

INVESTMENTS

115 West Street, Sandown, 2196 | PO Box 786055, Sandton, 2146  
**Telephone number:** 0860 333 316 | **Fax number:** +27 (0) 11 263 6142  
**General queries email:** [afinvestcontactcentre@forbes.com](mailto:afinvestcontactcentre@forbes.com)  
**Transactional email:** [afinvestinstructions@alexanderforbesinvestments.com](mailto:afinvestinstructions@alexanderforbesinvestments.com)  
**Website:** [www.alexanderforbesinvestments.co.za](http://www.alexanderforbesinvestments.co.za)

# Group Retirement Annuity Fund

## Member Application

### Guide to investing



**STEP 1**  
**Make an informed decision**

- Read the **FACT SHEET(S)** available on the website (click on the name to download the document). Consider getting financial advice from an accredited financial adviser if you are uncertain about your investment choices.
- To fully understand the costs involved for this application, please speak to your financial adviser or call our Contact Centre on 0860 333 316, to obtain an Effective Annual Cost (EAC) disclosure.



**STEP 2**  
**Select a portfolio**

- Select a portfolio or a combination of portfolios that are appropriate for your circumstances.



**STEP 3**  
**Complete the application form**

- Complete all fields marked with an asterisk (\*).
- Read the Terms and Conditions (refer to page 12).
- For assistance phone: 0860 333 316.



**STEP 4**  
**Submit the application form**

- Email: [law-ra@forbes.co.za](mailto:law-ra@forbes.co.za)
- We must receive your application form 10 business days before your first contribution.



**STEP 5**  
**Submit your supporting documents**

- You must attach the following documents to your application:
  - Your **FICA documents** (refer to page 10 of this form for the FICA requirements).
  - **Proof of Banking Details** (e.g. copy of a bank statement or letter from the bank (not older than three (3) months).
- We reserve the right to request additional information.



**STEP 6**  
**What happens next?**

- Following receipt of a complete application form and your first contribution, you will receive confirmation of membership and investment by email.

## Member details

Please complete all fields marked with an asterisk (\*).

Name of employer\*

Surname\*

Title

First name(s)\*

Identity number\* (SA residents) or passport number (non-SA residents) as applicable

Date of birth\*

Gender

Male

Female

Country of birth\*

SA income tax number\*

Nationality\*

Country of residence\*

Country of issue (passport)

Expiry date (passport)

**Contact numbers\***

home

work

cellphone

fax

Email address\*

Select your retirement age

OR

Retirement age as prescribed by the transferring fund

Please provide your email address and cellphone number if you want to register for online access.

**Residential address\***

Unit number

Complex name

Street number

Street/farm name

Suburb/district

City/town

Country

Postal code

**Postal address** (if different to residential address)

City/town

Country

Postal code







## Regular debit order instruction

**Attach a bank statement or letter from the bank (not older than three (3) months) to confirm the banking details provided below. If this is not your bank account, attach the account holder's FICA documents. If the account holder is a legal entity, attach the entity's FICA documents and proof of authority to give this debit instruction. For a list of required FICA documentation, please refer to the checklist on page 10.**

Amount

R           .

Name of bank

Branch code

Account holder

Account type

Current  Savings  Transmission

Account number

Branch name

Commencing on

1st  15th  25th of

Increase date

/   /

Increase rate % p.a.

5%  10%  15%  20%

Debit orders are applied on the **1st, 15th or 25th** of each month. If the day you have chosen falls on a non-business day, we will apply the debit order on the next business day.

**We have a 45-day clearance period on all debit orders. Your final contribution can therefore not be paid as part of any exit benefit from the Fund until the 45-day clearance period has expired.**

I hereby authorise Alexander Forbes Investments to debit the above bank account.

I understand that all such withdrawals from my bank account shall be treated as though they had been authorised by me personally.

Signature of account holder \_\_\_\_\_

Date   /   /

## Transferring fund information

**This section must be completed if you are transferring funds from another approved fund. Your transfer will be delayed if you do not complete this section.**

**Retirement Fund**

Yes  No

Member number

Name of fund

FSB registration number

Contact name

Contact number



**FAIS declaration**

- 1. I/We declare that I/we am/are a licensed Financial Services Provider and have made the disclosures required in terms of the *Financial Advisory and Intermediary Services Act 37 of 2002*, and subordinate legislation thereto, to the client.
- 2. I/We declare that I/we have disclosed all the charges related to this transaction to the client and understand that the client may cancel my/our charges and appointment at any time in writing.
- 3. I/We confirm that all information provided herein is true and correct and I/we have read and understood the content of this form.

**FICA declaration**

I confirm that Alexander Forbes Investments Limited is the primary accountable institution in terms of the *Financial Intelligence Centre Act (FICA)*, and is responsible for the identification and verification of the client. This application will only be processed on completion of such identification and verification.

Signature of financial adviser \_\_\_\_\_

Date 

d	d	/	m	m	/	y	y	y	y
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**Financial adviser charges**

Initial charge  .  % (excluding VAT)

- If no initial adviser charge is indicated 0% will apply.
- No initial adviser charges are payable on Section 14 transfers between Retirement Annuity Funds in terms of Section 14(7)(b) of the *Pension Funds Act*.

Annual charge  .  % (excluding VAT)

**Please indicate from which portfolio(s) your annual charge must be paid.**

Proportionally from all your portfolios, **OR** from  \_\_\_\_\_ portfolio.

- If no annual charge is indicated 0% will apply.
- The annual charges (plus VAT) will be recovered by selling units.
- The charge is calculated daily and is paid to your appointed financial adviser on a monthly basis.
- Ongoing charges may be paid to your appointed financial adviser and should be revised and confirmed annually.
- Where a Section 14 transfer has taken place, ongoing charges may be paid to your appointed financial adviser and should be revised and confirmed annually.

