

OLDMUTUAL



# OLD MUTUAL SUPERFUND DEFERRED RETIREMENT MEMBER GUIDE



**CORPORATE**  
RETIREMENT SOLUTIONS

DO GREAT THINGS EVERY DAY

# DEFERRING YOUR RETIREMENT SHOWS YOUR COMMITMENT TO YOUR FINANCIAL FUTURE!

The Old Mutual SuperFund Deferred Retirement solution allows you to continue your Old Mutual SuperFund Membership after you retire from your employer. You receive the benefit of compound growth on your retirement savings while you decide on a more appropriate time to access your retirement benefit. What's more, you enjoy investment choice and excellent service at a good price.

This guide will help you understand how the Old Mutual SuperFund Deferred Retirement solution works and how you can get the most out of your Membership. After all, you want to make sure that Old Mutual SuperFund Deferred Retirement works as hard for you as you have worked to build up your retirement savings until now.

This Member Guide has been prepared based on legislation and the Rules of the Old Mutual SuperFund Pension and Provident Funds. It summarises what is provided for in the Rules of Old Mutual SuperFund and explains the tax consequences of the options available to you. Every effort has been made to ensure the information in this Member Guide is correct. However, should any error have been made, the Rules of the two Funds will apply. You are encouraged to read the Rules of the Old Mutual SuperFund. You can obtain a copy of the Old Mutual SuperFund Master Rules by phoning 0860 20 30 40. Remember: Your rights as a Member of the Fund are contained in the Fund Rules.

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# 1. THE ADVANTAGES OF YOUR OLD MUTUAL SUPERFUND DEFERRED RETIREMENT MEMBERSHIP

There are many advantages to being an Old Mutual SuperFund Deferred Retirement Member, not least of which are:

## **GET YOUR RETIREMENT PLAN BACK ON TRACK**

Postponing your retirement from Old Mutual SuperFund will give your savings the extra boost needed for a more comfortable retirement.

## **YOU ARE NOT FORCED TO TAKE YOUR RETIREMENT BENEFIT**

You can postpone taking your retirement benefit to when you want to and have considered all your options.

## **YOU REMAIN INVESTED IN A COST EFFECTIVE SOLUTION**

You benefit from institutional investment management fees.

## **YOU ENJOY FLEXIBILITY IN INVESTMENT CHOICE**

You decide how you want your savings to be invested from a range of investment packages.

## **YOU CAN CONSOLIDATE YOUR RETIREMENT SAVINGS**

You can transfer your existing pension, provident or preservation fund savings with Old Mutual or third party providers to Old Mutual SuperFund Deferred Retirement if the source fund rules allow for it.

## **YOU CAN SELECT YOUR RETIREMENT AGE**

You can retire from Old Mutual SuperFund at any time.



## 2. GETTING THE MOST OUT OF YOUR OLD MUTUAL SUPERFUND DEFERRED RETIREMENT MEMBERSHIP

To make the most of your Old Mutual SuperFund Deferred Retirement savings, you need to make sure you do the following:

### **READ ALL ABOUT IT**

Read through this Old Mutual SuperFund Deferred Retirement Member Guide to get a full understanding of your benefits and investment options. It will also show you how to make your Old Mutual SuperFund Deferred Retirement Membership a vital part of your financial planning for your future.

### **REGULARLY CHECK THAT YOUR PERSONAL DETAILS ARE VALID**

Check all your personal details and beneficiary nominations, and keep these up to date by:

- Logging into your Old Mutual SuperFund Member web account, or
- Contacting the Old Mutual SuperFund Service Centre at 0860 20 30 40.

### **KEEP TRACK OF YOUR RETIREMENT SAVINGS AND INVESTMENT OPTIONS**

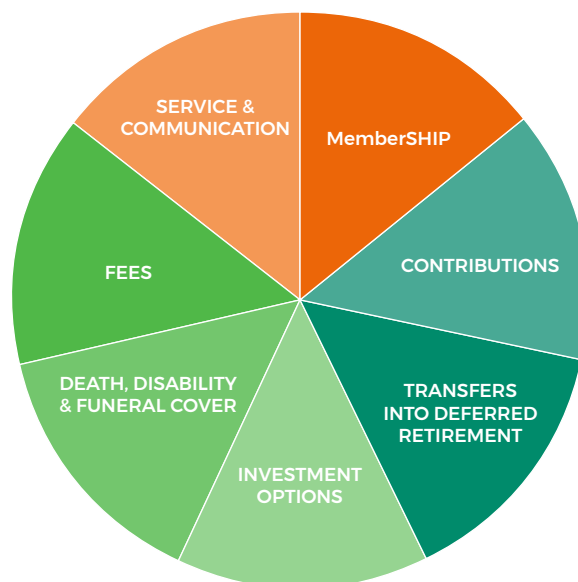
To do this:

- Login to your Old Mutual SuperFund secure Member web or mobile account.
- For more information on how to register for the service, refer to the Registration Guide in the Member pack or via the Old Mutual website <https://secure.oldmutual.co.za/registration>

### **MAKE SOME DECISIONS; DO SOME PLANNING!**

Consider your dreams and goals, as well as your fears and concerns, while you read this Guide. Re-evaluate your financial plan to make sure it meets your needs. You may want to contact an authorised financial adviser to help you with this. We'll tell you how, later in this Guide.

### 3. HOW OLD MUTUAL SUPERFUND DEFERRED RETIREMENT WORKS



#### MEMBERSHIP

With Old Mutual SuperFund Deferred Retirement you continue your Old Mutual SuperFund Membership, even though you have left your employer.

To be eligible for Old Mutual SuperFund Deferred Retirement you need to be:

- An Old Mutual SuperFund Member who is retiring from the participating employer due to early, normal, late or ill health retirement.
- You have other income sources and do not need a pension at point of retirement from employer.
- If you have an employer lien, you cannot join Old Mutual SuperFund Deferred Retirement.

