



OLDMUTUAL

SUPERFUND MEMBER EDUCATION: SASSETA



DO GREAT THINGS EVERY DAY

Presented by: Thoko Lukhele



1. **Superfund story**
2. **Retirement Reform**
3. **Benefit structure**
4. **Investments Overview**
5. **Helping members retire**
6. **Getting the information you need**





WHAT IS OLD MUTUAL SUPERFUND

An Umbrella Fund has many different participating employers

Employer size: 5 to 30 000 employees

Benefit from economies of scale

Managed by expert and experienced Board of Trustees

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WHO ARE PARTIES IN THE FUND



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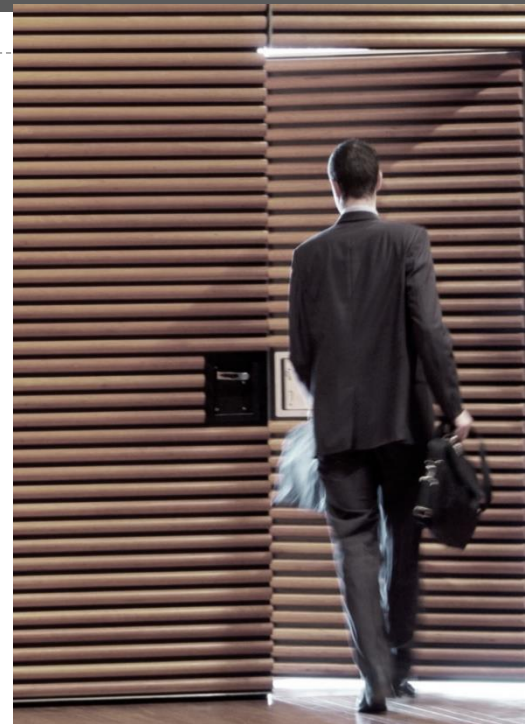


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**REALITY
CHECK**

You retire from your job ...
... **NOT** from your income!



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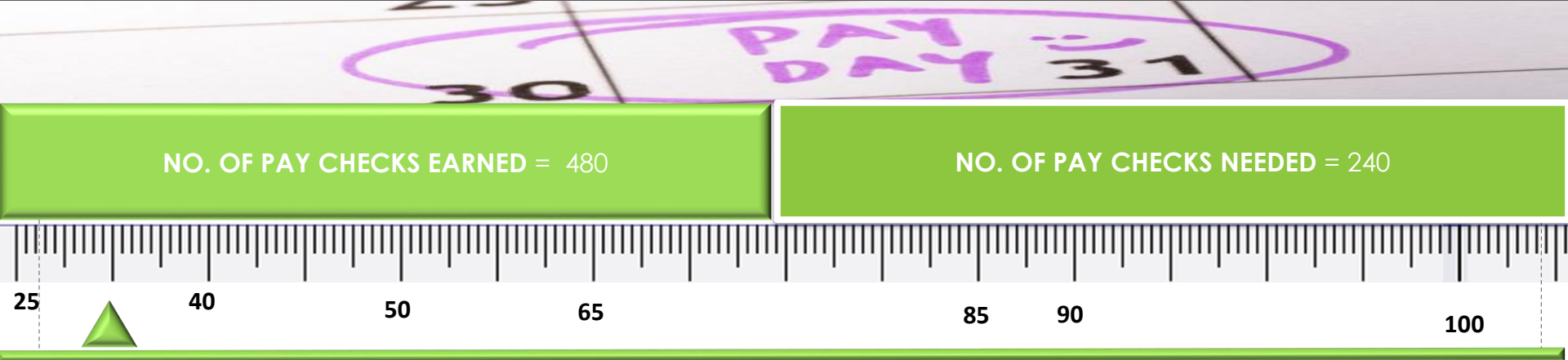
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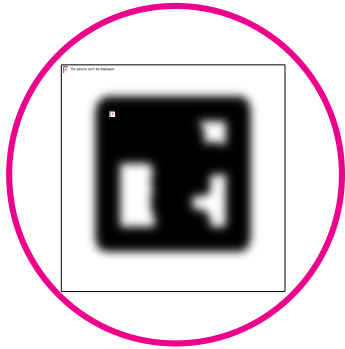


Less than **5%** of South African citizens are able to retire comfortably.

Will **YOU** be able to retire comfortably?