Member signature \_\_\_\_\_

Date 

d	d	/	m	m	/	y	y	y	y
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**Member declaration**

- 1. I confirm that all information provided herein is true and correct and I have read and understood the contents including the Terms and Conditions of this form.
- 2. I confirm that my employer has explained to me that I may appoint, remove or replace a financial adviser. I understand that if my employer has negotiated the appointment and financial charges on my behalf, I will have access to that financial adviser.
- 3. I agree that the Administrator may accept written instructions from my financial adviser or my employer on my behalf.
- 4. I understand that my financial adviser must be authorised in terms of the *Financial Advisory and Intermediary Services Act 37 of 2002*, and that if my financial adviser is not appropriately authorised, Alexander Forbes Investments must by law decline any instructions from my financial adviser.
- 5. I confirm and give consent for the Fund to deduct financial adviser charges from my investment as agreed with my employer.
- 6. I have not received financial advice from the Board of Trustees, Alexander Forbes Investments, the Administrator or my employer.
- 7. I confirm that my financial adviser will have access to my investments in electronic format as made available by the Administrator from time to time.
- 8. I agree and confirm that my membership is subject to the Rules of the Fund, governing legislation and the Terms and Conditions of membership. I agree that in the event of conflict between the Terms and Conditions of membership and legislation, the rules of the Fund and legislation will prevail.
- 9. I acknowledge that the value of my Fund Credit is not guaranteed and can go up and down based on market performance of the portfolio I have chosen to invest in.
- 10. I agree to provide all documents and information required in terms of the *Financial Intelligence Centre Act 2001*, and I understand that Alexander Forbes Investments may not process any transaction on my behalf until all the required documents and information have been received by them.
- 11. I confirm that I have been provided with an effective annual cost (EAC) disclosure for this transaction, and have read and understood the effect on my investment. The EAC is a measure that has been introduced, to allow me to compare the charges that I incur and their impact on my investment's returns, when I invest in different financial products. The EAC is made up of four components: investment management charges, advice charges, administration charges, and other charges, which is expressed as an annualised percentage. The figures only show the estimated impact of immediate and future charges, and do not include the impact of any charges that I have already incurred. I know that the effect of some of the charges may vary, depending on my investment period. The EAC calculation assumes that I terminate my investment in the financial product at the end of the relevant period.

Member signature \_\_\_\_\_

Date 

d	d	/	m	m	/	y	y	y	y
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## Protection of personal information (POPI)

**I know that Alexander Forbes Investments Limited (you) will use my personal information to consider my application for membership of the Fund. If you accept my application, I agree that you may:**

1. Process my personal information to administer my contract with you and for related purposes.
2. Give it (electronically or otherwise) to:
  - a) A third party (you contract with to provide services to you) so that you can provide services or products to me;
  - b) A third party (you contract with to provide services to you) so that you can confirm my personal information;
  - c) Any person related to you (as described in the Companies Act) and your associates who provide services (like administration services) to you.

Member signature \_\_\_\_\_

Date 

d	d	/	m	m	/	y	y	y	y
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## Important information

### Alexander Forbes Investments as Registered Long-term Insurer

Alexander Forbes Investments Limited  
PO Box 786055, Sandton, 2146  
**Telephone number:** +27 (0) 11 505 6000  
**Fax number:** +27 (0) 11 263 1311  
**Email:** [afinvestcontactcentre@aforbes.com](mailto:afinvestcontactcentre@aforbes.com)  
**Licence number:** 0018/001

### Compliance Officer of Alexander Forbes Investments

Gigi Vorlauffer  
PO Box 786055, Sandton, 2146  
**Skype address:** [gigi.vorlauffer@gmail.com](mailto:gigi.vorlauffer@gmail.com)  
**Email:** [vorlauferg@aforbes.com](mailto:vorlauferg@aforbes.com)

### Alexander Forbes Investments as Licensed Financial Services Provider

Alexander Forbes Investments Limited  
PO Box 786055, Sandton, 2146  
**Telephone number:** +27 (0) 11 505 6000  
**Fax number:** +27 (0) 11 263 1001  
**FAIS licence number:** 711

### The Ombud for Long-term Insurance

#### The Ombudsman for Long-term Insurance

Private Bag X45, Claremont, Cape Town, 7735  
3rd Floor, Sunclare Building, 21 Dreyer Street, Claremont, Cape Town, 7700  
**Telephone number:** +27 (0) 21 657 5000  
**Fax number:** +27 (0) 21 674 0951  
**Email:** [info@ombud.co.za](mailto:info@ombud.co.za)  
**Central Share-call Help Line:** 0860 103 236

### The Ombud for Financial Services Providers

**FAIS Ombud**  
PO Box 74571, Lynnwood Ridge, 0040  
Sussex Office Park, Ground Floor, Block B, 473 Lynnwood Road Cnr Lynnwood Road & Sussex Ave, Lynnwood, 0081  
**Telephone number:** +27 (0) 12 470 9080  
**Fax number:** +27 (0) 12 348 3447  
**Email address:** [info@faisombud.co.za](mailto:info@faisombud.co.za)  
**Website:** [www.faisombud.co.za](http://www.faisombud.co.za)

### The Pension Funds Adjudicator -- Gauteng

**Pension Funds Adjudicator -- Gauteng**  
PO Box 580, Menlyn, 0063  
Physical address: 4th Floor, Riverwalk Office Park, Block A, 41 Matroosberg Road, Ashlea Gardens, Pretoria, South Africa, 0081  
**Telephone number:** +27 (0) 12 346 1738  
**Fax number:** 0866 937 472  
**Website:** [www.pfa.org.za](http://www.pfa.org.za)

### The Registrar of Pension Funds

The Registrar of Pension Funds  
PO Box 35655, Menlo Park, 0102  
**Telephone number:** +27 (0) 12 428 8000  
**Fax number:** +27 (0) 12 347 0221

## Fund details

Fund	Registration number	Tax approval code
AF Investments Retirement Annuity Fund	12/8/38080	7040782254

### Important note

Our retirement annuity fund ("the Fund") is an "underwritten fund" that only invests in policies of insurance. The policies made available to the Fund are linked policies under which no guarantees are issued, and the policy benefits are determined solely on the value of the assets or categories of assets to which the policies are linked. The Fund is a defined-contribution fund, in which your fund benefit is directly linked to the value of underlying investments. It may therefore be in your best interest to obtain financial advice from an accredited financial adviser about your investment decisions.