Old Mutual SuperFund Deferred Retirement Membership is governed by the Master Rules of Old Mutual SuperFund. The Special Rules governing your previous employer's sub-fund no longer apply.

Old Mutual SuperFund Deferred Retirement Members do not have any group risk cover, such as death or disability cover. You are able to buy this cover through Old Mutual or any other risk service provider. Contact Member Support Services at 0860 38 88 73 for more information.

Please note that the investment portfolios as well as the investment and administration fees could be different from your current structure. For details regarding the investment portfolios and fee structures, please contact the service centre or access the Investment Portfolio and Fees list at [oldmutual.co.za/superfund/investment-funds](http://oldmutual.co.za/superfund/investment-funds).

#### CONTRIBUTIONS

While Old Mutual SuperFund Deferred Retirement may keep on growing the retirement savings you have invested, you are no longer able to make additional contributions. If you'd like to invest more towards your retirement, you could consider making contributions to a retirement annuity fund.

#### THE TWO-POT RETIREMENT SYSTEM

##### 1. WHAT IS THE MAIN PURPOSE OF THE TWO-POT RETIREMENT SYSTEM?

The Two-Pot Retirement System enables you to access a portion of your retirement savings (before retirement) for emergencies. The remaining portion of your savings will remain "preserved", meaning you will have to keep most of your retirement savings invested until you retire.

Important details regarding the Two Pot Retirement System is provided below.

## 2. WHO IS IT FOR?

It applies to any eligible Member of a South African pension, provident, retirement annuity or preservation fund. If a provident fund Member was 55 years or older on 1 March 2021, and on condition the Member remains in the same fund, they can continue with the previous system or opt-in to the new Two-Pot Retirement System. If however the Member transfers out of the fund to another fund, they will automatically be opted-in to the new Two-Pot Retirement System.

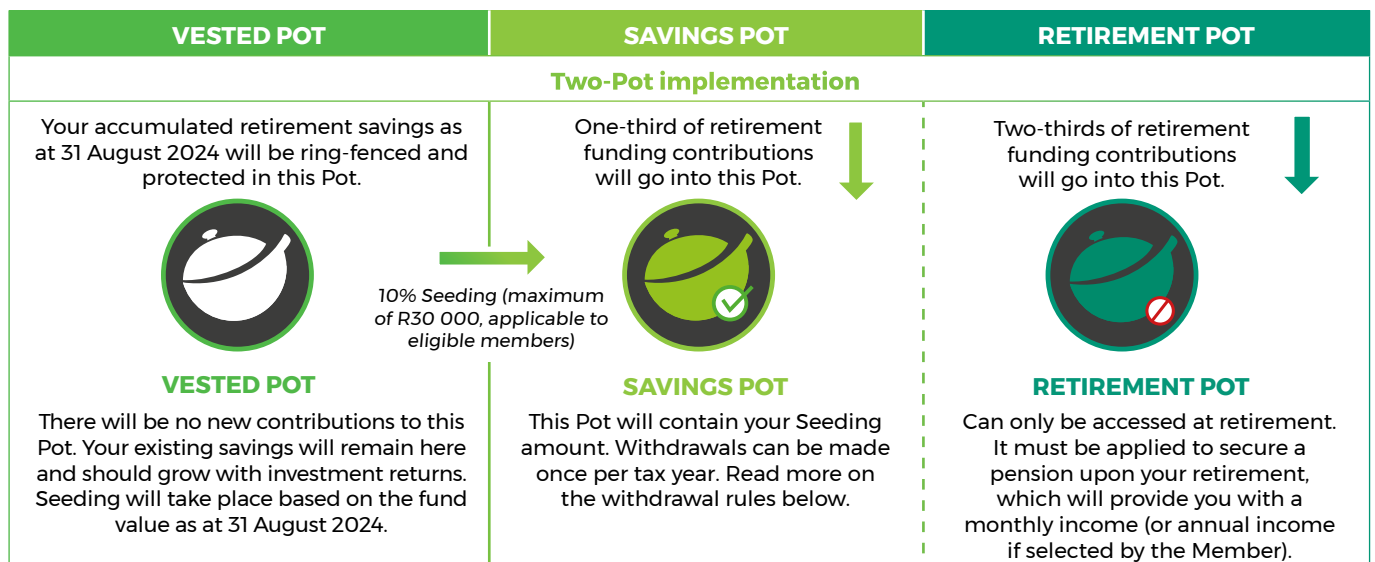
## 3. HOW DOES THE TWO-POT RETIREMENT SYSTEM WORK?

After 1 September 2024, all new retirement contributions (less administration fees and risk premiums, where applicable) will be divided into two Pots:

- A Savings Pot where one-third of contributions will be allocated and which a Member will be able to access before retirement if required, and
- A Retirement Pot, where the remaining two-thirds will be kept for funding the Member's income in retirement. This pot will be preserved until the retirement date of the Member.
- On or after 1 September 2024, there will be a once-off automatic allocation of 10% of the Member's existing retirement savings (capped at R30 000) transferred to the "Savings Pot" as an opening value.

The new Two-Pot Retirement System rules will only apply to new contributions after 1 September 2024. Retirement savings up to 31 August 2024, will be ring-fenced as the "Vested Pot", and the previous rules will continue to apply.

Here's a breakdown of how it will work for SuperFund Deferred Retirement as at 1 September 2024:



**Note:** Two-Pot will affect future retirement fund contributions (from 1 September 2024). As a Deferred Retirement Member, you will not receive future contributions, so this does not apply to you.

## 4. WHAT YOU NEED TO KNOW:

- The retirement savings from all the Pots applicable to a Member, will be held in one Member Account.
- Old Mutual SuperFund Members will be able to enquire or withdraw via WhatsApp. It is very important that we have your correct cell phone number, which you can update using the Old Mutual App (the digital home for your savings, insurance and investment portfolio) or via [Secure Services](#).
- The full Savings Pot amount can be withdrawn, however a withdrawal minimum of R2000 is applicable.
- If you resign from your job, you can only cash out your Savings Pot if the balance is less than R2000, and you haven't already made your one withdrawal for the tax year. If not, you'll need to preserve this benefit until your retirement date.
- If you were 55 and older and part of the Old Mutual SuperFund Provident Fund on 1 March 2021, you will need to opt-in to the Two-Pot Retirement System to qualify for a Savings Pot withdrawal.
- A transaction fee will be deducted from each Savings Pot Withdrawal value.

