

# OLD MUTUAL SUPERFUND MEMBER UPDATE

JULY 2017



## MESSAGE FROM THE PRINCIPAL OFFICER



**CHERYL MESTERN**  
Old Mutual SuperFund  
Principal Officer

We are pleased to bring you the **July** edition of the **Member Update**.

According to the 2017 Old Mutual Corporate Retirement Monitor, the percentage of people saying they would withdraw their benefits has increased from **19% in 2012 to 35% in 2016**. The findings come amid a retirement crisis in South Africa, with only a small percentage of people in a position to maintain their standard of living in retirement.

Early withdrawals are one of the main reasons for the terrible situation. Old Mutual SuperFund is committed to encouraging increased savings and investment habits, and providing access to financial advice and innovative retirement solutions to you, our members.

In this edition, we introduce you to the new **Old Mutual SuperFund Solutions At Retirement**.

Happy reading!

Regards  
**Cheryl Mestern**

DO GREAT THINGS



**OLD MUTUAL**  
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# WITH MORE CHOICE, IT'S EASIER TO FIND THE RIGHT SOLUTION FOR YOU

Old Mutual SuperFund is committed to supporting you at every stage of your retirement journey – from saving for it while you're working, to making good at-retirement choices.

**We are your trusted partner throughout your retirement journey:**

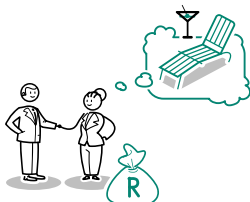
## 1 STARTING OUT

From the day you become a SuperFund member, we are here for you, providing information, education and all the advice you need to get the most out of your retirement savings.



## 4 THE BIG DAY

The months, weeks and days leading up to your retirement day are exciting: but they can also be confusing and intimidating.



We will be right there to help you make all the tough choices, by offering: **FREE ANNUITY GUIDANCE** – answers to your questions by our Old Mutual SuperFund Member Retirement Counsellors.

**ACCESS TO PROFESSIONAL ADVICE** – if you need it we will put you in contact with an accredited financial adviser (you will need to pay any charges levied for the advice).

## 2 WORKING TOGETHER FOR A GREAT FUTURE

Life (and work) can be full of unexpected surprises. That is why it is good to know that you can trust Old Mutual SuperFund to deliver the very best:

**EDUCATION** – through our free Financial Wellbeing Programme.

**SUPPORT** – via our comprehensive Member Support Services offering.

**ADVICE AND PLANNING** – expertly delivered, whenever you need it, by our accredited financial advisers and intermediaries.

**CLAIMS & BENEFIT PAYMENTS** – if you need to leave the Fund, or if your loved ones need to claim, we are committed to making the process quick and easy.



## 3 APPROACHING RETIREMENT

Making the right choices about using your retirement fund savings to secure your retirement income is vital. Old Mutual SuperFund will work with you as you approach retirement by providing/facilitating access to:

**USEFUL INFO AND EDUCATION** – about your "at-retirement" annuity options.

**INDICATIVE INCOME** – showing how much you can expect to receive as a retirement income depending on the annuity you choose, and what you can do to improve that income before you retire, if you need to.

**FINANCIAL ADVICE** – if you need it, on any aspect of your approaching retirement.



In our latest issue of the **Old Mutual SuperFund Member Educational Newsflash** we spoke a bit about the different types of annuities. But with so many options available at retirement (including whether to purchase an annuity, and what type), it can be difficult to know what the right decision for you is. That's why, as your partner throughout your retirement journey, Old Mutual SuperFund not only makes it possible for you to save for your retirement, but also supports you in making a good decision at retirement.

## WHAT ARE YOUR OPTIONS AT RETIREMENT?

**1. Defer your retirement** – If you are a member of the Old Mutual SuperFund and will soon be retiring from your employer, but you are not ready to buy an annuity with your retirement fund savings just yet, the **Deferred Retirement** option may be right for you. Old Mutual SuperFund launched the Deferred Retirement option last year and it allows you to keep your retirement fund savings invested and growing in the fund, after you leave your employer.

Old Mutual SuperFund Deferred Retirement provides you with the **option to keep your retirement savings invested, protected and growing** while you decide on a more appropriate time to access your retirement benefit. This is especially important if you are concerned that **you may not have enough saved to retire comfortably**, or if you want to give your **accumulated savings an extra boost**. For more information on the Deferred Retirement option [click here](#).