RETIREMENT SITUATION - PENSION FUND



- On retirement, members have always had the rule that they may take up to 1/3rd in Cash. Remainder must be used to purchase a pension.
- Currently if total benefit less than **R247 500** then can take the whole amount in cash.
- No change.





RETIREMENT SITUATION - PROVIDENT FUND



AGE 55 AND OVER AS AT 1 MARCH 2021:

- All contributions and interest continue **to be paid into Vested pot.**
- When you retire, you can take up to **100% in cash.**
- If you transfer to another fund after 1 March 2021, then **all contributions made in the new fund go into "Pension Pot"**.
- At retirement if pension pot less than R247 500 **can still take 100% in cash.**

YOUNGER THAN 55 AS AT 1 MARCH 2021:

- **On retirement** – Provident Cash Entitlement (vested pot) can be taken as 100% at any time in the future.
- **Post 1 March 2021 contributions paid in "Pension Pot"**
 - **Less than R247 500** – can take 100% in cash
 - Otherwise 1/3rd cash, **2/3rd used to purchase a pension.**





PRESERVATION AND RA FUNDS



CURRENTLY:

- Members **can immediately access** their funds in a preservation or retirement annuity fund when they emigrate from South Africa, if such emigration is recognized by the SARB.
- Members will be allowed to withdraw their funds under the current dispensation if they file **a complete application before 1 March 2021.**

FROM 1 MARCH 2021:

- Withdrawal will only be permitted if the member can prove they have been non-resident for tax purposes for an uninterrupted period of three years.
- **Effective three-year lock-in of retirement funds from the effective date.**





PORTABILITY



- Benefits can move between pension and provident funds from 1 March 2021 onwards – no tax implications, vested right maintained.

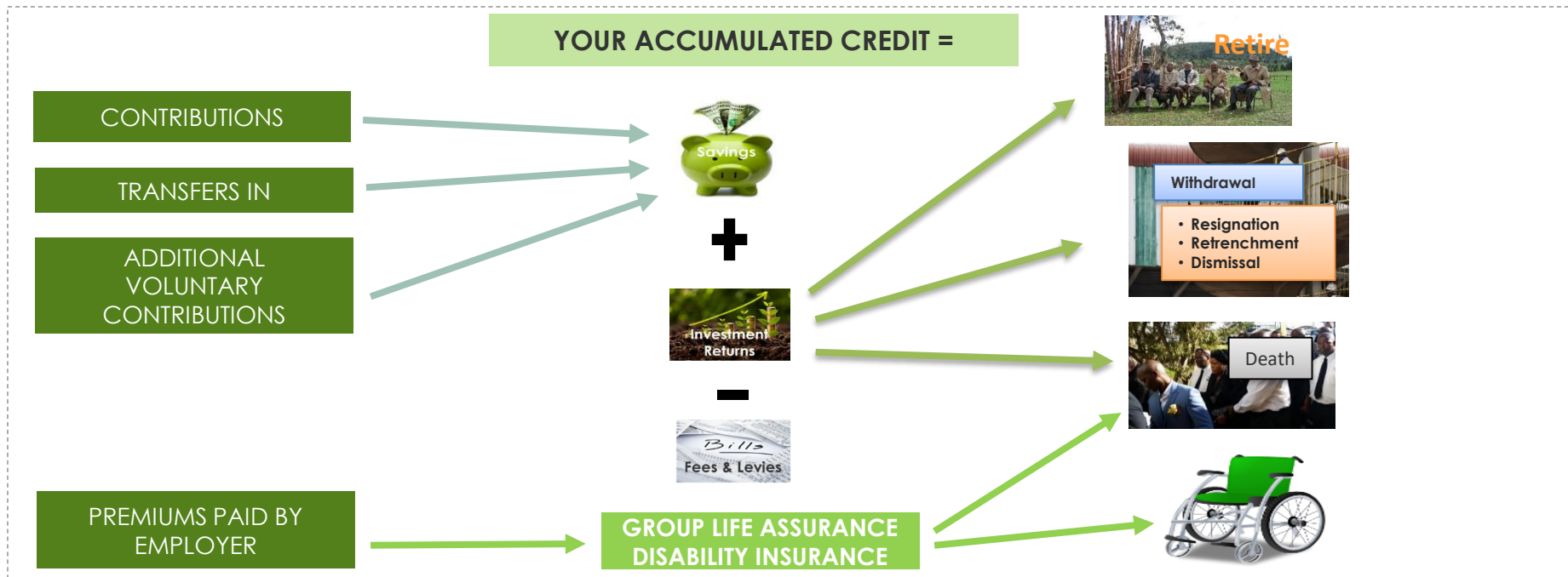
- Provident fund money can be transferred to RA or Preservation Fund and maintain vested right.