## 5. MORE ABOUT THE VARIOUS POTS (Three Pots will be available from 1 September 2024)

### 1. Savings Pot

- On or after 1 September 2024, 10% of your existing retirement savings (capped at R30 000) will be transferred to the Savings Pot (also referred to as 'seeding').
- You can access your money from the Savings Pot before retirement. You will be charged a transaction fee for each withdrawal to cover administration costs.
- Withdrawals can happen only once per tax year between 1 March and 28/29 February.
- The withdrawal is set at a minimum of R2 000. The maximum amount will be the balance available in the Savings Pot.
- The Savings Pot is designed to be your lump sum at retirement. Any amount withdrawn before retirement will reduce your lump sum.
- Any amount from your Savings Pot paid out upon retirement or death will be taxed at the current retirement fund lump sum benefit scales.
- Withdrawals from the Savings Pot before retirement or death, are taxed as part of your annual taxable income, calculated using your marginal tax rate.
- If you are a SuperFund Pension Fund and SuperFund Provident Fund Member with the same employer, you will have two separate Savings Pots and can withdraw from both.
- If you have any outstanding taxes payable to SARS (South African Revenue Service), this will be deducted before your benefit is paid.

### 2. Retirement Pot

- The Retirement Pot will follow you throughout your working life, even if you change employers or Funds.
- The savings in this Pot cannot be accessed whilst in employment.
- No withdrawals can be made from this pot before retirement.
- At retirement, the full amount in the Retirement Pot must be used to purchase an annuity from Old Mutual or an Insurer of your choice, which will give you a regular income during retirement.
- Should you die before retirement, the balance in your Retirement Pot will be paid to your beneficiaries.

### 3. Vested Pot

- Your accumulated retirement savings as at 31 August 2024, minus the amount transferred to your Savings Pot, will remain in the Vested Pot, and will be allocated investment returns (could be positive or negative). A transaction fee will be deducted from each withdrawal value. .
- The Vested Pot will not be impacted by the new rules i.e. it will remain subject to the pre-1 September 2024 access rules.
- Members cannot access the Vested Pot whilst in service.
- No further contributions may be made to the Vested Pot. It will continue to grow with returns less fees.
- For Provident Fund Members, the Vested Pot is made up of the Vested Provident Pot and the Vested Pension Pot:
  1. Vested Provident Pot - Retirement Savings (with investment growth) built up in the Fund prior to 1 March 2021. You can take this entire portion as a cash lump sum when you retire.
  2. Vested Pension Pot - Retirement Savings (with investment growth) from 1 March 2021.  
You can take a maximum of one-third of this portion as a cash lump sum. The balance (or full amount if no lump sum is taken) must be used to purchase a pension (annuity) in your name. If your full retirement savings amount is R247 500 or less, you have the option to take the entire amount in cash.

## 6. WHAT KEY INFORMATION IS NEEDED FROM YOU FOR THE TWO-POT RETIREMENT SYSTEM?

- First names
- Surname
- ID number/passport number
- Cell number
- Tax number
- Email address

All these must be as accurate as they are on the government system that generated them (Home Affairs and SARS). If incorrect, it may cause a delay in benefit payment.

## 7. MEMBERS 55 YEARS AND OLDER ON 1 MARCH 2021

The Two-Pot Retirement System will affect all retirement fund types, i.e. pension, provident, retirement annuity and preservation funds. However, Members who were 55 years or older on 1 March 2021, and remained in Old Mutual SuperFund, were excluded from this requirement and therefore not impacted by these changes (i.e. they were still able to take 100% of their benefit in cash at retirement). Members will be given 12 months in which to opt-in to the Two-Pot Retirement System from 1 September 2024.

## 8. THE TWO-POT CALCULATOR

### HOW TO USE THE TWO-POT CALCULATOR?

- 1 Scan the QR Code. It will open WhatsApp on your phone and will pre-populate the words **“Two-Pot”**. **Select send**.  
OR
- 2 Send **“Hi”** to **0860 933 333**. You will see menu item number 8. Two-Pot. Type **“8”** and select send.
- 3 Select **Calculate**
- 4 Select **Continue** and enter your **SA ID Number**
- 5 View your **Savings Pot estimate value**



## TRANSFERRING OTHER RETIREMENT SAVINGS TO YOUR OLD MUTUAL SUPERFUND DEFERRED RETIREMENT MEMBER ACCOUNT

Your retirement savings from other approved funds may be transferred to your Deferred Retirement Account, subject to what is allowed in terms of the Income Tax Act.

If you choose to consolidate any other retirement savings into Deferred Retirement in the future, the Two-Pot Retirement System rules will apply. The transfer amount will be split across the Vested (if applicable), Savings and Retirement Pots (based on what is received from the transferring fund).

Please contact our Service Centre at 0860 20 30 40 or email [superfund@oldmutual.com](mailto:superfund@oldmutual.com) to provide us with a list of paid up membership certificates for the funds you currently belong to and advise which of these retirement savings you would like to transfer to SuperFund.

Transfers can be arranged on your behalf at no cost. For help making a decision, speak to an Old Mutual SuperFund Retirement Benefit Counsellor (RBC) or call Old Mutual Member Support Services on 0860 38 88 73. However, the RBC will not advise you on which option to choose.

