outcomes**, enabling members who resign or are dismissed to **preserve** their retirement savings, and simplifying the **annuity selection choices** and processes which members are faced with when they retire from their fund.

The Funds have rolled out all three of these default initiatives in a considered, compliant manner, which has also required substantial dialogue with participating employers and members to improve their retirement outcomes and options which represent good value for their hard-earned retirement savings.

2. The introduction of regulation of the sustainability of retirement fund investments with a focus on environmental, societal and governance factors. The Funds have, through their asset managers, increased their oversight of this important principle, and this investment governance responsibility will continue to be of relevance into the foreseeable future.

## Investment markets

Local investment markets produced disappointing returns to fund members in 2019, for a variety of reasons. These included the overhanging threat of a country credit rating downgrade, the disappointing pace of structural reforms, weak business and consumer confidence and an undervalued Rand, all of which led to the South African economy registering three quarters of negative growth (Q1, Q3 and Q4). Investment returns from international markets were more acceptable, especially in developed economies, which benefitted from a low interest rate environment and central bank stimulus.

Substantial efforts were applied to optimising the Funds' members' investment returns during 2019, without taking excessive risks that might have negatively impacted on members' long-term retirement savings expectations.

### **Member and participating employer communications**

Central to the Funds' way of doing things is the belief that we need to keep our members and participating employers informed of all processes and developments that are of relevance to the retirement savings process. Our communications reach and frequency have improved significantly in 2019, with the increased use of SMS and other social media campaigns, which recently earned the Funds' Communication Service Provider, inSite Education, an award by the Institute of Retirement Funds for "Engaging successfully with members in an Umbrella Fund format". This is a considerable achievement when reflecting on the Funds' 8 589 participating employers and 307 693 underlying members.

### **Subsequent events**

This report would not be complete without reference to the impact and effects of the global Covid-19 pandemic, which emerged early in 2020. Like all institutional and retail investors, the Funds' investment portfolios were severely negatively affected in the second quarter of 2020 but I am pleased to report that investment markets have stabilised to the extent that most of the initial capital losses have been recovered. In conjunction with the FSCA, the Fund provided emergency relief to employers hit by the economic and financial effects of the pandemic and the associated lockdown by offering voluntary temporary suspension of retirement savings contributions for up to a year. At the date of this report, 1 150 employers have used this temporary relief. We continue to monitor the situation in conjunction with Liberty Group Limited as Sponsor to the Funds.

### **Board composition**

The current composition of the Funds' Board of Trustees increasingly reflects improving representation of South Africa's demographics, with two black African female Trustees, two Indian male Trustees, one black African male Trustee and three white males. My thanks go to each one of my fellow board members who have worked with dedication and passion to improve the retirement prospects of our members in challenging circumstances.

**In conclusion**, let me stress our fervent belief as the Board of Trustees of CSUF that our mandate to optimise our members' retirement prospects and to treat them equitably, lies at the centre of every decision we make in accordance with our governance and fiduciary responsibilities.

# **Winner**

**IRFA Best Practices Industry Awards 2019/2020  
CSUF – Engaging successfully  
with members in an umbrella fund format**



# Management and Governance: Fund Structure

The Funds are managed by a Board of Trustees, who appoints a Principal Executive Officer. Together with the support staff, the Principal Executive Officer is responsible for implementing Board decisions and the day-to-day management of the Suite of Umbrella Retirement Funds and ensuring that the business of the Funds is run smoothly. The Trustees are responsible for all the decisions made on the Funds. Their obligations include ensuring that members' and beneficiaries' interests are prioritised at all times. All board members are suitably qualified individuals. They also have access to retirement industry experts and specialists whenever additional guidance is required. The Trustees meet regularly to discuss investments, benefits and administrative matters.

## The Board comprises eight Trustees:



**Four** are fully independent of the Funds' sponsor, Liberty Group.



**Four** are sponsor-appointed from among senior management.

## Boards' governance

Each year, the Board undertakes a Trustees' appraisal in line with the process outlined in the Financial Services Board's Circular PF130.