- Only over 55 rule limits portability (payment date).





SAVING IN SUPERFUND



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BENEFIT STRUCTURE



Old Mutual SuperFund

RETIREMENT FUND CONTRIBUTIONS

Member Contributions

7.5%

Employer Contributions

15%
Exclusive of all costs
(12.102% to retirement)

Normal Retirement Age

65 years

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BENEFIT STRUCTURE



Old Mutual SuperFund

DEATH BENEFIT

Death Benefits

4 x annual salary

Group Income Protection

75% of annual salary

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BENEFIT STRUCTURE



Old Mutual SuperFund

DISABILITY BENEFIT

| | |
|--------------------------|--|
| Employer Waiver | 15% |
| Definition of Disability | Own occupation with own Employer |
| Duration | Payable until you recover, reach normal retirement age or die (whichever occurs first) |
| Waiting Period | 3 Months |

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NOMINATION OF DEPENDANTS



- In terms of the definition in **Section 1 of the Pension Funds Act**, a dependant means:
 - A spouse of the member.
 - A person for whom the member was legally liable for maintenance.
 - A person in respect of whom the member was not liable for maintenance.
 - A person who was in fact dependent upon the member
 - A person in respect of whom the member would have become legally liable for maintenance.

- In terms of **Section 37C of the Pension Funds Act**, Trustees must take all reasonable efforts to trace dependants and distribute death benefits to them within 12 months.





NOMINATION AND BENEFICIARY FORMS



OLD MUTUAL SUPERFUND NOTIFICATION OF DEPENDANTS AND BENEFICIARIES FORM

Please refer to the reverse side of this form for guidelines on how to complete the form. If there is not enough space on the form for all your beneficiaries, please make a photocopy of this form, complete and return together with the original form.

Complete using block letters

Employer name

Scheme code

Member's first name(s)

Member's surname

Member's reference number

ID number/Passport number

Email address

Cellphone number

Marital Status: Single Married Divorced Separated Widowed

IMPORTANT INFORMATION:

- The form must be signed and dated before the deceased's death.
- For Old Mutual Superfund clients, you are welcome to return your completed form to Old Mutual Superfund, PO Box 728, Cape Town 8000 or fax it to 0560 585 948. We do, however, advise that Old Mutual Superfund clients give a copy to your employer for safekeeping.
- Please ensure that you keep the nomination form updated as your circumstances change.

I HEREBY NOMINATE THE FOLLOWING PERSONS, WHO ARE MY DEPENDANTS AND/OR NOMINEES, FOR ANY BENEFITS DUE TO BE PAID FROM SUPERFUND PENSION AND/OR PROVIDENT FUND IN THE EVENT OF MY DEATH

| Surname | First name(s) | Title | ID/Passport number | Email address | Telephone number | Relationship (e.g. spouse, partner, daughter, son, mother, friend, etc.) | Financially dependent on Member (Y/N) | % share |
|-----------------------|---------------|-------|--------------------|---------------|------------------|--|---------------------------------------|---------|
| DEPENDANTS | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| OTHER NOMINEES | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

If your Employer has a Family Cover policy in place for employees, please provide the details of the person to whom the Family Cover benefit must be paid in the event of your death.

IMPORTANT INFORMATION:

- Family cover benefits can only be paid to one beneficiary.
- The form must be signed and dated before the deceased's death.
- For Old Mutual Superfund clients, you are welcome to return your completed form to Old Mutual Superfund, PO Box 728, Cape Town 8000 or email it to superfund@oldmutual.com. We do, however, advise that Old Mutual Superfund clients give a copy to your employer for safekeeping.

I HEREBY NOMINATE THE FOLLOWING PERSONS FOR FAMILY COVER BENEFITS DUE TO BE PAID FROM THE POLICY IN THE EVENT OF MY DEATH

Title: Mr Mrs Ms Other

First name(s)

Surname

ID/Passport number

Relationship (e.g. spouse, partner, daughter, son, mother, friend, etc.)

Telephone number (home) Code Number

Cellphone number

Email address

I understand that this nomination cancels all previous nominations, if any, that I have made with respect to my membership of the abovementioned scheme.