## INVESTMENT OPTIONS

1. Your retirement savings will remain invested, subject to the investment options that are available to Old Mutual SuperFund Deferred Retirement Members.
2. **If you were an Old Mutual SuperFund Customised Member before transferring into Deferred Retirement:**
  - You will remain in the investment portfolio(s) that you were invested in at the date you left your employment. Should you elect to switch out, only the standard range of Deferred Retirement portfolios will be available to you. Once you have elected to switch out, you will not be able to switch back into the investment portfolio(s) that you were invested in as an active Member (via your previous employer).
  - No future lifestage switching will take place in Deferred Retirement if you were invested in a bespoke Lifestage arrangement prior to the transfer. You may elect one of the standard Lifestage arrangements available in Deferred Retirement should you wish to remain in a Lifestage investment package.

**3. If you were an Old Mutual SuperFund Choice or Old Mutual SuperFund Easy Member before transferring into Deferred Retirement:**

- You will remain in the investment portfolio(s) that you were invested in at the date you left your employment. If you want to make an investment switch, the standard range of Deferred Retirement investment portfolios is available to you.
  - If you are in a standard Lifestage arrangement, future Lifestage switches will continue to operate as per the Lifestage model.
4. There is no minimum amount for investing in Old Mutual SuperFund Deferred Retirement.
5. Please see Section 4 for more information on the investment packages and investment portfolios available. It also has information on investment fees, and the rules for investment switching.

## DEATH, DISABILITY AND FUNERAL COVER

- As an Old Mutual SuperFund Deferred Retirement Member you do not have any group risk cover, such as death or disability cover. You are able to buy this cover through Old Mutual or any other Insurer and tailor it to your needs. Call Member Support Services at 0860 38 88 73 for more information or to apply for additional risk cover. Or, if you are moving to a new employer, that company may offer you group risk cover.

## FEES

- A monthly administration fee is charged in line with your investment package. This fee comes off the balance in your Old Mutual SuperFund Deferred Retirement Account.
- If the Fund needs to trace you or your dependants and nominees, tracing costs will be charged. These will come off the balance in your Old Mutual SuperFund Deferred Retirement Member Account.
- No fee is payable when you switch between investment portfolios or between investment packages.
- Depending on how the investment manager charges investment fees, these will either be deducted from the income of the investment portfolio, or from the balance in your Old Mutual SuperFund Deferred Retirement Member Account. For details about the investment portfolios and fee structures, please contact the service centre or access the Investment Portfolio and Fees list at [oldmutual.co.za/superfund/investment-funds](http://oldmutual.co.za/superfund/investment-funds).
- A transaction fee will be deducted from each Savings Pot Withdrawal value.

## SERVICE AND COMMUNICATION

- As an Old Mutual SuperFund Deferred Retirement Member, you have access to many helpful services designed to keep you in touch with your retirement savings.
- You will receive regular communication via email. Make sure we have your correct email address by checking the personal details section on your Old Mutual SuperFund Member website account or phoning the Old Mutual SuperFund Service Centre at 0860 20 30 40.

The reports include:

- An Annual Member Benefit Statement,
- Quarterly Investment Reports and
- Bi-annual Old Mutual SuperFund Deferred Retirement newsletters.
- Deferred Retirement Members can find out more about your retirement savings via WhatsApp to 0860 933 333

You have access to the Member secure website: If you are not already registered, then you need to do so. This service gives you:

- 24/7 secure access to your fund values and personal details.
- The ability to view current and previous reports and statements.
- The ability to switch between investment portfolios. In addition, you have access to the Old Mutual SuperFund mobile site which allows you to view your latest balance, investment unit holdings and latest unit price.

A dedicated service centre is available at 0860 20 30 40. Trained consultants will answer all your service queries, including questions about:

- Submitting a claim,
- Updating your personal details (via phone, sms, email, etc.),
- Updating your beneficiary nomination, and
- Switching between investment packages.

## 4. INVESTING YOUR RETIREMENT SAVINGS

As an Old Mutual SuperFund Deferred Retirement Member, you have a choice of how and where your retirement savings should be invested. Choosing the right investment package and portfolios for your retirement savings is very important in order to reach your retirement goals.

### MANAGING YOUR INVESTMENT RISK

As with any investment, your Old Mutual SuperFund Deferred Retirement savings are exposed to some risk. It is, therefore, important that you understand the different types of risk to ensure that you make the right investment decision.

**Please read this section carefully before making any investment decisions.**

No matter how your money is invested, it will always be exposed to some risk. This means there is a chance you might not achieve your long-term goals.

There are many risks, but you need to know about three main ones.

These are:

- **Inflation risk** - This refers to the chance of your investment not growing enough to beat inflation. This is the main risk that all Members face. Investment portfolios are designed to manage this risk.
- **Volatility risk** - This refers to the chance that the market performs poorly just when you want to access your investment. Inflation and volatility risks can work against each other. By reducing volatility risk, you may increase inflation risk, and the other way around.
- **Interest risk** - This refers to the possibility of long-term interest rates dropping before you buy your pension. This will result in a decrease in the monthly pension that you can buy with your retirement savings if you buy a level or fixed escalation pension that is guaranteed for life.

**Let's take a closer look at these risks and how they may affect you.**

#### **Inflation risk**

Do you remember how much one Rand could buy you ten years ago? Definitely much more than now! Inflation has made your one Rand worth less over time. So the buying power of your money has decreased. This means you can buy less with that money now, than you could in the past.

If you want your money to grow, you have to make sure that the investment return you receive on your money is higher than the rate of inflation. When the rate of inflation is low, you won't notice its effect as much.

Many people believe that your money will grow adequately in an investment, such as an ordinary bank account. Although the Rand value of this money may grow with some interest, inflation will still reduce the buying power of this money in the long term.

#### **Volatility risk**

This type of risk causes the value of investments to fluctuate in line with changing economic and market conditions. Volatility risk becomes very important when you access your Old Mutual SuperFund Deferred Retirement Member Account.

If your money is invested in high volatility investment portfolios, and the market falls just before you access your Member Account, the value of your investment could be reduced. Generally this is the risk that is referred to when talking about a person's risk profile.

The amount of volatility risk you choose to take is up to you. Some people prefer complete security, while others are prepared to take a risk for the potential of better growth.