The Funds, being a large entity, also benefit from professional Independent Trustees, who have a vast amount of experience and knowledge. They also serve on the Boards of other retirement funds. Thus, they add value through the experience they have gained when dealing with similar issues in terms of other funds.

Trustees are required annually to provide a detailed declaration of all their appointments to the Principal Executive Officer. Based on these statements of declaration, the Principal Executive Officer is satisfied that the current Independent Trustees are truly independent. Furthermore, the Board Charter and Code of Conduct supports their ethical operation.



### David Morris

Independent Trustee and Chairperson  
Appointed in July 2018

18 years' experience in structured investment products. 7 years' experience in retirement fund trustee education. Independent trustee and chairperson of a beneficiary fund.

**Qualifications:** Chartered Accountant (South Africa)

**Martin Kuscus**

Independent Trustee  
Appointed in February 2016 and re-appointed in February 2019

Over the last 25 years Martin has distinguished himself in a number of high profile positions in government as well as the corporate world at both local and international levels. He has vast experience serving as Trustee and Chairperson on the boards of other retirement funds. Former Chairperson of the GEPP and CEO of the South African Bureau of Standards.

**Qualifications:**

Bachelor of Arts  
Diploma in Nursing

**Leon Bhima**

Sponsor Trustee  
Appointed in July 2020

Leon has worked in various risk, control, compliance and governance roles across financial services, reporting and general management. His experience includes being Head Operational Risk: Client and Adviser Experience; Head of Risk, BCM, AML and Compliance; 15 years in the Financial Services Industry and Risk Management; and 5 years' experience as board member of NGO.

**Qualifications:**

Business Management  
Enterprise-Wide Risk Management strategy  
Post-Grad Business Management: Risk  
Business Continuity® Practitioner

**Duduza Khosana**

Independent Trustee  
Appointed in July 2018

20 years' experience in the financial services industry, having operated in corporate client management, new business development and implementation, executive business leadership in the retirement funds & healthcare industries, and in corporate banking. Independent trustee on boards in the retirement funds industry. Curator for medical schemes. Former Executive Principal Officer & CEO for an open self-administered medical scheme.

**Qualifications:**

Post-Graduate Executive Leadership Development Programme (Advanced Certificate in Company Leadership)  
BCom  
National Occupational Certificate: Professional Principal Executive Officer

**Nalen Naidoo**

Sponsor Trustee  
Appointed in February 2019

Divisional executive in the retail solutions area. Nalen has worked in various life insurance and general insurance roles across financial management and reporting, capital and reinsurance management, enterprise risk management, actuarial job family development, product management and general management. He has worked in South Africa, the United Kingdom, the United States and Singapore.

**Qualifications:**

Fellow of the Faculty and Institute of Actuaries  
Fellow of the Actuarial Society of South Africa  
Post-Graduate Diploma in Actuarial Science  
Bachelor of Business Science (Actuarial Science)

**Eva Kekana**

Independent Trustee  
Appointed in July 2019

Eva has 6 years' experience as Retirement Fund Trustee and 5 years' experience as Beneficiary Fund Trustee.

**Qualifications:**

Bachelor of Arts

**Michael Clifford**

Sponsor Trustee  
Appointed in March 2016 and re-appointed in March 2019

26 years' experience in employee benefits. Deep understanding of the business having filled management roles in administration, training, marketing, customer relationship management and customer experience. He sits on a number of retirement funds and has more than 9 years' experience as a trustee.

**Qualifications:**

Dip ETDP





**Michael Norris**

Sponsor Trustee

Appointed in May 2017

Michael has spent 16 years in the life insurance industry. He has also served on the boards of other retirement and medical aid funds and is Liberty Group Executive: Group Reporting.

**Qualifications:**

Chartered Accountant (South Africa)



**Roger Spence**

Principal Executive Officer

Appointed in July 2015

Roger has over 30 years' experience spanning across employee benefits, remuneration practices and the retirement fund industry and holds the professional designation of Chartered Principal Executive Officer (CPEO).