## FICA documents

Provide the following FICA documentation for the member, the bank account holder (where applicable), and the member's representative (if applicable. Please ensure all DOCUMENTS PROVIDED are original certified documents.

### South African member

- Identity document/Smart ID Card, **OR** if not available.
  - Valid reason why identity document could not be provided **AND**
  - Valid passport (with no less than three (3) months to expiry).
- Proof of physical residential address.

### Representative (if applicable)

- Identity document/Smart ID Card, **OR** if not available.
  - Valid reason why identity document could not be provided **AND**
  - Valid passport (with no less than three (3) months to expiry).
- Proof of physical residential address.
- Document authorising person/s to act.

### Controlling parties

- Identity document/Smart ID Card and proof of physical residential address. If your identity document is not available.
  - Valid reason why identity document could not be provided (in writing) **AND**
  - Valid passport (with no less than three (3) months to expiry).
- Proof of physical residential address.

### Foreign Individual

- Valid passport (with no less than three (3) months to expiry)
- Proof of physical residential address
- Document authorising person/s to act (if applicable).

### RSA unlisted companies

- Registration Certificate (CM1 or CoR 15.1/CoR 14.1)
- Change of Name, if applicable (CM9 or CoR 9.1/CoR 9.2)
- Notice of Registered Office and Postal Address (CM22 or CoR 21)
- Current list of Directors (CM29 or CoR 39)
- FICA documents and contact numbers of the principal executive officer, each director, signatory, person/s authorised to act and each shareholder (natural person or entity) who holds 25% or more of the voting rights in the company
- Document authorising person/s to act: Directors' Resolutions and/or Delegation of Authority
- Proof of physical business address.

### Close corporations

- Founding Statement and Certificate of Incorporation (CK1)
- Amended Founding Statement (CK2), if applicable
- Document authorising person/s to act: Member Resolution
- Identity document/Smart ID, proof of residential address and contact numbers of each member in the CC, and of each person authorised to act on behalf of the CC
- Proof of physical business address
- If a Close Corporation converted to another entity type, the following must be attached:
- Registration Certificate (CoR 18.3).

### Partnership

- Partnership agreement
- Identity document/Smart ID Card, details of residential address and contact numbers of partners and person/s authorised to act, if not a partner
- Document authorising person/s to act.

### Trusts

- Trust deed or other founding document
- Letter of authority from Master of High Court
- Document authorising person/s to act
- Identity document/Smart ID Card, details of residential address and contact numbers of each trustee, each beneficiary, the founder and the person/s authorised to act
- Proof of registered address of Master of High Court (stamp on letter of authority).

### Foreign unlisted companies

- Official document of incorporation.
- If trading in RSA, documents for RSA Unlisted Companies.
- Document authorising person/s to act.
- Identity document/Smart ID Card, details of residential address and contact numbers of person/s authorised to act.
- Proof of physical business address.

### Other legal persons

- Constitutional or founding document.
- Document authorising person/s to act.
- Identity document/Smart ID Card, details of residential address and contact numbers of person/s authorised to act.
- Proof of physical business address.

## Proof of address

We will accept the following as proof of residential address (not older than three (3) months):

- Utility bill.
- Current lease or rental agreement (less than one (1) year old).
- Bank statement.
- Municipal rates and taxes invoice.
- Mortgage statement.
- Telephone/cellphone account.
- Valid motor vehicle licence – current year.
- Active Insurance policy tax return (less than one (1) year old).
- Letter from bank manager, medical practitioner, accountant or attorney on a formal letterhead stating that they know you for three years and confirming physical address.
- Correspondence from a body corporate or share-block association.
- Payslip or salary advice – latest.
- A statement of account issued by a retail store.
- Valid e-toll account.

If you do not have proof of residential address in your name, we will accept the following from your co-habitant:

- An affidavit by your co-habitant or landlord confirming your residence. The affidavit must include a copy of the co-habitant's utility bill and must specify the following information:
  - Your name and identity number
  - The co-habitant's name, residential address and identity number
  - The relationship between you and the co-habitant
  - Confirmation that you stay at the co-habitant's residential address
  - Signatures of both parties.

## Employee Terms and Conditions

This document sets out the terms and conditions that apply to your membership of the AF Investments Retirement Annuity Fund (the “Fund”) and regulates the relationship between you and the Fund. The Fund Rules (the “Rules”) govern your membership of the Fund and are available on request. The Rules together with current pension fund legislation have priority over this document.

Any reference to employer is only applicable if your employer is contributing on your behalf.

### 1. Definitions

The following definitions apply to this document:

<b>Act</b>	The <i>Pension Funds Act</i> (No. 24 of 1956), and the regulations, as amended or replaced from time to time.
<b>Administrator</b>	The person or entity appointed in terms of the Rules to administer the Fund.
<b>Annuity</b>	An annuity (pension) that you buy in your name from a registered insurer of your choice when you retire, or an annuity that a Dependant or Nominee buys from a registered insurer, in their name, in the event of your death.
<b>Benefit</b>	The rand amount payable when you retire, make a withdrawal or pass away. This amount is either payable to you (when you retire or make a withdrawal) or to your Dependents or Nominees (when you pass away). The value of your Benefit is equal to your Fund Credit less any tax payable.
<b>Business Day</b>	Any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa.
<b>De Minimis Amount</b>	An amount set by regulatory authorities from time to time. If your Fund Credit is less than this amount, you can take the full amount as a lump sum when you retire.
<b>Dependant</b>	The person(s) whom the Trustees must consider (in terms of Section 37C of the Act) for payment of your Benefit in the event of your death. This includes those who are legally dependent on you (for example your spouse(s) and children) and those who are in fact financially dependent on you, or who would have become financially dependent on you if you had not passed away (for example your stepchildren, grandchildren, major children, elderly parents or fiancé/fiancée).
<b>Employer</b>	The person or entity you are working for at the time of your Fund membership application.
<b>Founder</b>	Alexander Forbes Investments Limited (registration number 1997/000595/06).
<b>Fund</b>	The AF Investments Retirement Annuity Fund, registered in terms of the Act (registration number 12/8/38080) and approved by the South African Revenue Service (SARS).
<b>Fund Credit</b>	Your total contributions to the Fund (including amounts transferred from any other Retirement Fund) less any adviser fee, allowable deductions and expenses. Your Fund Credit value is not guaranteed and may move up and down with market movements.
<b>Group Retirement Annuity</b>	A group-based retirement solution offered to you by the Fund at the request of your Employer/Regulated Body. Your retirement contributions are managed on a group basis where your Employer deducts the contribution from your salary, and pays it to the Fund on your behalf. You also have the option to pay by debit order.
<b>Member</b>	A person whose retirement savings are invested in the Fund – also referred to as “you”.
<b>Nominee</b>	The person(s) or entity you nominate to receive your Benefit or a portion of your Benefit in the event of your death.
<b>Portfolio(s)</b>	Any investment portfolio of an insurer, a portfolio of a collective investment scheme (unit trust) or any other financial product, available in terms of an insurance policy, which the Fund makes available for investment in terms of the Rules.
<b>Retirement Fund</b>	Any fund registered in terms of the Act or any South African pension fund established in terms of legislation. It could be a retirement annuity fund, a pension fund, a provident fund or a preservation fund.
<b>Rules</b>	The Fund Rules which govern your membership as well as the management and operation of the Fund.
<b>Trustees</b>	The persons who are responsible for managing the Fund according to the Rules and relevant legislation.

### 2. About the Fund

Who is the Fund?

- 2.1 The Fund is the AF Investments Retirement Annuity Fund. It is a legal entity that is able to buy, hold and sell moveable and immovable property. As a legal entity, the Fund may sue or be sued in its own name.
- 2.2 The purpose of the Fund is to provide
  - you with a benefit at retirement, or
  - a benefit to Dependents and/or Nominees in the event of your death.

### 3. Membership of the Fund

3.1 When does your Fund membership start?

You will become a Member of the Fund as soon as:

- the Administrator (on behalf of the Fund) accepts your application and supporting documents; and
- your first contribution to the Fund is cleared by the bank.

3.2 When does your membership end?

Your membership of the Fund will end when you:

- withdraw your Fund Credit; or
- retire; or
- transfer your Fund Credit to another retirement annuity fund; or
- pass away

Your membership of the Fund does not end if your employment with your Employer ends. Refer to paragraph 6 to see what options are available when you are no longer employed by your Employer.

## 4. Contributions to the Fund

### 4.1 What contributions can you make to the Fund?

The Fund may accept the following contributions:

- A lump-sum investment at any time
- Monthly contributions. As agreed with you, your employer will deduct the contribution from your salary and pay it over to the Fund, or you will contribute to the Fund by way of debit order
- Additional regular contributions (made by you by way of debit order). An Additional Investment Form will need to be completed in the event that this option is selected
- Transfers from other Retirement Funds of which you were previously a member.

Contributions made by your employer on your behalf are paid into a non-interest bearing bank account. You will therefore only earn a return once your contribution is invested into the market, following receipt of a contribution schedule with matching proof of payment from your employer.

### 4.2 Can you ask for a refund of contributions?

You may not ask for a refund of your contributions already made to the Fund. You may, however, request that your Fund Credit be transferred to another retirement annuity fund.

It is important to note that your participation in the Fund is based on a Group Retirement Annuity. It may be a condition of your employment contract that you stay an active Member of this Fund. A transfer to another retirement annuity fund or any action taken by yourself to stop contributing to this Fund, while you are still employed by your Employer, could be a breach of your employment contract.

### 4.3 Can you stop contributing?

You may stop contributing to the Fund at any time. You cannot, however, access your Fund Credit by stopping contributions. Your contributions, increased and decreased by investment return will be kept in the Fund until your death, retirement, withdrawal, or transfer of your Fund Credit to another retirement annuity fund. You may start making contributions again at any time.

It is important to note that your participation in the Fund is based on a Group Retirement Annuity. It may be a condition of your employment contract that you stay an active Member of this Fund. Any action taken by yourself to stop contributing to the Fund, while you are still employed by your Employer, could be a breach of your employment contract.

## 5. Can you withdraw from the Fund before retirement?

You may only withdraw your Fund Credit before retirement if you are no longer contributing to the Fund and

- the total value of your Fund Credit is less than the amount set by regulatory authorities at that time; or
- you have formally emigrated from South Africa; or
- you (if you are an expatriate) leave South Africa because your visa expires.

You must notify the Administrator of a withdrawal by submitting a Withdrawal Notification Form. The Administrator will apply for a tax directive from the South African Revenue Services (SARS). The Fund may at its discretion decide to switch an amount equal to the withdrawal benefit into a default Portfolio selected by the Trustees until it receives the tax directive. The Administrator will settle any outstanding tax and pay you the balance. All payments will be subject to the Administrators processing requirements at the time of the instruction and, any requirements applicable to a Portfolio, and any requirements of SARS.

Once the Administrator has received your fully completed Withdrawal Notification Form, confirmed that all your FICA documents are in order, and received a tax directive on a good standing basis from SARS, your payment will take two (2) Business Days to process. The payment may take up to an additional two (2) Business Days to reflect in your bank account.

## 6. What happens if you are no longer employed by your employer?

If you are no longer employed by your Employer you must complete and submit an **INSTRUCTION TO REMOVE MEMBER FROM EMPLOYER GROUP** form available on our website. (Click on the name to download the document.) You will keep your current pricing structure.

If you are no longer employed by your employer, and your contributions to the Fund have stopped, you remain a Member of the Fund. You may not access your Fund Credit, except as listed in paragraph 5 above. Your Fund Credit, increased and decreased by investment return, will be kept in the Fund until your death, retirement, withdrawal, or transfer of your Fund Credit to another retirement annuity fund.