Generally, a younger person, who has more time to recover from short-term losses, can afford to take more volatility risk than an older person who is close to retirement. However, as you grow older, you should reduce volatility risk so that your savings are not negatively affected by major market changes just before your retirement.

#### **Interest risk**

This risk only applies to someone who wants to buy a level or fixed escalation pension with his or her retirement savings. The risk is mainly that long-term interest rates may drop when you want to buy your pension. If the interest rates drop, investment returns are lower. As a result, the monthly pension that you can obtain will be less.

### **The impact of risk on your investment decision**

Every Member of Old Mutual SuperFund Deferred Retirement is different. So, there are different investment packages to choose from, depending on how involved you want to be in the investment of your money.

The most important step you can take towards your future financial security is to develop a plan. Then you need to choose your investment package and investment portfolios in line with that plan. If you're not sure how to do this, call Member Support Services at 0860 38 88 73, and they'll help you contact a financial adviser.

Your main decision is which investment package suits you best. The next section explains the four investment packages – each of differing in terms of cost, your level of involvement and your investment choices.

## **YOUR OLD MUTUAL SUPERFUND DEFERRED RETIREMENT INVESTMENT PACKAGE OPTIONS**

The investment packages are:

- Lifestage
- Trustee selected default (currently Old Mutual Absolute Stable Growth)
- Old Mutual Albaraka
- Strategy
- Extended

Even though Old Mutual SuperFund Deferred Retirement offers you a lot of investment choice, it might not include some of the investment portfolios you had before.

**Note: please speak to an authorised financial adviser before making investment decisions that may affect the value of your retirement savings.**

### **Lifestage Package**

- This package comes with a minimal administration fee.
- Depending on how the investment manager charges investment fees, these will either be deducted from the income generated by the investment portfolio or from the balance in your Old Mutual SuperFund Deferred Retirement Member Account.
- It offers a choice of four distinct Lifestage investment options for Members who want an automated and seamless investment development solution that switches them into appropriate investment portfolios as they progress through life. Members are invested in a growth portfolio for most of their working lifetime, and automatically transitioned to a more conservative portfolio as they near retirement.
- Lifestage Members can specify their own Target Retirement Age.
- The Member can choose to move from one Lifestage option to another, provided that 100% of all retirement savings are directed to a single Lifestage option at any given time.
- Members can choose to move in or out of the Lifestage package at any time.

### **Trustee Selected Default**

- This package comes with a minimal administration fee.
- Investment fees are deducted and reflected in the unit price of your portfolio.
- It offers no investment choice – your savings are invested in the smooth bonus portfolio selected by the Old Mutual SuperFund Management Board (Trustees).
- This package is suited to people who want security and peace of mind, without having to worry about which investment they must choose.

### **Old Mutual Albaraka Package**

- This package comes with a minimal administration fee.
- An Islamic-compliant (Shari'ah) Investment Fund provides steady, long-term capital growth
- No investment decision-making required by the Member

### **Strategy Package**

- This is an average cost package.
- Depending on how the investment manager charges investment fees, these will either be deducted from the income generated by the investment portfolio or from the balance in your Old Mutual SuperFund Deferred Retirement Member Account.
- The Strategy package offers you various investment portfolios, including lifestaging solutions. For more information, go to [oldmutual.co.za/npw/superfund-investment-funds](http://oldmutual.co.za/npw/superfund-investment-funds)
- You may switch between the different investment portfolios offered within the Strategy package.
- There is no switching fee.

**Note: It is recommended that you receive advice from an authorised financial adviser when choosing this package.**

#### **Extended Package**

- This package has the highest cost.
- Depending on how the investment manager charges investment fees, these will either be deducted from the income generated by the investment portfolio or the balance in your Old Mutual SuperFund Deferred Retirement Member Account.
- You can structure your own investment portfolio by choosing from a broad range of investment portfolios from Old Mutual and other investment managers. For more information, go to [oldmutual.co.za/npw/superfund-investment-funds](http://oldmutual.co.za/npw/superfund-investment-funds) or telephone the Old Mutual SuperFund Service Centre at 0860 20 30 40
- You may switch between the different portfolios offered within the Extended package.
- There is no switching fee.
- This package is suited to people who want to have control over the investment of their retirement savings and are not afraid of the risk involved in managing their own portfolio.

**Note: It is recommended that you receive advice from an authorised financial adviser when choosing this package.**

For information on the investment packages, go to [oldmutual.co.za/SuperFund](http://oldmutual.co.za/SuperFund) or telephone the Old Mutual SuperFund Service Centre at 0860 20 30 40.

Ensure your future financial security by developing a plan before you make your investment decisions. If you're not sure how to do this, contact **Member Support Services** at **0860 38 88 73** and they will help you contact an authorised financial adviser.

#### **SWITCHING FROM ABSOLUTE GROWTH INVESTMENT PORTFOLIOS AND COREGROWTH 100 FUND**

Switching out of Absolute Growth Investment Portfolios and CoreGrowth 100 Fund will be subject to a market value adjustment, unless you switch on 31 March or 30 September and provide three months' notice.

For more information on the market value adjustment, please read the Absolute Growth Investment Portfolios switches information on the Investment Change Form found at [oldmutual.co.za/superfundforms](http://oldmutual.co.za/superfundforms).

If you are unsure about your decision you should speak to your adviser, or contact Member Support Services at 0860 38 88 73, who will then put you in contact with an authorised financial adviser.



## 5. BENEFITS

As an Old Mutual SuperFund Deferred Retirement Member, the following benefits apply to you:

- Savings Pot Withdrawal
- Retirement
- Death

In all cases, the benefit will be made up of the balance in your Old Mutual SuperFund Deferred Retirement Member Account (consisting of your Vested, Savings and Retirement Pots) at the time that the benefit is paid. This means that your benefit is made up of your original Old Mutual SuperFund Deferred Retirement amount, plus all further amounts you transferred into your Old Mutual SuperFund Deferred Retirement Member Account plus growth.