**Qualifications:**

National Occupational Certificate: Professional Principal Executive Officer

BTHRM

IISA Programme in Retirement Fund Management

Global Remuneration Professional (GRP<sup>®</sup>)

Certificate in Pension Funds Law

**Resignations and appointments**

- **Mr Nalen Naidoo** was appointed as Sponsor Trustee effective 01 February 2019.
- **Ms Erika Nieuwoudt** resigned as Independent Trustee effective 31 March 2019.
- **Mr Martin Kuscus** was re-appointed as Independent Trustee effective 01 February 2019.
- **Mr Michael Clifford** was re-appointed as Sponsor Trustee effective 5 March 2019.
- **Mr Graham Thomas'** term of office as Sponsor Trustee expired 30 April 2020.
- **Mr Mike Norris** was re-appointed as Sponsor Trustee effective 1 May 2020.
- **Mr Leon Bhima** was appointed as Sponsor Trustee effective 1 July 2020.

# The Funds' Formal Structure



**The Board of Trustees and Fund Officers are supported by six Sub-committees, which:**

- Take care of the governance, transformation and day-to-day business of the Funds.
- Formally report to the full Board of Trustees, which remains responsible for taking final decisions.

**The Board-appointed Sub-committees are as follows:**

 Administration	 Investments	 Audit, Risk & Compliance
 Communications	 Death Claims	 Transformation

The individuals who chair and comprise these Sub-committees have a wealth of experience in the industry and manage the committees in accordance with formal mandates issued by the Board, and by means of which specific responsibilities and powers are delegated.

The members of the Sub-committees provide advice, guidance and make recommendations to the Board. They also provide formal feedback during the quarterly Board meetings.

### > Administration Sub-committee

Efficient administration is key to the successful operation of the Funds. This Sub-committee is tasked with the quarterly review of the Administration SLA between the Funds and Liberty Corporate, which is the Funds' Administrator, and reporting back to the Board on all issues relating to the administration of the Funds.

### > Audit, Risk and Compliance Sub-committee

This Sub-committee advises the Board on the Funds' finances as well as the risk management policy and framework of the Funds. It is a requirement of the Board that the Funds' auditors, PricewaterhouseCoopers, attend and present Reports when required at all Audit, Risk and Compliance Sub-committee meetings.

### > Communication Sub-committee

This Sub-committee is responsible for implementing the Funds communication strategy and interventions. The Communication Sub-committee also reviews all communications between the Funds, members and Employers. The Sub-committee works closely with the Fund Sponsor in implementing communication initiatives.

### > Death Claims Sub-committee

This Sub-committee considers all death claims and has been delegated the decision-making power relating to the allocation and distribution of death benefits (in accordance with Section 37(C) of the Pension Funds Act).

### > Investment Sub-committee

The Board of Trustees appointed an Investment Sub-committee to direct and oversee the Funds' investments and performance in the ambit of an underwritten Umbrella Fund. The Investment Sub-committee makes recommendations to the Board of Trustees regarding the appointment of the Funds' investment consultant and managers, as well as formulation and application of the Funds' investment policy and strategy.

### > Transformation Sub-committee

The Board of Trustees appointed a Transformation Sub-committee to serve as a catalyst to enhance diversity and promote an inclusive approach to stakeholder engagement, thereby transforming the Funds' landscape.

# Fund Statistics

## Total Assets Under Management



## Contributions to the Funds



Participating Employers

8 589



Members as at 31 December 2019

307 693



Benefits Paid

R4.7 billion

## Treating Customers Fairly

# Commitment to Treating Customers Fairly (TCF)



The Board of Trustees of the Corporate Selection Suite of Umbrella Funds is committed to putting members at the heart of everything we do, and fully supports the spirit and intention of the TCF initiative and six fairness outcomes. The Board and Principal Executive Officer are responsible for incorporating the principles of TCF in everyday Fund operations and processes.

## TCF Outcomes



### Culture And Governance

Members are at the heart of, and are the reason for, the Funds' existence. Therefore, members and beneficiaries can be confident that they belong to a retirement fund that adheres to sound governance practices and where the fair treatment of members and beneficiaries is central to the Funds' culture.