You may however choose to continue contributing to the Fund by direct debit or regular debit order. Should you wish to continue contributing to the Fund, you need to complete a Debit Order Instruction/Change Form to make arrangements for the collection of your contributions. If you are no longer employed by your Employer and you decide to keep your Fund Credit with the Fund, you can choose to keep your financial adviser, appoint a new financial adviser, or opt for no financial adviser. You will need to complete a Change of Financial Adviser/Charges Form.

## 7. What happens when you retire?

You must notify the Fund of your retirement by submitting a Notification of Retirement Form at least three (3) months before you retire.

### 7.1 When can you retire?

**Normal retirement:** You can choose to retire at any time after age 55. If it is a condition of your employment that you have to be an active Member of the Fund, retirement at an age before the age in your employment contract may be a breach of that contract.

**Early retirement:** You can retire at any time (before age 55) if you are permanently disabled and incapable of carrying on your occupation, even if you are unemployed, as a result of sickness, accident, injury or incapacity through infirmity of mind or body. Despite any decision made by your Employer about your ability to continue or discontinue working, the final decision about your early retirement from the Fund rests with the Trustees of the Fund. The Trustees may require medical evidence, obtained at your cost, when considering the approval of your application for early retirement.

## 7.2 What are your options when you retire?

When you retire you can choose to:

- buy an Annuity in your name from a registered insurer of your choice with your full Fund Credit; or
- take up to one third of your Fund Credit as a lump sum and use the balance to buy an Annuity in your name from a registered insurer of your choice; or
- take the full amount as a lump sum if your total Fund Credit is less than the De Minimis Amount.

Any lump sum taken will be reduced by tax that may be payable to the South African Revenue Services (SARS).

## 7.3 How is the value of your retirement Benefit calculated?

The value of your retirement Benefit is your Fund Credit less any expenses and tax. The value of your Fund Credit is not guaranteed and will increase and decrease with market movements.

## 7.4 What will the Administrator do when you retire?

After receiving your Notification of Retirement Form the Administrator will, on the date of your retirement:

- automatically switch your Fund Credit from each of your investment Portfolio(s) to a default Portfolio selected by the Trustees for the purpose of making payments;
- calculate the final value of your retirement Benefit;
- apply for a tax directive from SARS and make payment of any tax amount due to SARS before paying the balance of your Fund Credit into your bank account;
- pay any lump-sum portion, if applicable, into your South African bank account (payment will not be made into any offshore bank account); and
- buy an Annuity in your name from a registered insurer of your choice if applicable.

## 8. What happens after your death?

### 8.1 Notification to the Fund

The Fund must be notified in writing of your death. The notification needs to include:

- your personal details;
- your member number;
- your identity number;
- a certified copy of your death certificate; and
- any other requirements from the Administrator or Trustees.

### 8.2 What will the Administrator do at your death?

After receiving the notification of your death and all required documentation, the Administrator will:

- automatically switch your Fund Credit from each of your investment Portfolio(s) to a default Portfolio selected by the Trustees for the purpose of making payments (on notification of your death);
- calculate the final value of your death Benefit;
- apply for a tax directive from SARS and follow the instructions of the tax directive;
- distribute your death Benefit to your Dependants and/or Nominees according to the allocation made by the Trustees; and
- deal with the distributed death Benefits according to the Dependants' and/or Nominees' instructions.

### 8.3 How is the value of the death Benefit calculated?

- The value of your Benefit on your death is your Fund Credit less any expenses and tax. This value is not determined on the date of your death or the date of notification, but is determined once your Fund Credit in each of your chosen investment Portfolio(s) has been switched to a default Portfolio selected by the Trustees.
- In some cases the Trustees need to trace a Dependant or Nominee. In these cases, tracing costs may be paid from your death Benefit. Any other reasonable costs related to investigation and allocation of your death Benefit may be paid from your death Benefit.

### 8.4 Who receives your death Benefit?

If you pass away before retirement the Trustees have 12 months to:

- identify your Dependants;
- take all your nomination(s) into account;
- decide who must receive your Benefit; and
- decide on the proportion in which your Benefit is to be shared.

The Trustees will communicate their decision about the allocation of your death Benefit to all Dependants and Nominees before payment is made. This may take up to 12 months.

The Trustees must use their discretion to allocate your death Benefit to Dependants and/or Nominees. The Trustees are not obliged to allocate your death Benefit to all the Dependants and Nominees in the proportions/amounts indicated by you. They must make sure that your Dependants are provided for before allocating any benefit to your estate, or Nominees. If your Nominees are also Dependants the Trustees will take this into account when allocating your Benefit.

If the Trustees cannot find any Dependants, and your Nominees are not Dependants, the Trustees must first establish if there is enough money in your estate to pay your debts. If there is not enough money in your estate to pay your debts, the Trustees must make sure that all debts in your estate are paid before allocating any Benefit to your Nominees. If you have no Dependants and no Nominees, your Benefit will be paid into your estate.

### 8.5 What can a Dependant or Nominee do with their allocation?

Subject to regulatory and legislative requirements a Dependant or Nominee who receives an allocation of your death Benefit may:

- buy an Annuity in their own name from a registered insurer of their choice with their full allocation; or
- take the full allocation as a lump sum; or
- take a portion of their allocation as a lump sum, and, with the balance, buy an Annuity in their own name from a registered insurer of their choice.

Any lump sum taken will be reduced by tax payable to SARS.

## 9. Your rights and responsibilities

### 9.1 What must you do?

You must provide all your instructions in the manner and format required by the Administrator on behalf of the Fund. All instructions are subject to:

- the requirements of the Fund, Administrator, legislation, Rules, and Portfolio at the time of the instruction;
- the availability of a Portfolio;
- the terms and conditions for investment and disinvestment applicable to each Portfolio;
- any liquidity restrictions at the time of the instruction; and
- administration and processing requirements of the Administrator at the time of the instruction such as processing timelines and cut-off times.

The Administrator may delay, suspend, reject or withdraw your instruction due to any of the above.

*You must provide true and accurate information.*

You must ensure that all information on your application forms, instruction forms and supporting documents is true and accurate.

*You must select a Portfolio or a combination of Portfolios for investment.*

A range of Portfolios are available to you. You must choose the Portfolio(s) in which you want to invest. Investment into the Portfolio(s) of your choice will depend on availability and the terms and conditions of that Portfolio at the time of selection.