### SAVINGS POT WITHDRAWAL

You can receive your entire withdrawal benefit in cash, excluding your Retirement Pot, unless specifically allowed by the Two-Pot Legislation (refer to THE TWO POT RETIREMENT SYSTEM above).

To initiate a Savings Pot withdrawal, the Member must submit a claim:

- via Whatsapp on 0860 933 333, or
- via the Old Mutual App, or
- via the Old Mutual Member Web

### RETIREMENT

You can choose to retire from Old Mutual SuperFund Deferred Retirement at any time. Please note that when you retire from Old Mutual SuperFund Deferred Retirement, you must also retire from your other SuperFund retirement savings accounts, including Preserver.

#### What are my options at Retirement?

- Use the full amounts in the Savings, Retirement, and Vested Pots (if applicable) to buy an annuity to provide an annuity to provide a regular income during retirement.
- Take a portion or the full amount in the Savings Pot as a cash lump sum (subject to tax).
- Take up to a third of the Vested Pot (if applicable) as a cash lump sum, but you must use the balance to purchase an annuity to provide you with a regular income during your retirement.
- If two-thirds of the Vested Pot (if applicable) plus the amount in the Retirement Pot (full amount) is less than R165 000, a Member may take the full amount as a cash lump sum.

#### When may you access the full retirement value before age 55?

- If you no longer live in South Africa (cessation of tax residency) as defined by SARS, taxed at marginal tax rates.
- If you are permanent disabled, provided your disability claim is approved. If declined, you could still use the ill-health early retirement option.
- In the case of cessation of South African tax residency, ie where you have or intend to cease to be a tax resident in South Africa, you will be able to access your Retirement and Vested Pots before actual retirement.

#### If you are an Old Mutual SuperFund Provident Fund Member and was 55 years or older on 1 March 2021:

- You can take your entire Retirement Benefit as a cash lump sum when you retire (if you have not opted-in to the Two-Pot system).
- Any Member who transferred to Deferred Retirement and selected not to opt-in to the Two-Pot Retirement System, will have their transferred amount protected and will not be compelled to purchase a pension upon retirement.
- If a Member decided to opt-in to the Two-Pot Retirement System, prior to becoming a Deferred Retirement Member, the entire benefit must be in accordance with the Two-Pot Retirement System.
- Your Vested Pot is made up of the Vested Provident Pot and the Vested Pension Pot:
  1. **Vested Provident Pot** - retirement savings (with investment growth) built up in the Fund prior to 1 March 2021. You can take this entire portion as a cash lump sum when you retire.
  2. **Vested Pension Pot** - retirement savings (with investment growth) from 1 March 2021.  
You can take a maximum of one-third of this portion as a cash lump. The balance (or full amount if no lump sum is taken) must be used to purchase a pension (annuity) in your name. If your full retirement savings amount is R247 500 or less, you have the option to take the entire amount in cash.

#### Members can opt-in from 1 September 2024 via WhatsApp at 0860 933 333.

- The decision to opt-in to Two-Pot is irreversible - there is no option to opt-out.
- After a Member opt-in, the retirement savings will switch to the Two-Pot structure in the month following the election.

## Buying a pension

When you buy a pension (also known as an annuity), your retirement money is paid over to an insurer of your choice, who then provides you with a regular monthly income. You can choose from different kinds of annuity products depending on your personal circumstances and needs.

The annuity you choose will determine, for instance, the size of your pension income, whether your pension will increase in future, the extent of the increase, if any, whether your dependants will receive a benefit after your death, and whether you will be able to control your level of income after retirement.

You also have the option of purchasing multiple annuity products, each one with its own set of policy conditions.

**Most insurers offer four basic types of pension or annuities (even though they may give them different names):**

- **Level annuity** – Your monthly pension will remain exactly the same from year to year. This annuity therefore does not offer any protection against inflation.
- **Guaranteed escalating annuity** – Your monthly pension will increase at a pre-set rate every year, offering some protection against inflation.
- **With-profit annuity** – Provides a guaranteed income for life. The income generally grows with inflation, unless certain specific events occur. You need to ask the insurer about such events.
- **Inflation-linked annuity** – Provides a guaranteed income growing with inflation for the lifetime of the individual.

These pensions are subject to the requirements issued by the South African Revenue Services.

Combining different annuities gives you the advantage of more flexibility in providing for your needs and determining your income levels. You also have greater peace of mind by not having “all your eggs in one basket”.

## OLD MUTUAL SUPERFUND SOLUTIONS AT RETIREMENT

Old Mutual SuperFund Solutions At Retirement offers 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 are supported by a helpful at-retirement guidance process that you can follow with the help of an Old Mutual Member Retirement Counsellor or your financial adviser.

### OLD MUTUAL FUND SELECT ANNUITY (GUARANTEED ANNUITY)

This annuity pays you a guaranteed monthly income 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 Fund Select Annuity mean that you will never stop receiving your income for as long as you are alive. In exchange for this security throughout your retirement, Fund Select Annuity does not 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 an income if you pass away. These options will reduce the amount of retirement income that you receive.

### OLD MUTUAL MAX INCOME INVESTMENT FUNDED INCOME LIVING ANNUITY

This living annuity 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. You can choose this income amount from the options made available by the Old Mutual SuperFund Management Board. Unlike Fund Select Annuity, there is no guarantee that this income in retirement will continue for the rest of your life - so you need to make good decisions about how much income you want to receive. However, unlike with Fund Select Annuity, should you pass away before your invested amount is used up, the remaining amount can be left to your loved ones or form part of your estate.

You can access these annuities directly. Alternatively you can speak to a financial adviser, and an advice fee may be payable to that adviser.

To find out more about the Old Mutual Fund Select Annuity and Old Mutual Max Income Investment Funded Income, go to [oldmutual.co.za/superfundannuity](http://oldmutual.co.za/superfundannuity) or contact Member Support Services at 0860 38 88 73.