Member's signature Date

IN RESPECT OF PENSION AND PROVIDENT FUND ONLY:

In terms of Section 37C of the Pension Funds Act 24 of 1956, the Trustees of the fund have a duty to apportion the benefits between your dependants and nominees, as may be deemed equitable. Dependants are defined according to specific criteria in the Act and may either be legal or factual dependants. Your nomination will serve as a guide to the Trustees when making these decisions.

NOMINATING BENEFICIARIES FOR YOUR DEATH BENEFITS

Should you die while still a contributing member of the Old Mutual Superfund, a death benefit will be paid to your dependant/s and/or beneficiary/ies. The benefit consists of a death cover amount (if applicable) plus your Member Account Balance in the Fund. Please refer to your Member Benefit Statement for more information. If your Employer has a Family Cover policy, this benefit will also be paid to your nominated beneficiary.

Please complete a new beneficiary nomination whenever the information on this form changes, for example your marital status, number of children or any addresses. Give any special instructions or additional information in a separate letter to this form.

STEP 1. LIST YOUR DEPENDANTS AND BENEFICIARIES

- First list the details relating to your husband/wife in the space provided. If you have more than one wife, a customary law wife or a life partner (i.e. someone with whom you live as if married, whether same sex or other), please include their details.
- Next, list all your children, including those adopted, from previous marriages or born outside of marriage. Include the name of their current guardian (if not you) and the name of the person who will be their guardian should you die.
- Now list any legal dependants, such as a divorced wife from a previous marriage to whom you are paying maintenance, or anyone else who receives financial support from you (for example an aged parent, a family member or even a friend).
- Finally, if there is anyone else whom you would like to receive a part of your benefit, list these beneficiaries, under "Other Nominees" on page 1.

STEP 2. SHARE THE BENEFIT PAYABLE FROM THE PENSION/PROVIDENT FUND

After you have listed all your dependants and beneficiaries, you need to decide how much (if any) of your benefit you would like them to receive.

Keep in mind that:

- Not everyone on the list needs to have a share allocated to him/her
- The more beneficiaries you choose to receive a share, the smaller each individual's benefit may be
- The percentages in the "Share of Benefit" column must add up to a total of 100%

In the case of Pension and Provident Funds the trustees will have the final say in how your benefit is divided, as they need to comply with the Pension Funds Act.

STEP 3. GIVE ADDITIONAL MOTIVATION

To distribute your benefit as fairly as possible, it would help the Trustees (or the Insurer, in the case of risk-only schemes) to understand why you have proposed certain share allocations to your beneficiaries. For example, a member may propose that one minor child receives a large share while the other minor child receives nothing, if the one is disabled and the other has a very good scholarship.

Write your motivation(s) in a letter and return with this form, thereby assisting the Trustees in understanding your share allocation.

STEP 4. (ONLY IF APPLICABLE) PROVIDE DETAIL OF THE PERSON TO WHOM THE FAMILY COVER BENEFIT MUST BE PAID IN THE EVENT OF YOUR DEATH

If your Employer has a Family Cover policy with Old Mutual (please contact your Employer if you are not sure), provide the detail in the Section above specifically



NOMINATION AND BENEFICIARY FORMS – FAMILY FUNERAL BENEFITS



GROUP ASSURANCE AND SUPERFUND BENEFICIARY NOMINATION FORM FOR FAMILY COVER BENEFITS

Please complete using block letters

Employer name

Scheme code

EMPLOYEE'S DETAILS

First name(s)

Surname

Employee number

ID/Passport number

Employee Number:

I HEREBY NOMINATE THE FOLLOWING PERSON FOR FAMILY COVER BENEFITS DUE TO BE PAID FROM THE POLICY IN THE EVENT OF MY DEATH

IMPORTANT INFORMATION:

1. Family cover benefits can only be paid to one beneficiary.
2. The form must be signed and dated before the deceased's death.
3. Payment in respect of a minor under the age of 18 will be made to the minor's guardian.
4. Please do not submit this form to Old Mutual, your employer must keep this on record.
5. Please ensure that you keep the nomination form updated as your circumstances change.

NOMINEE'S DETAILS

First name(s)

Surname

Title Mrs Mr Miss Other

ID/Passport number

Relationship (e.g. spouse, partner, daughter, son, mother, friend, etc.)

Telephone (Home) Code Number

Cellphone number

Email Address

I understand that this nomination cancels all previous nominations for family cover benefits with Old Mutual.