*You must make informed investment decisions.*

It is your responsibility to choose the Portfolio(s) most suitable for your investment. Your Employer, the Fund, the Trustees, the Administrator and the insurer that makes a Portfolio available for investment cannot provide financial advice. It is your responsibility to get financial advice from an accredited financial adviser, if required.

*You should monitor your investment and make sure it is appropriate for your current circumstances.*

It is not the responsibility of your Employer, the Administrator, the Fund, the Trustees, or an insurer that makes a Portfolio available for investment to monitor or review your investment to make sure that it suits your current circumstances.

*You must select another Portfolio if the Fund closes the Portfolio you are invested in.*

If you receive notice that a Portfolio you are invested in is closing, you must select another Portfolio within the time period required in the notice. If you do not select another available Portfolio, the Fund will switch the investment to a default Portfolio that has been selected by the Trustees.

*You must inform the Fund of your retirement.*

You must notify the Fund of your retirement by submitting a Notification of Retirement Form at least three (3) months before you retire.

*You must buy an Annuity from a registered insurer.*

If your Fund Credit is more than the De Minimis Amount when you retire, you must buy an Annuity with at least two thirds of your Fund Credit. Your Annuity must be bought in your name from a registered insurer of your choice.

*You must report errors to the Fund.*

You must report all errors on any communication or statement received from the Fund.

*You must inform the Fund of any changes in your banking or contact details.*

When your banking or contact details change, you must inform the Fund by submitting a Change of Personal Details Form together with any relevant supporting documents.

*You must make sure that your investment complies with prudential investment guidelines at all times.*

Regulation 28 of the Act sets out prudential investment guidelines and specifies the maximum exposure to certain asset classes that the Fund or a Member is allowed to have. The Fund must comply with these guidelines when investing your contributions, but it is your responsibility to make sure that your investment remains within these investment exposure limits at all times. If your investment breaches the investment exposure limits and you do not send the Administrator an instruction to correct this, the Fund will adjust or amend your Portfolio selection to correct this. The Fund will inform you of any adjustments or amendments once they have been implemented.

*You must inform the Fund when you are no longer employed by your Employer.*

If you are no longer employed by your Employer you must inform the Administrator and provide revised instructions for the collection of contributions. This will include your bank account details and any other contact details that may have changed because of the change in your employment. Refer to paragraph 6 above to see what options are available when you are no longer employed by your Employer.

### 9.2 What are you allowed to do?

- You may appoint, remove or replace a financial adviser by submitting a Change of Financial Adviser/Charges Form. The Administrator will process your instruction within five (5) Business Days and inform your financial adviser of the change. Your Employer, the Fund, the Trustees, the Administrator and the insurer that makes a Portfolio available for investment cannot provide you with financial advice.
- You may request to switch your investment from your selected Portfolio(s) to any other available Portfolio(s). Switches are subject to current legislation, Regulation 28 and exchange control regulations.
- You may nominate Dependants and Nominees to receive a Benefit in the event of your death. The Fund must receive the nomination of your Dependants and Nominees while you are still alive. You cannot specify in your Will how your Fund Credit must be allocated. The Trustees are not obliged to allocate your Fund Credit to the Dependants and Nominees you have nominated, or in the proportions/amounts indicated by you. The law requires the Trustees to use their discretion when allocating Benefits at the death of a Member of a Retirement Fund.
- You may change the nomination of your Dependants and Nominees by submitting a Change of Dependants and/or Nominees Form for Retirement Funds. You should review your nominations regularly to make sure that they meet your current circumstances.



- You may view the Fund Rules, financial returns and valuations (if applicable) during office hours at the Fund's registered address. The Fund may levy a charge for any requested copies.
- You may stop making contributions to the Fund at any time. It may however be a condition of your employment contract that you have to be an active Member of this Fund. You could therefore be in breach of your employment contract if you stop making contributions while you are still employed by your Employer. If you stop making contributions, you may start making contributions again at any time.
- You may transfer your Fund Credit to another retirement annuity fund if the rules of that fund allow for a transfer to be received. If it is a condition of your employment contract that you have to be an active Member of this Fund, a transfer to another fund while you are still employed by your Employer, will be a breach of your employment contract.

### 9.3 What are you not allowed to do?

- You may not transfer your Fund Credit to someone else as payment, or use your Fund Credit as security to meet your obligations.
- You may not use your Fund Credit to secure a loan.
- You may not ask for a refund of your contributions already made to the Fund.

## 10. Management and administration of the Fund

The Fund is managed by the Trustees who must at all times protect the interests of Members and act with fairness, in good faith and with due care and diligence.

The Fund is administered by an Administrator in terms of the Rules. The Administrator acts on the instructions of the Trustees.

### 10.1 Duties of the Trustees

The Trustees must:

- Direct, control and oversee the operations of the Fund in accordance with the Rules and legislation
- Appoint a principal officer, an auditor and an Administrator
- Communicate with members
- Act independently and with fairness in respect of all Members and Nominees
- Take reasonable steps to make sure that Members are informed of the investment choices available to them, but will not advise, influence or assist Members in making their choices
- Take reasonable steps to make sure that the interests of Members are protected at all times
- Invest the assets of the Fund in one or more policies of insurance and determine the Portfolios which Members can choose for investment
- Ensure proper administration of the Fund
- Keep proper accounts and make sure that the accounts are audited every year.

### 10.2 Duties of the Administrator

The Administrator must:

- Administer the Fund in a responsible manner
- Administer your Benefits in terms of an administration agreement with the Fund
- Keep an accurate record of all your transactions
- Keep a complete record of Members and persons entitled to Benefits and of all matters essential to the operation of the Fund
- Keep accurate accounting records for the Fund
- Give you quarterly investment statements
- Communicate with you on behalf of the Fund. Communications sent to you will be available to you and your financial adviser on the Alexander Forbes Investments website. Your quarterly investment statements will be sent to you by email. If you do not have an email address or did not provide an email address, we will communicate with you by post
- Have professional indemnity and fidelity insurance against any loss caused by dishonesty or fraud of a person employed by them
- Receive and process your instructions.