### Suitable Advice

The Funds have the support of financial and investment experts and an administrator call centre for member queries. This ensures unbiased, relevant and appropriate assistance. Members are always encouraged to seek appropriate advice before making any financial decisions.



### Product And Service Design

Products and services provided by the Funds are designed to meet the needs of our members.



### Service Delivery

The Funds have the proven ability to provide retirement and risk benefit solutions that meet the expectations of members and participating employers. Our track record overwhelmingly supports our ability to fulfil members' needs and to assist them with their long-term retirement saving and planning.



### Disclosure Of Information

The Funds have compiled a comprehensive communications strategy. This strategy stipulates what is required in order to provide the necessary information to participating employers and members at all times. The communication strategy is supported by a communication plan that is updated on an annual basis to ensure its continued efficacy and validity.



### Claims, Complaints And Queries

All calls to the member call centre are logged and complaints are analysed by the Board on a quarterly basis. In this way, we identify potential risk areas from complaints and ensure that problem areas are targeted, and solutions to common problems are implemented promptly once they arise.

## Value For Money

The Board of Trustees acknowledges that the Fund is regarded as a "firm" (as defined) and that members are regarded as customers in terms of the Financial Sector Conduct Authority's (FSCA) Treating Customers Fairly (TCF) Roadmap. The Board of Trustees has undertaken to embed TCF in its culture, operations and decision-making processes, including the Investment Policy.

The Board of Trustees has a duty to invest the Funds' assets in a responsible and prudent manner. Success in doing so will enable the Fund to meet its primary financial objective to provide members with a reasonable assurance of acceptable retirement prospects.

### **In managing the Funds' investments, the Board of Trustees considers the:**

- Nature of the Fund, its obligations, and members' needs;
- Investment objectives of the Funds' various stakeholders;
- Financial literacy and decision-making abilities of the members;
- Available asset classes, investment opportunities and their potential risk/return profiles;
- Various investment risks that require management.

The ongoing maintenance and review of good standards of governance should ensure that the Funds' investments are managed appropriately and will collectively reduce the risk of material failures of the investment strategy. The IPS has been developed in compliance with the current legislative and regulatory environment. In addition, the Fund also takes into consideration PF Circular No. 130, the most recent King Code IV on Corporate Governance, the Code for Responsible Investing in South Africa (CRISA) and the TCF Roadmap.

## Investment Philosophy

A goals-based default investment approach has been introduced, along with 3 risk-profiled portfolios, in order to target member-specific projected incomes at normal retirement age. The goals-based model will assist members in choosing a portfolio that best suits their needs. The default investments offered are summarised in the box that follows.

## Core Proposition

### **Available options**

Considers risk-averse vs. goals-based members

### **Investment strategy**

Risk-averse: Stable Growth (Smoothed absolute return)  
Goals-based: Core Range (Multi-strategy)

### **Investment objectives**

A range of Strategic Asset Allocation portfolios to suit various investment return targets (2%, 4% and 6% above CPI) and time horizons

### **Investment portfolios**

Liberty Stable Growth, Liberty Core Conservative, Liberty Core Moderate, Liberty Core Balanced

### **Annuity options (post retirement)**

Liberty Group Living Annuity with the 4 Default Investment Portfolios and FSCA prescribed draw-down rates and Liberty Growth Pensions 2018 (With Profit Life Annuity)