Employee's signature

Date



ARE YOU FOCUSING ON THE RIGHT THINGS?

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WATCH YOUR MONEY GROW



Comfortable Retirement

Time

Don't withdraw – preserve and keep on saving

Plus Investment Returns less Fees & Levies

Grow in non-traditional space

Your Savings = Contributions, Transfers in, Additional Voluntary Contributions

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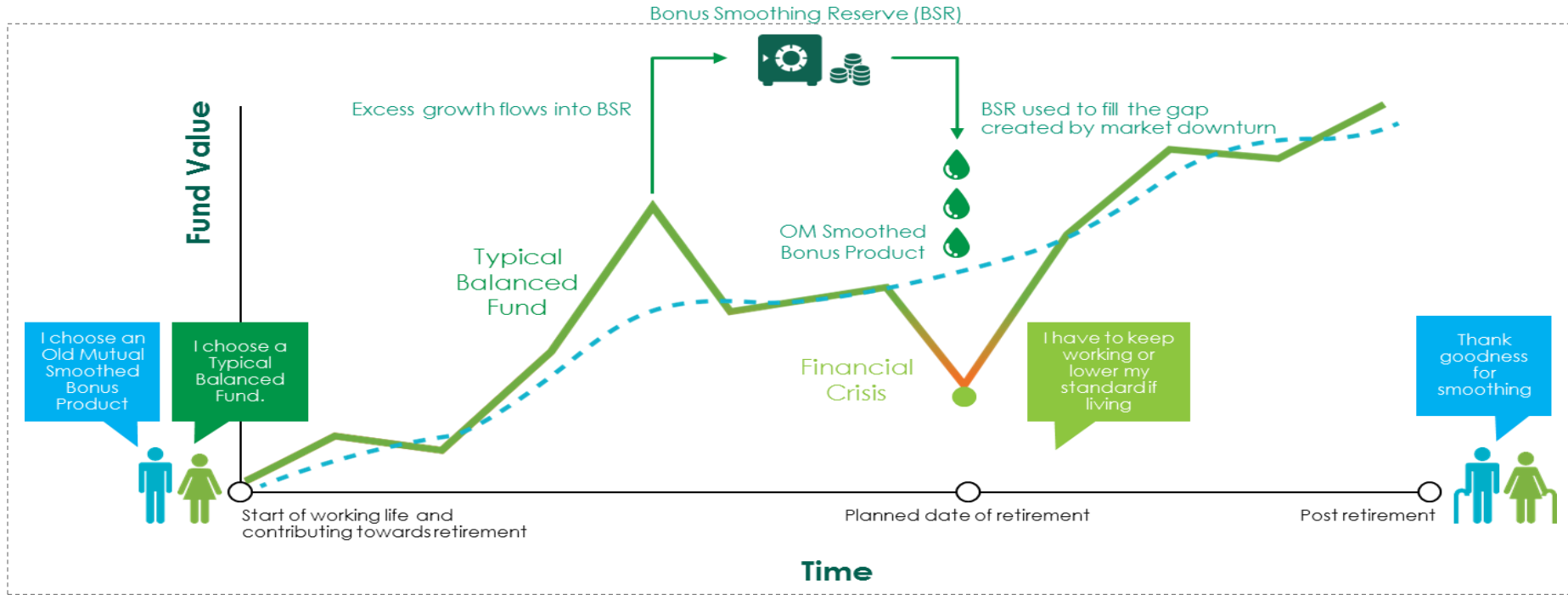
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HOW SMOOTHING WORKS