### 2. Trigger your Retirement by:

- **Taking part or all your retirement savings in cash** – although the amount you can take in cash depends on whether you belong to a pension or provident fund. **Taking any amount in cash will have an impact on your financial stability in retirement.**
- **Purchasing an income (annuity)** – it is advisable for you to use as much of your retirement savings as possible to secure the income you need.

## OLD MUTUAL SUPERFUND SOLUTIONS AT RETIREMENT

We are pleased to present **Old Mutual SuperFund Solutions At Retirement**, which is a comprehensive support structure designed to help you understand what your options are as you approach retirement, what questions you should be asking and how you should frame your decision. The support structure incorporates different material to help educate you on this important decision making period and empower you to make a considered and good decision at retirement.

The structure is also underpinned by two annuity options that have been **specially chosen by the Old Mutual SuperFund Management Board to meet the different needs of Old Mutual SuperFund members**. These options are supported by a helpful at-retirement guidance process that you can follow with the help of an Old Mutual Member Retirement Counsellor (MRC) or your own financial adviser.

## WHAT ARE THE TWO FUND ENDORSED ANNUITY OPTIONS?

Old Mutual Fund Select Annuity (Guaranteed Annuity)	Old Mutual Max Income Annuity (Living Annuity)
<p>The Old Mutual Fund Select Annuity pays you a <b>guaranteed monthly income</b> for the rest of your life. Depending on various factors, including how well the market performs, you may receive a yearly pension increase, which will then also be guaranteed for life and will never be taken away. Importantly, the guarantees that are part of Old Mutual Fund Select Annuity mean that you will never stop receiving your income for the rest of your life. In exchange for this security throughout your retirement, Old Mutual Fund Select Annuity <b>does not</b> offer a lump sum benefit that can be paid out to your loved ones when you die. You can however cover a second life or choose a minimum capital guarantee period (up to 25 years) during which time your beneficiaries will receive a payment if you pass away. These options will reduce the starting amount of income that you will receive.</p> <p><a href="#">Click here</a> for the Old Mutual Fund Select Annuity Factsheet</p>	<p>The <b>Old Mutual Max Income Annuity</b> which allows you to choose which investment portfolio your retirement savings are invested into, and what percentage of your total invested amount will get paid to you as an income. <b>Unlike Old Mutual Fund Select Annuity, there is no guarantee that this income in retirement will continue for the rest of your life</b> – so you need to make good decisions about how much income you want to receive. However, unlike Old Mutual Fund Select Annuity, <b>should you pass away before your funds are used up, the remaining amount can be left to your loved ones or form part of your estate.</b></p> <p><a href="#">Click here</a> for the Old Mutual Max Income Annuity Factsheet</p>

**Old Mutual SuperFund Solutions At Retirement** offers you an easy way of interacting with and understanding your income options in retirement. If you choose Old Mutual Fund Select Annuity, you get a guaranteed income for life. If you choose Old Mutual Max Income Living Annuity, you get income flexibility and investment fund choice. For the Living Annuity option the Member Retirement Counsellor or your financial adviser can provide you with income guidance to maximise the amount of time for which your income will continue (and help you understand the risk of running out of income over your lifetime).