### **Investment management fees**

CSUF: 0.60%, Liber8: 1.00%



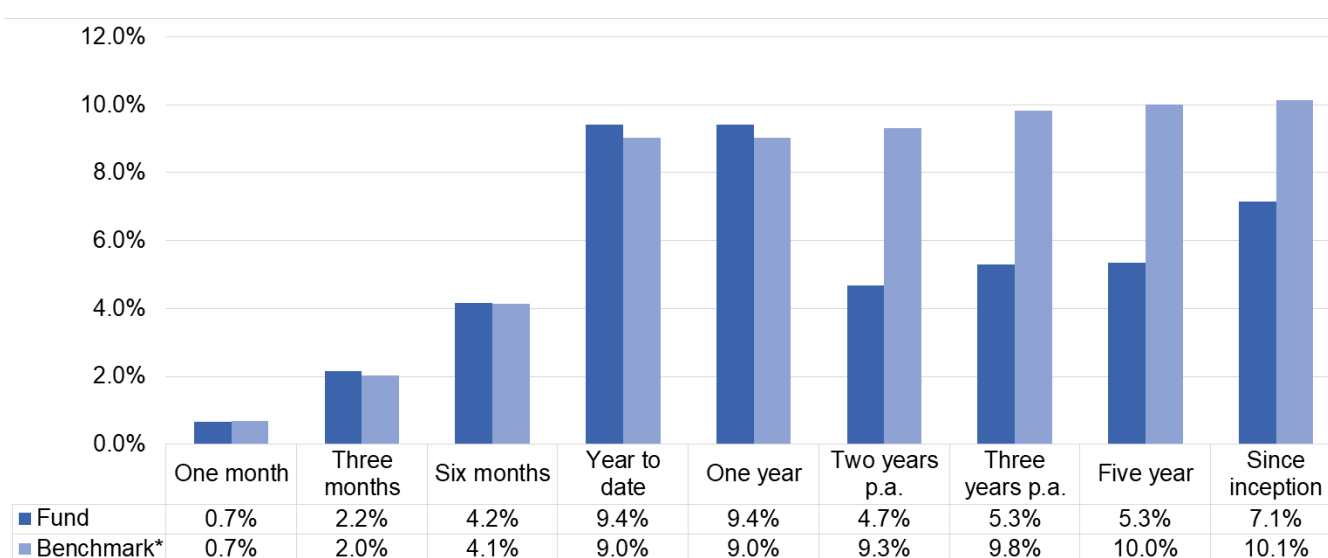
To view the performance of all portfolios please go to <https://bit.ly/3isTj6C>

The ongoing monitoring of the Funds' investments and the underlying portfolios is the responsibility of the Board. Formal monitoring of investment performance and the underlying portfolios will be conducted by the Investment Sub-committee on a quarterly basis. The Board will make the IPS available to the parties concerned when necessary and will review the IPS of the Fund annually or when there are any substantial changes that warrant a review.

## Value For Money

# Investment Returns

## Liberty Stable Growth Portfolio as at 31 December 2019



\* As at 1 March 2019, the benchmark has been updated to reflect the new benchmark of CPI + 4% over a 5-year rolling period. Benchmark numbers calculated before the 1 March 2019 change have not been restated.

## Portfolio Performance as at 31 December 2019

Portfolio Name	Value as at Dec'19	3 Months		1 Year		3 Year		5 Year		Volatility
	R' million	Return	Benchmark	Return	Benchmark	Return	Benchmark	Return	Benchmark	
<b>Core Proposition / Liberty Life Stage</b>										
Liberty Stable Growth	5 793.7	2.2%	1.4%	9.4%	8.0%	5.3%	8.4%	5.4%	9.0%	3.2%
Liberty Secure Fund	340.8	1.9%	1.1%	8.2%	7.0%	5.6%	7.4%	5.9%	8.0%	1.9%
Liberty Core Conservative	189	0.8%	1.0%							
Liberty Core Moderate	431	1.6%	1.7%							
Liberty Core Balanced	1 730	1.9%	2.5%							

