

# OLD MUTUAL SUPERFUND EMPLOYER UPDATE

AUGUST 2015



## WHAT'S IN THIS EDITION

### HOW MUCH IS ENOUGH?

- Old Mutual SuperFund member education audio visual

### SIMPLE SOLUTIONS FOR YOU

- Pension supported housing loans
- Update your contact details
- Old Mutual Multi-Managers (previously known as Symmetry) rename their standard funds and expand their offering
- Keeping up with retirement reform
- 2015 Trustee Roadshow

### DOING GREAT THINGS

- Greefspan and Herbert energy renewal projects



## MESSAGE FROM THE PRINCIPAL OFFICER



**CHERYL MESTERN**  
Old Mutual SuperFund  
Principal Officer

The second quarter of the year has been a very busy one for the Old Mutual SuperFund Management Board, as we embarked on the Funds' first Intermediary and Employer roadshow. The roadshow provided us with the ideal opportunity to share the latest Fund information and to interact and engage with stakeholders.

A huge thank you to those of you who were able to join us! If you were unable to attend the roadshow, don't despair, in this issue we provide a summary of the topics covered. To ensure that you don't miss out next year.....keep watching this space for details!!

I trust that you will find the information in this edition valuable and that it will assist you in dealing with related issues raised by your employees.

Enjoy the read.





## HOW MUCH IS ENOUGH?

### OLD MUTUAL SUPERFUND MEMBER EDUCATION AUDIO VISUAL

As part of our efforts to equip and educate our members with financial knowledge and their membership benefits, we have developed a new online education method to support face-to-face member education workshops for Old Mutual SuperFund members.

The objectives of the audio visual are:

- To reach members through their employers who are unable to allow us to run member education for various reasons, or when members are unable to attend our face-to-face workshops;
- To educate members about their Old Mutual SuperFund membership benefits;
- To build Old Mutual SuperFund brand affinity with members.

To view the audio visual please [click here](#) and follow the link to our website - you can access the audio visual under the heading "Old Mutual SuperFund has got you (and your loved ones) protected".



## SIMPLE SOLUTIONS FOR YOU

### PENSION SUPPORTED HOUSING LOANS

The lack of housing in South Africa remains a priority to the South African government. Section 19(5) of the Pension Funds Act enables the Management Board to assist members of the Old Mutual SuperFund to finance their genuine housing needs.

Please note that this facility is only applicable to employers that are participating in the housing loan surety arrangement and have entered into the respective agreements with the various Banks.

The Act permits retirement funds to furnish guarantees/security for loans granted to members for housing purposes **only**.

The definition of "housing" is as follows:

- Buying an existing home;
- Building a new home;
- Improving an existing home.

#### **Important information that members should keep in mind when considering taking up a housing loan:**

- The member or his family/dependants must occupy the home;
- The Old Mutual SuperFund offers housing sureties to members **(no direct home loans from funds and surety can only be granted for one property at a time)**;
- The loan may not exceed an amount equal to 80 percent (in the case of Standard Bank this is 70 percent) of the members lowest benefit in terms of the Rules of the Fund at the time the housing loan is granted;
- For Fund members within ten (10) years of the Normal Retirement Date, the members may only take a loan of up to 25 percent of his/her benefit;
- On termination of membership of the Fund, the member will be given the opportunity to secure alternative finance before the Fund settles the guarantee out of his/her benefit. If a member is unable to secure such alternative finance then the amount outstanding will be deducted and only the balance will be paid over to the member;
- The Management Board is mandated by the Old Mutual SuperFund Housing Loans Surety Policy, which must be read in conjunction with the Rules of the Funds.

[Click here](#) to view the principles adopted by the Management Board regarding home loan sureties.

## UPDATE YOUR CONTACT DETAILS

In order to continue receiving communication from us, please remember to update any of your contact details if they should change.

**You can update your details by:**

- Calling us at **0860 20 30 40**
- Emailing us at [superfund@oldmutual.com](mailto:superfund@oldmutual.com)

## OLD MUTUAL MULTI-MANAGERS (PREVIOUSLY KNOWN AS SYMMETRY) RENAME THEIR STANDARD FUNDS AND EXPAND THEIR OFFERING

Old Mutual Multi-Managers was created through the merger of SYm|mETRY Multi-Manager and the Acsis Research and Investment Management team in 2013. To comply with the new business name, the SYm|mETRY investment portfolios have been renamed as Old Mutual Multi-Manager investment portfolios with effect from 1 March 2015.

