



## ABOUT THE FUND

SARAF started as a retirement annuity fund in 1961. Old Mutual Life Assurance Company (South Africa) Limited (Old Mutual) is the sponsor and administrator of SARAF.

SARAF is duly registered with both the Financial Sector Conduct Authority (FSCA) and the South African Revenue Service (SARS), in compliance with applicable legislation. It operates as an independent legal entity, distinct from its sponsor and fund administrator, Old Mutual, and is governed by a Management Board, also referred to as the Board of Trustees.

All benefits payable by SARAF are secured through policies underwritten by Old Mutual Life Assurance Company (South Africa) Limited. Members are offered a broad range of investment options designed to align with varying risk profiles and growth objectives, including access to external investments. It is important to note that, by law, all policies are owned by SARAF and not by its members. These policies serve as the underlying instruments from which benefits are provided in accordance with SARAF's rules.

Upon retirement from SARAF, Old Mutual provides a suite of income-generating solutions tailored to meet diverse retirement needs. Depending on individual circumstances and preferences, members may choose between a guaranteed income, an income linked to investment market performance, or a blended solution that combines both features. Such income-generating solutions are owned by the pensioners and not the Fund.

### **MEMBERS:**

To cater to the diverse needs of members and prospective members, SARAF offers a range of investment portfolios for new contributions. With guidance from their financial advisers, members may select the portfolios most suited to their individual circumstances. It is important to note that members assume the investment risk associated with the performance of the portfolios they choose.

Key features of membership:

- **Voluntary participation:** Membership of SARAF is voluntary and open to all individuals residing in South Africa.
- **Flexible contributions:** Prospective members have the flexibility to decide how much they wish to contribute towards their retirement, subject to product-specific limits.
- **Tax efficiency:** Contributions may be tax-deductible, within the limits prescribed by legislation.

In addition, SARAF accepts transfers of benefits from other approved retirement funds, providing members with the opportunity to consolidate their retirement savings.



## **OBJECTIVES:**

SARAF is designed to assist members in making provision for retirement in a tax-efficient manner. For some members, it serves as their primary vehicle for retirement savings, while for others it complements existing retirement arrangements. In the event of a member's death prior to retirement, SARAF also provides death benefits to the member's dependants and/or nominated beneficiaries.

## **FUND MANAGEMENT**

SARAF is governed by a Management Board, also referred to as the Board of Trustees. Members of the Management Board are appointed by Old Mutual in consultation with the existing Board.

The Principal Officer, appointed by the Management Board, is responsible for overseeing the Fund's operations and ensuring effective management of its service providers. In addition, the Principal Officer serves as the primary liaison with the Financial Sector Conduct Authority (FSCA) and is accountable for meeting all regulatory obligations, including the submission of annual financial statements, levies, and other statutory requirements. The Principal Officer is appointed by and reports to the Management Board and is not an employee of the Sponsor or Fund Administrator.

### ***OBJECTIVE AND DUTIES OF THE MANAGEMENT BOARD:***

The Management Board must direct, control and oversee the operations of SARAF in terms of legislation and the fund's rules. To do this, the Management Board must:

- Take all reasonable steps to ensure that the interests of its members, in terms of the **rules of the Fund** and the provision of the **Pension Funds Act**, are protected at all times.
- Act with due care, diligence and good faith.
- Avoid conflict of interest.
- Act objectively in respect of all members and beneficiaries.

In order to achieve this SARAF has appointed various service providers: these include, an administrator, external auditors, an investment consultant, Legal Consultant and a valuator.

### ***OPERATIONS OF THE BOARD:***

Currently the Management Board consists of eight trustees, four of whom are independent.

Due to the complexity and size of SARAF, the board has created sub-committees to investigate and attend to particular matters on its behalf. The following sub-committees have been created:

- Governance and Investment
- Audit
- Claims
- Administration and Communication

These subcommittees enable SARAF to maintain good governance and ensure that the interests of the Fund and its members are attended to at all times.



## ***SERVICE PROVIDERS:***

SARAF appointed the following service providers:

- Auditors: [Price Waterhouse Coopers](#)
- Administrator: Old Mutual (South Africa) Life Assurance Company Ltd
- Investment Adviser: Dennis Murray, Senior Old Mutual Corporate Consulting Consultant.
- Investment Adviser: Warren Arumugam, Old Mutual Corporate Consulting Consultant
- Actuary: Stephen Walker, Consulting Actuary
- Pierre Pretorius: Legal Consultant