## HOW WILL WE BE ENGAGING WITH YOU?

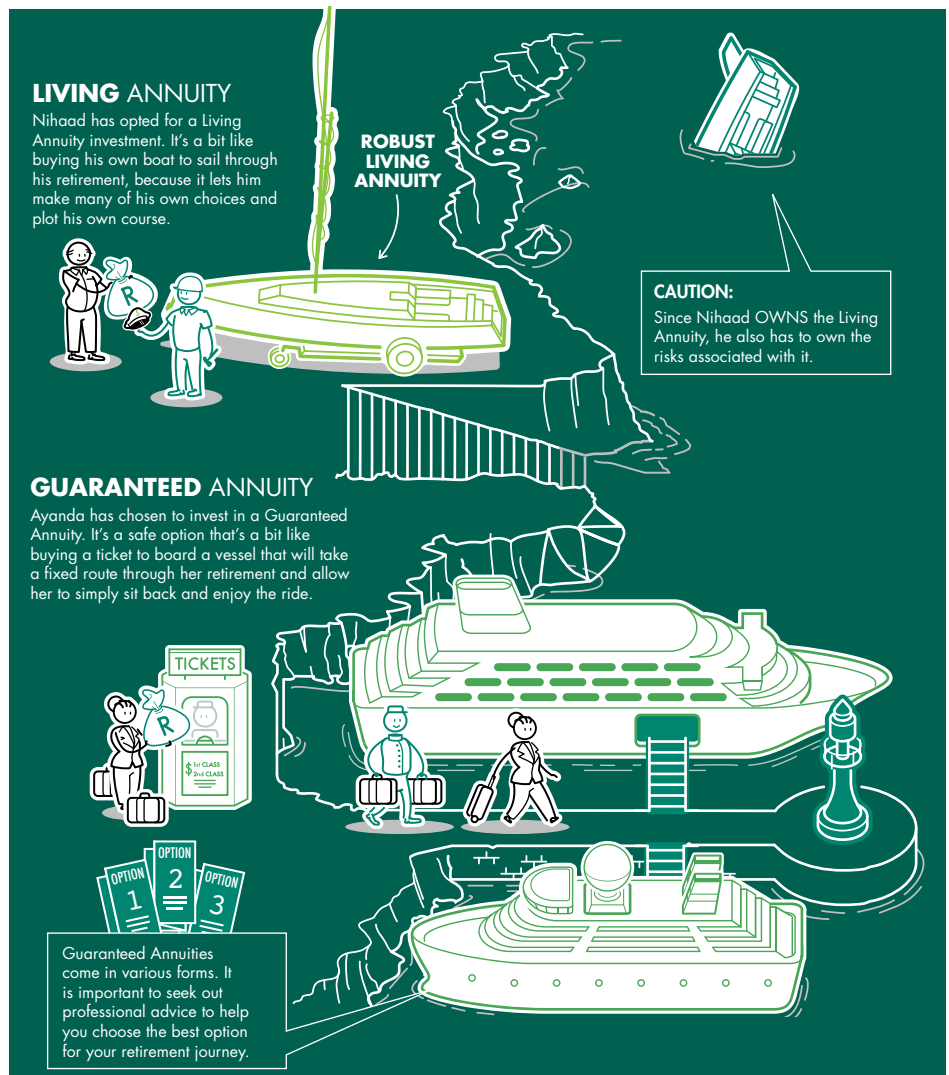
**You will receive the following communication:**

- **Ongoing** – you will receive educational communication on annuities on a regular basis during your savings lifetime, in order to prepare you for the important decisions that awaits you at retirement.
- **10 years to 1 year to retirement** – you will be sent annual targeted communication educating you about the annuity landscape.
- **5 years to 1 year to retirement** – you will receive a “touch-base” call from Old Mutual Member Support Services, to assess whether you have started thinking about retirement yet.
- **1 year to retirement** – you will receive a targeted communication with two sample scenarios, based on your particular situation and the income amount that this translates to via the Trustee endorsed annuity options. This communication will be followed by an engagement with the Member Retirement Counsellor.

# DO NOT WAIT TOO LONG TO PLAN FOR YOUR INCOME IN RETIREMENT

As a member of Old Mutual SuperFund, you have access to all the information and support you need to make informed choices as you approach retirement. First step is to understand what your options are at retirement, including differing annuity choices:

For the Old Mutual SuperFund Solutions At Retirement Brochure, see attached or [click here](#).



**You can use any of the channels below to find out more about the Old Mutual SuperFund Solutions At Retirement:**

- **FOR ADVICE ON YOUR OPTIONS**, contact either your personal financial adviser or the Old Mutual SuperFund Member Retirement Counsellor who will put you in contact with a financial adviser.
- **FOR FREE GUIDANCE**, speak to an Old Mutual SuperFund Member Retirement Counsellor (MRC) or call Old Mutual Member Support Services on 0860 38 88 73.
- **FOR MORE INFORMATION**, send an email to [Superfundannuity@oldmutual.co.za](mailto:Superfundannuity@oldmutual.co.za) or visit our website at [www.oldmutual.co.za/SuperFundAnnuity](http://www.oldmutual.co.za/SuperFundAnnuity)
- **FOR THE CURRENT VALUE OF YOUR RETIREMENT FUND SAVINGS** in Old Mutual SuperFund, register for Secure Services at: [www.oldmutual.co.za/corporate/products-and-services/employee-benefits/self-service](http://www.oldmutual.co.za/corporate/products-and-services/employee-benefits/self-service)



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