## KEEPING UP WITH THE RETIREMENT REFORM

The new tax laws which the government announced in 2014 caused a stir amongst many working South Africans. Feedback from a number of employers has highlighted that there is still a high level of fear, uncertainty and a general lack of understanding amongst employees.

The most common concern raised by employees, is their fear that they will not be able to access their retirement savings once the new tax laws are implemented. In fact, a number of employees have actually resigned from their employer to access their retirement savings before the new laws are implemented.

### How can you help?

While there is still uncertainty on when these changes will be implemented, it is critical that we continuously try and improve employees understanding and alleviate their fear that they will not be able to access their retirement savings!

### There are two simple messages that we ask you to share and re-enforce with your employees:

- Government's aim with Retirement Reform is to **encourage members to save** and to ultimately **help members improve their chances of retiring in comfort**.
- **Members will still be able to access in full all the money that they would have saved up to the date the new law comes into effect** (the recently published Tax Laws Bill has confirmed that the changes legislated by government are to go ahead with effect from 1 March 2016) – changes will only affect contributions that are made after the new legislation is implemented.

It is important to stress to employees that they **do not need to resign to protect their access to their retirement savings!**

## 2015 TRUSTEE ROADSHOW

Many of our participating employers were able to interact with the Old Mutual SuperFund Management Board during the roadshow, which was held across various regions within South Africa, namely Gauteng, Eastern Cape, Western Cape and KwaZulu-Natal. **The Management Board covered various topics with their primary focus on the following:**

- The Old Mutual SuperFund journey
- Fund communication and death claims
- Governance of the Fund
- Member education
- Investments
- Group assurance
- The Old Mutual SuperFund value proposition

After the presentations by the Board, attendees were invited to ask questions and clarity was provided on matters of concern. The 2013/2014 Annual Report formed the basis for the discussion. If you missed our previous communication where we provided you with the 2013/2014 Old Mutual SuperFund annual report please [click here](#) to access this report.

The Old Mutual SuperFund Management Board would like to take this opportunity to once again thank all of our clients who were able to attend the roadshow. We value your engagement and the feedback you provided, and we aim to use the information wisely to further enhance our services to you and your employees.



## DOING GREAT THINGS

### GREEFSpan AND HERBERT ENERGY RENEWAL PROJECTS

In the previous Employer Update we highlighted the Kathu Solar Photovoltaic (PV) Plant as one of the projects of the IDEAS (Infrastructural, Developmental and Environmental Assets) Managed Fund, focused on growing investors' wealth whilst enabling them to contribute actively towards creating a more sustainable and prosperous South Africa. In this edition we shine the spotlight on the **Greefspan and Herbert energy renewal projects**.

#### ABOUT THE PROJECTS

AE-AMD Renewable Energy (a joint venture between the Spain-based AMDA Energia and the South African-based Alt-E Technologies) and Tenesol (a SunPower company) have teamed up on two ground-mounted PV projects in South Africa.

The first of the two projects, **Herbert**, generates 20 MW; while the second **Greefspan**, has a generation capacity of 10 MW. Both plants were constructed near Douglas, in the Northern Cape. These projects are estimated to power approximately 29 550 average household per annum.

The projects form part of 28 renewable-energy projects identified as preferred bidders in the first round of South Africa's Renewable Energy Independent Power Producer Procurement Programme in December 2011.

SunPower and its partners announced the completion of the Greefspan and Herbert ground-mounted PV facilities in June 2014. The solar power projects will generate local construction jobs and deliver clean, reliable energy to the community.

Both projects will be owned by AE-AMD Renewable energy in partnership with the Old Mutual IDEAS Managed Fund. Tenesol has 5% share in the projects.



#### Old Mutual IDEAS Managed Fund ownership interest: 49%

The current energy supply crisis in South Africa is without a doubt a hot topic both locally and globally, as investors are keen to see how it will unfold. This is what separates Old Mutual SuperFund members who are invested in the Old Mutual Absolute Stable Growth Investment Portfolio from the masses. These members can truly pride themselves in the fact that they are indeed doing great things - the Old Mutual Absolute Stable Growth Investment Portfolio invests in the Old Mutual IDEAS Managed Fund.



**OLD MUTUAL**  
CORPORATE

#### Indemnity