## 11. Rights and responsibilities of the Fund

### 11.1 What must the Fund do?

The Fund must invest your contributions.

- The Fund must invest your contributions in the Portfolio(s) selected by you. Contributions made by your employer on your behalf are paid into a non-interest bearing bank account. You will therefore only earn a return once your contribution is invested in the market, following receipt of a contribution schedule with matching proof of payment from your employer.
- It is your responsibility to make informed investment decisions by getting investment advice from an accredited financial adviser. Your Employer, the Fund, the Trustees, the Administrator and the insurer that makes a Portfolio available for investment may not influence, advise or assist you in making your investment decisions.
- All returns earned by the Portfolios selected by you will be reinvested into the same Portfolio in which it was earned.
- The Trustees shall not be responsible for any loss, damage or prejudice suffered by you, or any other person, based on any investment decision made by you, or an investment decision made by the Trustees in terms of the Rules.

*The Fund must comply with prudential investment guidelines.*

Regulation 28 of the Act sets out prudential investment guidelines and specifies the maximum exposure to certain asset classes that the Fund or a Member is allowed to have. The Fund must comply with these guidelines when investing your contributions.

*The Fund must pay Benefits upon withdrawal, retirement, death or divorce.*

Benefits will only be paid into a South African bank account in South African rand, by electronic funds transfer, to a current, savings or transmission account. Third-party payments are not allowed.

*The Fund must deduct tax.*

A lump sum that you receive at withdrawal or retirement or that is paid to a Dependant or Nominee at your death or to a former spouse at divorce could be taxable. The Fund will deduct any tax payable on a lump-sum payment and pay it over to SARS.

*The Fund must transfer your Fund Credit.*

If you choose to transfer your Fund Credit to another retirement annuity fund, the Fund will calculate your Fund Credit and transfer your Fund Credit to the retirement annuity fund of your choice.

## 11.2 What is the Fund allowed to do?

*The Fund can close a Portfolio for investment after giving written notice to you.*

If a Portfolio is no longer available, the Fund may close that Portfolio for investment. The Fund will give you written notice when a Portfolio is closed for investment and will request you to select another available Portfolio within a specific time period. If you do not select another Portfolio within that time period, the Fund will switch the investment to a default Portfolio that has been selected by the Trustees.

*The Fund can adjust your investment to comply with prudential investment guidelines.*

Regulation 28 of the Act sets out prudential investment guidelines and specifies the maximum exposure to certain asset classes that the Fund or a Member is allowed to have. The Fund must comply with these guidelines when investing your contributions, but it is your responsibility to make sure that your investment remains within these investment exposure limits at all times. If your investment breaches the investment exposure limits and you do not send us an instruction to correct this, the Fund will adjust or amend your Portfolio selection to correct this. The Fund will inform you of any adjustments or amendments once they have been made.

*The Fund can recover expenses from your Fund Credit upon the Trustees' discretion.*

Fund expenses are mainly paid by the Founder, but the Trustees may decide that all or part of the expenses should be taken into account when determining your Fund Credit.

*The Fund can make deductions from your Fund Credit as permitted by the Act.*

The Act allows the Fund to withhold payment of your Benefit and make deductions from your Fund Credit in certain circumstances. These circumstances are set out in section 37D of the Act and include the deduction of amounts in terms of a decree of divorce or a maintenance order.

*The Fund can change the Rules.*

The Fund may, with the approval of the Financial Services Board, change the Rules. You can request the latest version of the Rules from the Fund or the Administrator. You may view the Rules during office hours at the Fund's registered address. The Fund may levy a charge for any requested copies.

*The Fund can terminate its existence.*

The Trustees may terminate the Fund at any time by giving six (6) months' written notice to all Members. The total monies available in the Fund, after payment of all expenses in liquidating the Fund, will be applied to provide Benefits for all Members, Dependents or Nominees on an equitable basis. The amount that you are allocated will either be transferred to another approved retirement annuity fund for your Benefit or be used to buy you an Annuity from a registered insurer.

## 12. Transaction times

The Administrator will process and complete transactions within the time periods applicable at the time of the transaction. The current time periods are listed in the table below.

Instruction	Cut-off for receipt of instruction and all requirements	Business Day to process	Business Day to buy or sell	Business Day for value
Investments	Before 11h00 on day 1	Day 1	Day 1	Day 1
	After 11h00 on day 1	Day 2	Day 2	Day 2
Switches between Alexander Forbes Investments Portfolios <sup>1</sup>	Before 11h00 on day 1	Day 1	Day 1	Day 1
	After 11h00 on day 1	Day 2	Day 2	Day 2
Disinvestments <sup>2</sup>	Before 11h00 on day 1	Day 1	Day 1	Day 1
	After 11h00 on day 1	Day 2	Day 2	Day 2

<sup>1</sup> When you switch between Portfolios, the Administrator needs to disinvest from one Portfolio and invest in another Portfolio. The Fund can only invest the money for the switch when it has received the money from the Portfolio from which you are disinvesting. If an instruction to switch is received at the same time as a contribution, the switch instruction will be processed after the contribution has been allocated.

<sup>2</sup> The Administrator will disinvest from your Portfolio(s) once you have met all requirements and will make payment to you as soon as we receive the disinvestment proceeds.

## 13. Indemnity

13.1 The Fund does not guarantee the value of your Fund Credit. The value of your Fund Credit will depend on the market performance of the Portfolio(s) selected by you. Past investment performance is not a guarantee of future investment performance. The value of your Fund Credit in the Portfolio(s) that you have chosen can go up or down.

13.2 Your Employer, the Fund, the Trustees, the Administrator and the insurer that makes a Portfolio available for investment cannot provide financial advice.