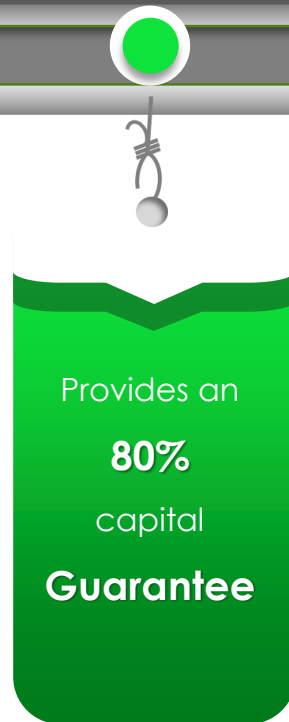




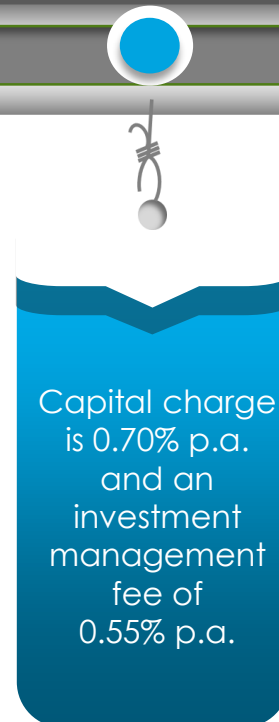
TRUSTEE CHOICE - AGP80



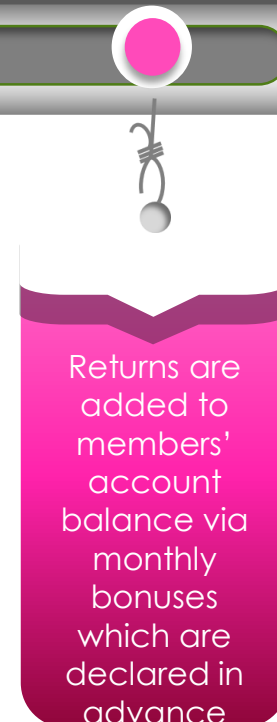
Targets returns of **CPI + 5.5%** over rolling 3 year periods



Provides an **80%** capital **Guarantee**



Capital charge is 0.70% p.a. and an investment management fee of 0.55% p.a.



Returns are added to members' account balance via monthly bonuses which are declared in advance

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INFLATION - UNDERSTANDING THE IMPACT



Assumption: Inflation = 6% p.a.



1978



1990



2012



2030

INFLATION – RETIREMENT'S WORST ENEMY





POWER OF TIME



NOAH

HAS R 250 000
AT AGE 55

LERATO

HAS R 250 000
AT AGE 55

TREVOR

HAS R 250 000
AT AGE 55

JUDITH

HAS R 250 000
AT AGE 55

HE RETIRES AT AGE **55**

HE RETIRES AT AGE **60**

HE RETIRES AT AGE **65**

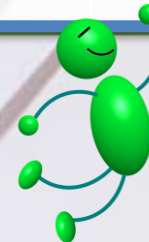
SHE RETIRES AT AGE 65
BUT ACCEPTS CONTRACT
WORK UNTIL AGE **70**

R 250 000
TO BUY PENSION

R 487 880*
TO BUY PENSION

R 926 550*
TO BUY PENSION

R 1 727 218*
TO BUY PENSION





HOW MUCH IS ENOUGH? WHAT IS THE NET REPLACEMENT RATIO?



YOUR LAST SALARY WHEN YOU RETIRED

VS

YOUR INCOME FROM YOUR PENSION AT RETIREMENT

R 10 000



R 7 000 +

> 70%

R 10 000



R 5 000 – R 6 999

> 50% < 70%

R 10 000



R 0 - R4 999

> 0% < 50%

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TAXATION OF LUMP SUM BENEFITS AT WITHDRAWAL (DISMISSAL & RESIGNATION)



| | |
|---|--|
| Not exceeding R25 000 | 0% of taxable income |
| Exceeding R25 000 but not exceeding R660 000 | 18% of taxable income exceeding R25 000 |
| Exceeding R660 000 but not exceeding R990 000 | R 114 300 + 27% of taxable income exceeding R660 000 |
| Exceeding R990 000 | R 203 400 + 36% of taxable income exceeding R990 000 |





TAXATION OF LUMP SUM BENEFITS AT RETIREMENT/RETRENCHMENT/DEATH



| | |
|---|---|
| Not exceeding R500 000 | 0% of taxable income |
| Exceeding R500 001 but not exceeding R700 000 | 18% of taxable income exceeding R500 000 |
| Exceeding R700 001 but not exceeding R1 050 000 | R 36 000 + 27% of taxable income exceeding R700 000 |
| Exceeding R1 050 001 | R 130 500 + 36% of taxable income exceeding R1 050 000 |





RETIREMENT BENEFITS COUNSELLOR PROCESS



**FROM 10 YEARS
FROM NRD AND ALL
THE WAY TO 1 YEAR
BEFORE RETIREMENT**

Generic communication educating member about the annuity landscape

10 YRS



**FROM 5 YEARS
FROM NRD**

Phone calls from our Member Support Centre encouraging member to seek advice and introducing the Member Retirement Counsellor (MRC)