## DEATH

If you die while you are an Old Mutual SuperFund Deferred Retirement Member, the balance in your Old Mutual SuperFund Deferred Retirement Member Account (consisting of your Vested, Savings and Retirement Pots), will be used to provide a death benefit. The death benefit does not form part of your Estate and it is not paid out according to what you have said in your Will.

The beneficiaries will get the death benefit and they can choose to receive it in cash, invest it in a beneficiary fund or a trust, or use it to buy a pension. Any cash amount will be taxed, as will an amount placed in a beneficiary fund or trust. The capital used to buy a pension will not be taxed, but the pension they receive as a result will be.

A beneficiary should speak to an authorised financial adviser before deciding to take the cash or buy a pension.

### **Who will receive the death benefit?**

The people who will receive your death benefit are called beneficiaries. There are two kinds of beneficiaries – dependants and nominees. To make sure the Old Mutual SuperFund pays your benefits to the right people, you must nominate your dependants or nominees. You can also nominate a trust or beneficiary fund to receive payment of a beneficiary's amount - especially if you're worried about their ability to ensure that the money lasts a long time. Your nominations and instructions to the Trustees of the Old Mutual SuperFund Management Board can be changed at any time by calling the Old Mutual SuperFund Service Centre at 0860 20 30 40, or you can login to the Member area of the Old Mutual SuperFund website. See Section 7 of this Guide, "Other Useful Information", for more detail about the payment of a death benefit.

### **When will the death benefit be paid?**

The last thing anyone wants is to have financial concerns while trying to cope with the loss of a loved one. However, because of the lengthy legal process that the Trustees of Old Mutual SuperFund Management Board must follow, it may take quite a long time for your dependants to receive the benefit money.

### **What about tax?**

Lump sum death benefits are taxed in the same way as retirement benefits. The tax rates that apply to such cash amounts are the same rates as applied to the cash portion of a retirement benefit - please see the tax table in the section on Retirement Benefits for these tax rates. To find out the exact amount of tax that will have to be paid, it's best to speak to an authorised financial adviser.



## 6. FINANCIAL PLANNING

### THE VALUE OF A FINANCIAL PLANNER

You should plan for your retirement and long-term financial needs during your working years. It's important to start planning as early as possible and then keep on checking your plan.

The best way to ensure the success of any financial plan is to get input from a qualified professional. When you're ready to put your financial plan in place, contact **Member Support Services at 0860 38 88 73** and they will arrange a no-obligation, no-cost meeting with an authorised financial planner near you.

Whatever your plan eventually looks like, two of the most important things to think about are protection and wealth building:

### PROTECTION

Protection is insurance against unexpected illness, disability or death. An example of this would be policies providing income or a cash lump sum in the event of your death, disability or a severe illness (often called "risk cover"). As this type of cover is not included in Old Mutual SuperFund Deferred Retirement, you need to make sure that you get the cover you need as part of your financial plan.

Often, employers offer risk cover benefits that may meet some or all of your needs. Even if your new employer does, it is still important that you speak to a financial adviser about exactly what death and disability cover you should have.

### WEALTH BUILDING

Wealth building is saving money for your future financial needs. An example of this would be saving in a pension/provident fund, retirement annuities, preservation funds and/or other investments.

While Old Mutual SuperFund Deferred Retirement is a good way of growing the retirement savings you have achieved so far, you are not able to make additional contributions. You should guard against depending only on your Old Mutual SuperFund Deferred Retirement retirement savings to meet all your retirement needs. Instead, speak to a financial adviser and work out how much you will need when you retire. If your retirement needs are still not met then you need to make sure that you are saving enough to meet these needs - whether through a retirement annuity, another contribution-based retirement fund, or some other investment.

**Note: The amount of protection and wealth building you need depends on you. Speak to an authorised financial adviser about your needs.**

## 7. USEFUL INFORMATION

### MAKING THE RIGHT DECISION ABOUT WHEN TO RETIRE

Postponing your retirement from Old Mutual SuperFund allows you to benefit from additional growth on your savings; this means that you get better annuity rates when you retire. Old Mutual SuperFund Deferred Retirement should be considered by Members that are concerned that they may not have sufficient savings for retirement.

This facility is as equally important for Members that have enough saved but desire additional growth on their savings. It is important that Members considering postponing retirement have a stable source of income during the deferment term to support themselves.

There are three key considerations for retiring Members:

- Do I have enough saved to retire comfortably
- Will I have a steady income source, other than my Old Mutual SuperFund retirement benefit, after I retire from my employer
- How long can I afford to postpone my retirement

It is advised that you consult a financial adviser before making a decision to make sure that the decision you make is the right one for you and your family.

### HOW CAN I KEEP TRACK OF MY RETIREMENT SAVINGS?

At least once a year you'll receive a Member Benefit Statement from Old Mutual SuperFund Deferred Retirement. This has information about your Deferred Retirement savings and the benefits you can expect to receive from Old Mutual SuperFund. The benefits are usually calculated up to the date of the Statement.

## WHAT MUST I DO WITH MY STATEMENT?

Make sure your personal information on the statement is correct and inform the Service Centre at 0860 20 30 40 immediately if there are any errors or changes.

As a responsible person saving towards your retirement, you must continuously review your investment selections. But, at least do so when you receive your Annual Member Benefit Statement.

Think about whether you want to switch to another investment package or change your investment funds.

It's a good idea to work with an authorised financial adviser who will help you to do a regular review of your retirement plan.

**WHATSAPP**

Follow the steps below:

1. Scan the QR code or save 0860 933 333 as a contact.
2. Type "Hi" to SuperFund on WhatsApp.
3. Select option 4 ("View employment retirement savings").
4. Select option 2 ("Retrieve Documents").
5. Select option 2 ("Request Annual Member Benefit Statement").