Fund Name	Value as at Dec'18	3 Months		1 Year		3 Year		5 Year		Volatility
	R' million	Return	Benchmark	Return	Benchmark	Return	Benchmark	Return	Benchmark	
<b>Portfolios between R1 billion and R5 billion</b>										
STANLIB Multi Manager Moderate Balanced	4 207.9	2.1%	2.1%	10.2%	12.5%	6.7%	9.0%	6.7%	8.0%	6.3%
Liberty Corporate Preferred Assets	3 378.1	1.8%	3.0%	6.6%	10.4%	4.5%	6.8%	4.5%	6.5%	7.0%
Liberty Institutional Money Market Fund	2 137.6	1.9%	1.7%	7.9%	7.3%	8.0%	7.4%	7.8%	7.2%	0.1%
House View with Global: Allan Gray	2 019.2	2.7%	2.7%	6.7%	11.6%	5.4%	6.9%	6.7%	6.5%	8.6%
House View with Global: Coronation	1 999.4	4.2%	2.7%	15.1%	11.6%	7.0%	6.9%	6.3%	6.5%	8.4%
Mentenova Wealth Builder	1 771.9	2.6%	2.3%	10.0%	9.1%	6.1%	5.5%			8.3%
House View with Global: Investec	1 270.1	1.9%	2.7%	10.9%	11.6%	7.5%	6.9%	7.6%	6.5%	7.7%
Liberty Single Manager Growth	1 203.0	1.8%	3.0%	6.6%	10.4%	4.6%	6.8%	4.2%	7.9%	7.1%
Liberty Corporate Absolute Returns	1 173.1	1.3%	1.6%	10.9%	9.0%	6.7%	9.4%	6.6%	10.0%	5.8%
STANLIB Multi Manager Aggressive Balanced	1 047.8	2.7%	2.7%	10.4%	13.3%	6.4%	9.1%	5.9%	8.3%	7.6%
<b>Portfolios between R0.5 billion and R1 billion</b>										
STANLIB Multi Manager Conservative Balanced	879.8	0.8%	1.3%	8.5%	10.9%	6.5%	8.8%	6.5%	8.0%	4.0%
Liberty Managed	738.4	1.8%	3.0%	7.0%	10.4%	5.1%	6.8%	5.1%	6.5%	6.3%
Liberty Moderate Balanced Tracker Fund	729.1	2.5%	2.7%	12.0%	12.3%	8.6%	9.0%	7.1%	7.6%	8.3%
Seed United Balanced Selection	673.1	3.0%	1.9%	10.5%	10.0%	5.0%	10.4%	5.5%	11.0%	9.4%
Liberty Corporate Balanced Bonus	655.5	1.5%	3.0%	6.1%	10.4%	5.2%	6.8%	7.2%	6.1%	3.2%
House View with Global: Prudential	612.7	2.4%	2.7%	9.7%	11.6%	6.3%	6.9%	6.5%	6.5%	8.1%
Liberty Corporate Choice Assets	540.5	1.5%	2.4%	7.2%	10.2%	5.4%	7.3%	5.3%	7.3%	5.8%
Liberty Corporate Advanced Bonus	495.4	2.0%	0.4%	5.0%	4.0%	6.1%	4.4%	5.6%	5.0%	0.8%
Liberty Aggressive Balanced Tracker Fund	404.8	2.6%	2.8%	12.9%	13.3%	8.9%	9.3%	7.2%	7.8%	9.5%

2019 was in general a much better year for markets than 2018. During 2019, the Trustees launched the Liberty Core range of portfolios, with the accompanying Goals-Based Model, as part of the Core Investment Proposition. These portfolios were launched on 01 March 2020. The performance of these portfolios, although short term, has been pleasing relative to their strategic asset allocation benchmarks since launch.

The Liberty Stable Growth portfolio, which has been in existence for the past 8 years, has outperformed its inflation-related benchmark for the year. The portfolio has underperformed its inflation related benchmark over the longer 3- and 5-year periods. The changes that were made to the portfolio during 2019 have thus far provided members with a better return outcome in the past 12 months. Both of these developments have proved to be positive developments for the Funds.

The Funds, with the support of the Sponsor and Asset Consultant, undertook a portfolio rationalisation exercise during 2019. One of the benefits for members from this process was the rationalisation of all Domestic Balanced portfolios into Global Balanced portfolios, which is expected to improve the long-term retirement outcomes for members.



# Your Funds' Finances

All retirement funds must submit financial information each year to the Financial Sector Conduct Authority, to ensure that the funds are in a healthy financial position. It is the pleasure of the Trustees to present to members an extract of the latest financial information for the three Corporate Selection Umbrella Retirement Funds.

The auditors of the Funds, PricewaterhouseCoopers Inc., certified that they have audited the annual financial statements of the Funds as at 31 December 2019. They have confirmed that the financial statements of the Funds have been prepared, in all material respects, in accordance with the basis of preparation applicable to retirement funds in South Africa as set out in the notes to the financial statements.