5 YRS



**6 MONTHS
FROM NRD**

Member receives scenario document. Phone calls from MRC specific to member needs

0.5 YRS



RETIREMENT

YEARS TO RETIREMENT

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ASSISTING MEMBERS WHO EXIT



Preservation: on exiting the fund
before retirement age

Annuity Strategy: At retirement age



OR





VALUE ADDED BENEFITS



Funeral Support Service



HR 911



Cash4lovedOn



Fund Select Annuity



Preserver

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MAKING SURE THE MESSAGE IS HEARD AND UNDERSTOOD

Member Web
My Portfolio
Old Mutual App



WE OFFER
OUR MEMBERS
TELEPHONIC SUPPORT
THROUGHOUT THEIR
OLD MUTUAL JOURNEY
0860 388 873



CONNECT WITH US ON WHATSAPP

- Old Mutual SuperFund members now have instant access to their retirement savings 24/7
- Members can request their benefit statement, claims status, download retirement fund forms and access educational content
- For more information on our digital solutions, visit www.oldmutual.co.za/corporate/self-service



EASY REGISTRATION



Personal details



Login details



Done

You will need

- your **Identity Number** and
- a **valid cellphone number**

Personal details > Login details > Done

CHOOSE YOUR LOGIN DETAILS

* Required fields

CREATE USERNAME

- Must be **at least 6 characters long**, without any spaces
- **Not case sensitive**

* USERNAME

CREATE PASSWORD

- Must be **at least 8 characters long**, without any spaces
- Must contain **at least** one capital letter, one lowercase letter, one number **and** one special character (symbols like & # ! *)
- It **must not** contain your username or personal details

* PASSWORD

* CONFIRM PASSWORD

VERIFY YOUR CELLPHONE NUMBER

Request an SMS verification code to confirm the cellphone number you entered earlier

>

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NEW SUPERFUND WHATSAPP

MEMBERS NOW HAVE
INSTANT ACCESS TO
THEIR RETIREMENT
FUND SAVINGS.



CHECK STATEMENT OF BENEFITS

A useful summary of their current risk benefits and total fund.

TRACK A RETIREMENT SAVINGS CLAIM

Check on the status or progress of a claim they have lodged.

BENEFICIARY NOMINATION FORM

Download the latest beneficiary nomination form.

GET OTHER USEFUL INFO

Find out about other valuable Old Mutual products and services.

ANNUAL MEMBER BENEFIT STATEMENT

Download to instantly view their retirement status, risk benefits and account balance

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MEMBER BENEFIT STATEMENT (MBS)



| | |
|---|--|
| <p>What is a Member Benefit Statement (MBS)</p> | <p>A summary document that consist of plan information, your retirement savings and investments in Old Mutual SuperFund</p> |
| <p>When is it distributed?</p> | <p>Annually to all members MBS effective date = 30 June (Fund year-end)</p> |
| <p>How do I access the MBS</p> | <ul style="list-style-type: none">➤ Email➤ WhatsApp 0860 933 333➤ Old Mutual Secure Services (Member Web) https://secure.oldmutual.co.za |





MEMBER BENEFIT STATEMENT (MBS)



| | |
|-------------------------------------|---|
| Personal Information | To update your information, contact - <ul style="list-style-type: none">➤ Employer Human Resources (HR)➤ Old Mutual Service Centre - 0860 20 30 40 or via email superfund@oldmutual.com |
| Contributions & Premiums | The rate or percentage of your monthly salary paid to OM SuperFund towards – <ul style="list-style-type: none">➤ Your Member Contributions➤ Your Employer Contributions➤ Costs / Fees➤ Risk benefit premiums |
| Member Account Transactions | <ul style="list-style-type: none">➤ Your Member Account Balance / Accumulated Credit➤ Your Member Account transactions for the period ending 30 June |
| Retirement Planning Status | Where you are in your retirement journey based on your Old Mutual SuperFund investments |

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MEMBER BENEFIT STATEMENT (MBS)



| | |
|--------------------------------------|--|
| Benefit Overview | The estimated benefit amount you will be paid (before tax) in the event of – <ul style="list-style-type: none">➤ Resignation, Retrenchment/Dismissal➤ Retirement➤ Disability➤ Death |
| Risk Benefits | Your estimated risk benefit values will display if the Risk Benefit contract is between your Employer and Old Mutual SuperFund Contact your HR department for benefits arranged by your Employer, which may not form part of Old Mutual SuperFund |
| Investment Portfolio Overview | The investment portfolio/s your retirement savings are invested in |
| Other information | Regulatory and other useful information |