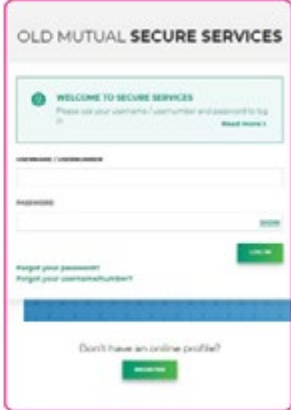
**Please note:** SuperFund needs your cell phone number on our system for the WhatsApp service to work. You can update your contact details through your Employer or call our Customer Service Centre on 0860 20 30 40 and our experienced SuperFund agents will assist you.



**SECURE SERVICES**

Follow the steps below:

1. Log in to [Secure Services](#). ([Click here](#) for a guide on how to register for Secure Services.)
2. Under "Your Websites", select "My Portfolio".
3. Scroll down to "Your Retirement Savings" and click on "Retirement Savings Detail".
4. Under "Your Investments", select "Old Mutual SuperFund - Retirement Benefit".
5. Click on "Documents".
6. Under "Documents", select the latest "SuperFund Member Benefit Statement".



## AVOIDING HARDSHIP FOR YOUR LOVED ONES IF YOU DIE

If you die while you are a Member of Old Mutual SuperFund Deferred Retirement, your beneficiaries will receive a death benefit. This benefit is not paid out according to your Will.

The Pension Funds Act lays down strict rules that the Trustees must follow. These include a ruling that the Trustees have to conduct a thorough investigation to find out who your dependants are, before they may pay out any benefit. They must be able to show that they have split the benefit fairly. This may take some time. To help move this process along, you need to make sure that you have nominated your beneficiaries using the Nomination of Dependants and Beneficiaries form that is available at [oldmutual.co.za/superfundforms](http://oldmutual.co.za/superfundforms). This will be a useful guide to the Trustees because it shows them your dependants and how your benefit should be split up.

Send your completed form to Old Mutual SuperFund, PO Box 728, Cape Town 8000 or fax it to 0860 38 38 48.

The people who will share your death benefit are called your beneficiaries. There are two kinds of beneficiaries, namely dependants and nominees.

According to the Pension Funds Act, a dependant is:

- a) A person in respect of whom the Member is liable for maintenance;
- b) A person in respect of whom the Member is not legally liable for maintenance, if such a person:
  - i) was, in the opinion of the board, upon the death of the Member in fact dependent on the Member for maintenance;
  - ii) is the spouse of the Member;
  - iii) is a child of the Member, including a posthumous child, an adopted child and a child born out of wedlock.
- c) A person in respect of whom the Member would have become legally liable for maintenance, had the Member not died

## DIVORCE AND YOUR OLD MUTUAL SUPERFUND DEFERRED RETIREMENT SAVINGS

Any divorce order that was granted before you became an Old Mutual SuperFund Deferred Retirement Member is still valid if your ex-spouse has not yet claimed his/her divorce award from the Fund. Your ex-spouse may take the divorce award in cash or transfer it to another fund. He/she cannot use this divorce award to become an Old Mutual SuperFund Deferred Retirement Member.

Members cannot claim from their Savings Pot if the Fund has received written notice of divorce or maintenance award proceedings, until any lien or award is settled.

If you get divorced after becoming an Old Mutual SuperFund Deferred Retirement Member, you may include any portion of your Old Mutual SuperFund Deferred Retirement Member Account in the amount of pension interest awarded to your non-Member spouse, except that there is no concept of awarding pension interest if you were married out of community of property on or after 1 November 1984 in terms of an antenuptial contract by which community of property, community of profit and loss and the accrual system are excluded.

**Before deciding on a course of action you should consult with your attorney, as Old Mutual SuperFund does not provide advice in this regard.**

## SUBMITTING A CLAIM

Before a benefit can be paid to you, or your family (in the event of your death), a SuperFund Claim must be submitted digitally via [MyClaim](#)



## HOW TO TRACK YOUR CLAIM

When you submit your claim, you'll be notified via SMS that the claim is now with your employer. We will keep you informed via SMS on the progress of your claim. If you need any assistance or support, please contact the call centre at 0860 20 30 40.

## ACCESS TO INFORMATION

The Rules of the Fund, financial returns and most recent actuarial valuation report can be inspected at the registered office of the Fund. If you want any copies, you may need to pay the costs for these.

## RESOLVING DISPUTES

### WHAT IF I HAVE A COMPLAINT AGAINST THE FUND?

If you are dissatisfied with any aspect of Old Mutual SuperFund (including its administration and investments), please contact the Service Centre on 0860 20 30 40 or email [membercomplaints@oldmutual.com](mailto:membercomplaints@oldmutual.com)

You have the right to receive a reply within 30 days of your complaint being received. If you remain dissatisfied with the outcome of your complaint, you may lodge your complaint with the Pension Funds Adjudicator at [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za).

# CONTACT DETAILS

### The Service Centre address:

Old Mutual SuperFund Deferred Retirement  
Tel 0860 20 30 40  
Email [superfund@oldmutual.com](mailto:superfund@oldmutual.com)  
Website [oldmutual.co.za/SuperFund](http://oldmutual.co.za/SuperFund)

Or you can send the written complaint to the Old Mutual SuperFund Service Centre and it will be forwarded to the Principal Officer. If you are not satisfied with the response you get, you can take your complaint to the Pension Funds Adjudicator.

## SEND YOUR COMPLAINT IN WRITING, WITH YOUR PERSONAL DETAILS, ALL INFORMATION, AND ANY SUPPORTING DOCUMENTS TO:

The Pension Funds Adjudicator  
PO Box 580  
Menlyn 0063  
Tel: 012 748 4000 / 012 346 1738  
Email: [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za)

### Old Mutual SuperFund Deferred Retirement contact details

Tel 0860 20 30 40  
Email [superfund@oldmutual.com](mailto:superfund@oldmutual.com)  
Website [oldmutual.co.za/SuperFund](http://oldmutual.co.za/SuperFund)

### Physical address

Old Mutual SuperFund Deferred Retirement  
Mutualpark  
Jan Smuts Drive  
Pinelands 7405

### Old Mutual SuperFund Service Centre hours

Monday - Friday, 08:00 - 17:00