The Audit, Risk and Compliance Sub-committee is also satisfied that the external auditor is independent of the Funds. Below are the key extracts from the audited financial statements of the three Corporate Selection Umbrella Funds for the year ending 31 December 2019.

### Extracts from the audited financial statements of the three Corporate Selection Umbrella Funds for the year ended 31 December 2019

	PF36006 Pension Fund	PF27024 Retirement Fund	PF36438 Retirement Fund No.2
Number of participating employers	2 442	1 657	4 490
Number of active members	69 232	65 970	172 491
Total Contributions received and accrued	1 600 194 806	1 482 662 976	3 052 784 405
Death Benefits for the period (excluding unapproved risk benefits)	84 909 165	22 482 522	159 882 640
Lump-sum Disability Benefits for the period (excluding unapproved risk benefits)	35 466 589	17 338 243	98 290 251
Retirements Benefits for the period	313 777 361	456 096 003	487 602 336
Withdrawal Benefits for the period	866 057 453	694 254 703	1 463 262 759
Divorce Benefits for the period	8 401 158	14 984 484	19 110 314
Surplus Apportionment Benefits for the period	-	462 975	8 371
<b>Total Benefits for the period</b>	<b>1 308 611 726</b>	<b>1 205 618 930</b>	<b>2 228 156 671</b>
Administration Costs	42 092 927	36 722 764	100 668 197
<b>Total Assets</b>	<b>9 830 462 263</b>	<b>11 758 731 804</b>	<b>17 233 355 345</b>
Financial Sector Conduct Authority Registration Number	12/8/36006	12/8/27024	12/8/36438
South African Revenue Services Approval Number	18/20/4/40547	12/20/4/9320	12/20/4/40726

# Amendments to the Rules of the Fund

## Rule Amendment 1: Registered by the Financial Sector Conduct Authority on 6 February 2019

1. To reflect the changes to the Income Tax Act, No. 58 of 1962, which expanded the parameters for determining remuneration or taxable income on which the revised levels of Fund contributions can be based, necessitating the replacement of the current definition of Fund salary by the new and wider definition of contributions salary. This effective date is retrospective for the following reasons:
  - a. The change straddles the period when the 2015 Revised Rules were submitted to the then Registrar and the date of their eventual registration, which is 04 November 2016. Accordingly, this change could not be incorporated into the Revised Rules. After registration of the Revised Rules, a decision was made to incorporate this provision in a later rule amendment of substance, hence its inclusion in this current amendment.
  - b. The change must be implemented by a rule amendment in order to align the Revised Rules with the legislative changes. In principle, no member has been prejudiced as a result of the change being implemented late.
2. To reflect the regulatory changes implemented in the Pension Funds Act by the Financial Sector Regulation Act.\
3. The Revised Rules of the fund be amended:
  - a. In order to properly align the Revised Rules with the changes to the Income Tax Act, No. 58 of 1962 regarding the entitlement of members who have reached their normal retirement dates in terms of the Rules, to choose to defer the accrual and payment of their retirement benefits to a date later than their normal retirement dates as prescribed in their Participation Certificates and to regulate matters related to or incidental to the deferral of the retirement benefits in the Fund.
  - b. In order to allow members whose employment is terminated with a Participating Employer in the Fund under the circumstances defined in the Rules, to preserve their benefits and to permit portability of preserved benefits, in accordance with the Regulations to the Act that prescribe default preservation and portability of benefits, and to regulate matters related to or incidental to the preservation and portability of the benefits/proceeds in the Fund.
  - c. In order to reflect the Funds' implementation of the relevant strategy for default investments, preservation and annuitisation as adopted by the Board of Fund.
  - d. In order to provide clarity to the existing definition of Deferred Member.
  - e. In order to delete the current Rule 7.1.2 and Rule 7.2.3 insofar as they provide for Employer participation in a preservation fund. Both Rules became obsolete in 2012 with the issuing of RF1 of 2012 by the Commissioner.