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Simply Login or Register



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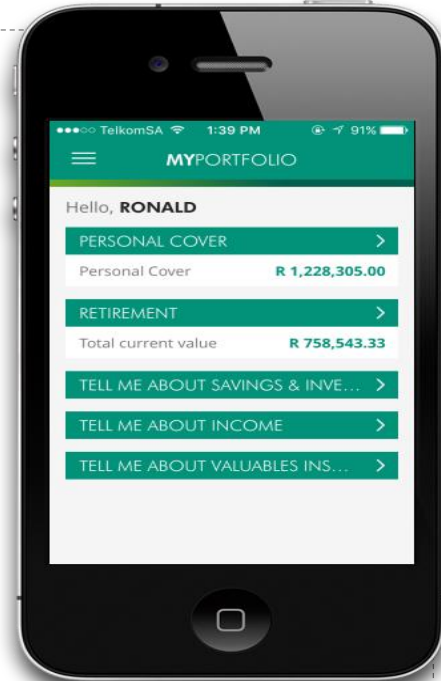
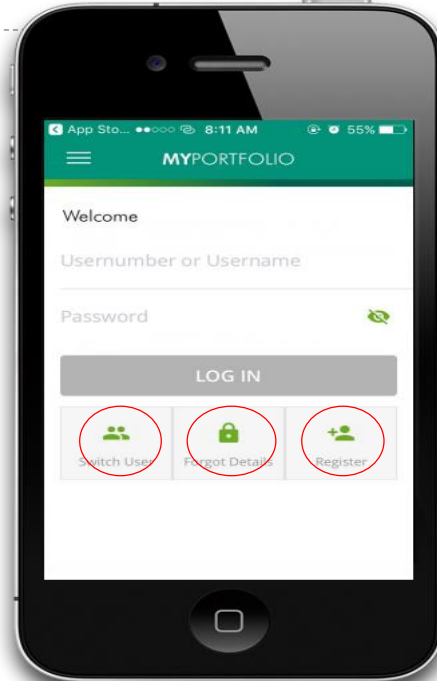
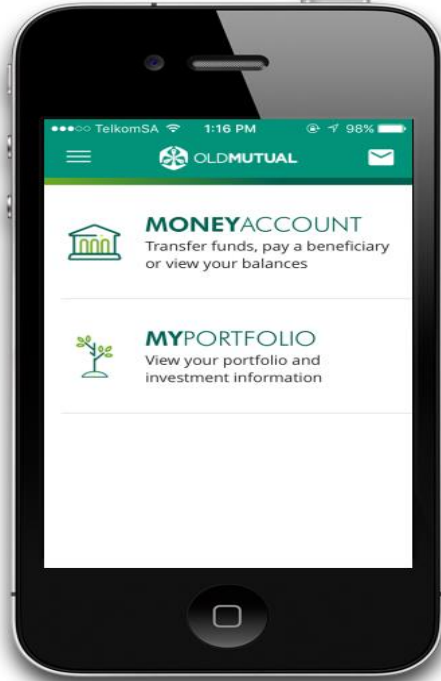
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REWARDS

Rewarding Our Customers

Old Mutual SuperFund



HOW DO REWARDS WORK?

HOW DO I EARN POINTS?



Learn more about money and your own finances



Become money smart – complete assessments



Own Old Mutual Products

WHAT CAN I DO WITH MY POINTS?

Buy in store – unique QR code to use at till point



Invest your points in Old Mutual products



Donate to charities on the website



Buy airtime and data



10

POINTS =

R1

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USE YOUR REWARDS IN DIFFERENT WAYS



Prepaid airtime & Bundles



Store Vouchers

Buy in-store with a unique QR or code at till point



Invest your points

In Old Mutual Products



Donate your Points

to charities on website



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HOW TO SELECT A GOOD FINANCIAL ADVISER



- **Financial Advice**
 - Before you make a final decision about what to do with your retirement benefit, it is a good idea to discuss your options with a registered financial adviser. An adviser will make sure that the decisions you make about your retirement are suited to you, taking into account your future retirement needs.
- **Check his credentials**
 - Experience
 - Accredited with his or her institution
- **Ensure the advice is sound**
 - Your needs
 - Full, detailed analysis
 - Understand what you are buying
- **Know your rights**
 - Who backs the advice you are getting



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THANK YOU