# General Fund Information

## Regulatory Information for the Corporate Selection Suite of Umbrella Funds



### Registered Name

Corporate Selection  
Umbrella Pension Fund

Corporate Selection  
Umbrella Retirement Fund

Corporate Selection Umbrella  
Retirement Fund No. 2



### Registered as

Type A Commercial Umbrella Pension and Provident Funds (Underwritten)



### Sponsor and Administrator

Liberty Group

#### Registration Numbers

12/8/36006

12/8/27024

12/8/36438

#### SARS Approval Numbers

18/20/4/40547

18/20/4/9320

18/20/4/40726



### Funding Model

Defined Contribution Funds



### Financial Reporting Period

1 January to 31 December



### Fund Exemptions

Valuation exempt, not audit exempt. Latest valuation exempt until 31 December 2020.

Exempt from the requirement that members have a right to elect members of the Board of a fund in terms of section 7B(1)(b) of the Pension Funds Act.



### Funds' registered postal address

PO Box 10499  
Johannesburg  
2000



### Funds' registered physical address

1 Ameshoff Street  
Braamfontein  
2001



## Empowering Members

# Professional Service Providers

The Board of Trustees receives assistance on Fund matters from the following industry experts and specialists:



### Auditor

PricewaterhouseCoopers Inc.



### Valuator

Michael de Villiers



### Benefit Administrator

Liberty Corporate, a division of Liberty Group Limited



### Investment Consultant

MenteNova (Pty) Ltd



### Asset Managers

Liberty, STANLIB, and other industry Asset Managers



### Risk Benefit Underwriter

Liberty Group Limited



### Housing Loan Provider

The Standard Bank of South Africa Limited



### Death Benefits for Minors

Fairheads Umbrella Beneficiary Fund



### Unclaimed Benefits

Liberty Corporate Unclaimed Benefit Fund



### Professional Indemnity Insurance

Standard Bank Insurance Brokers (Pty) Ltd

# Contact Us



## General queries

Direct any general queries regarding the day-to-day administration of the Fund to:

- Your Employer: this is the first person you need to contact!
- The appointed financial advisor; or
- In writing to Liberty Corporate.

## Liberty Corporate - Contact details

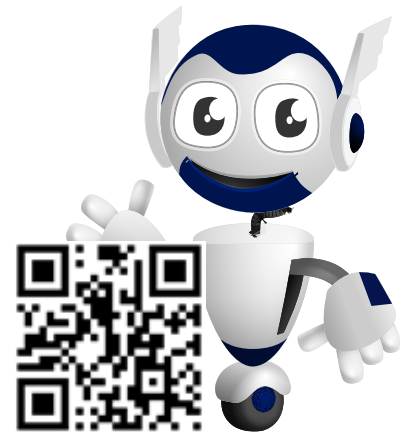
Call centre: 011 408 2999

Fax: 011 408 2264

Website: [www.libertycorporate.co.za](http://www.libertycorporate.co.za)

## Member Website

<https://csuf.liberty.co.za>



## Principal Executive Officer

Should you wish to bring any matter to the attention of the Trustees, or if you have problems getting a response from the Administrator, you can contact the Principal Executive Officer:



**Roger Spence**

Email: [roger.spence@liberty.co.za](mailto:roger.spence@liberty.co.za)

# Complaints

Should you have a complaint relating to the Fund, its management, administration, communication, Participating Employers, or any other matter; you can contact your Board of Trustees in writing.

Should they not respond within 30 days of you submitting your complaint or their response is unsatisfactory, you may contact the Pension Funds Adjudicator.

Please submit all complaints to the Principal Executive Officer (Refer to the Contact Us section).

The Trustees investigate all complaints addressed to the Adjudicator's office regarding the Funds.

## The Pension Funds Adjudicator - Contact details

Should you not receive a satisfactory response from the Principal Officer or Trustees within 30 days, you may refer your complaint to the Pension Funds Adjudicator:



4th Floor  
Riverwalk Office Park  
Block A, 41 Matroosberg Road  
Ashlea Gardens Extension 6  
Pretoria  
0181



Tel: 012 346 1738  
Fax: 086 693 7472  
Email: [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za)



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