13.3 The Fund, the Administrator, the insurer who makes the portfolio available for investment and the Trustees will not be responsible for any losses suffered by you, a Dependant or a Nominee or any person claiming to be entitled to a Benefit under the Fund due to:

- financial advice given by your financial adviser;
- your investment choices;
- the Trustees' investment choices;
- errors made by a financial product provider;
- the investment or market risk of the Portfolios;

- changes in tax or other legislation;
  - delays in the processing or the rejection of an application because your financial adviser is not an authorised financial services provider or does not have a contract with the Administrator;
  - your financial adviser carrying out duties which their category of financial services provider licence does not allow;
  - unauthorised instructions given by your financial adviser;
  - the failure of any networks or electronic or mechanical devices;
  - the Fund or the Administrator providing your appointed financial adviser with details about this investment either via telephone, email, fax or secure website;
  - the Administrator or the Fund acting on information sent electronically;
  - the Fund or the Administrator acting on incorrect information where you have failed to notify them of any changes to such information; and
  - the delayed sale of assets in the Portfolio as a result of ring-fencing or other investment strategies applied by a financial product supplier or general market liquidity constraints or any other reason whatsoever.
- 13.4 The Administrator will, as soon as possible, subject to its administration procedures and any Portfolio limitations, at the time of the transaction, carry out any instructions received from you. Neither the Fund nor the Administrator shall be responsible for delays in processing instructions as a result of extraordinary events that may cause extensive disruptions.
- 13.5 The processing of any instructions will be subject to the requirements of the Fund, the Administrator, any restrictions or requirements of a Portfolio, minimum Fund Credits, the Administrator's turnaround times and legislation at the time of the instruction. This means that any instruction may be delayed, rejected, withdrawn or suspended due to any of the reasons listed above.
- 13.6 The Fund and the Administrator are insured against fraud, negligence and dishonest behaviour.

## 14. Governing law

Your membership of the Fund is governed by the laws of the Republic of South Africa. The most important legislation for you to note is listed.

Please note that there may be other applicable legislation not listed, and the legislation listed may be amended or replaced from time to time.

- Pension Funds Act No. 24 of 1956
- Pension Funds Amendment Act No. 11 of 2007
- Long-term Insurance Act No. 52 of 1998
- Collective Investment Schemes Control Act No. 45 of 2002
- Income Tax Act No. 58 of 1962
- Financial Intelligence Centre Act No. 38 of 2001
- Financial Advisory and Intermediary Services Act No. 37 of 2002
- Protection of Personal Information Act No. 4. of 2013
- Exchange Control Regulations

Amendments to and replacement of legislation, any directives, notices and practice notes will also be taken into consideration in the administration of your Fund membership.

## 15. Amendments to terms and conditions

The Fund may make changes to these Terms and Conditions to meet the Fund or Administrator's business needs or to cater for any changes to applicable legislation.

## 16. Expenses and charges

### 16.1 Expenses payable by the Founder

The Founder will generally pay the Fund's expenses. These expenses include:

- Administration fees
- The cost of actuarial valuations and audit fees (if applicable)
- Bank charges
- The cost of professional indemnity and fidelity guarantee insurance
- Legal fees
- Remuneration that may be payable to the Trustees and the principal officer
- Any costs incurred by the Trustees in identifying your Dependants and allocating Benefits at your death
- Fees and levies payable to the registrar
- Fees payable to advisers
- Other reasonable expenses as decided by the Trustees from time to time.

The Trustees may, however, decide that all or part of these expenses should be deducted from your Fund Credit.

### 16.2 Expenses which the Founder will not pay

- **Financial adviser charges.** This is the initial and/or ongoing charge that you, individually or in agreement with your Employer, have agreed to pay a financial adviser. It is important to understand that this is an expense which is paid from your Fund Credit and does not form part of the expenses paid by the Founder in terms of the Rules.
  - **Initial adviser charge.** This is an initial charge that you have agreed to pay your financial adviser. The Fund will deduct an amount equal to the initial adviser charge from each contribution and pay this amount to the Administrator as an initial administration fee. The Administrator will pay the amount deducted to the financial adviser.
  - **Ongoing adviser charge.** This is an annual charge that you have agreed to pay a financial adviser and is generally a percentage of your Fund Credit. This charge is paid to your financial adviser on a monthly basis.
- **Portfolio charge.** This is an annual charge that you have agreed to pay a financial adviser and is generally a percentage of your Fund Credit. This charge is calculated daily and paid to your financial adviser on a monthly basis.

- **Administration charge.** There may, from time to time, be Portfolios that levy an administration charge. The Fund will decide whether the Founder or Member is responsible for payment of this charge. These Portfolios will only be made available when the Trustees have passed a resolution stating that such an administration charge will not be paid by the Founder but will be deducted from your Fund Credit.

The Fund may amend any charges after giving you three (3) months' written notice. The Fund may give you less than three (3) months' written notice in the event of certain circumstances, such as a change in legislation.

## 17. What to do if you have a complaint

You are entitled to contact us to complain if you are not satisfied with the Fund or the administration of the Fund, the Rules or the interpretation of the Rules, your investment or your benefits. Please address all complaints to our Contact Centre at 0860 333 316 or [Afinvestcontactcentre@aforbes.com](mailto:Afinvestcontactcentre@aforbes.com).

You can also send written complaints and supporting documents to the Principal Officer at:

### The Principal Officer

AF Investments Retirement Annuity Fund  
PO Box 786055  
Sandton  
2146

We will contact you within 24 hours of receiving your complaint (on working days) to let you know who will be dealing with it. If we can't resolve your complaint immediately, we will do our very best to resolve it within five working days, and provide you with written feedback. Complex queries may take longer (up to 30 days) to resolve. Should you for any reason be unhappy with the response received, you may approach the Pension Funds Adjudicator with your complaint. The Pension Funds Adjudicator can be contacted at:

### The Pension Funds Adjudicator

PO Box 580, Menlyn, 0063  
**Telephone number:** +27 (0) 12 346 1738/+27 (0) 12 748 4000  
**Fax number:** 086 693 7472  
**Email:** [enquiries@pfa.org.za](mailto:enquiries@pfa.org.za)

Complaints regarding the Administrator or your financial adviser may be addressed to the Ombud for Financial Services Providers at:

### The Ombud for Financial Services Providers

PO Box 74571, Lynnwood Ridge, 0040  
**Telephone number:** +27 (0) 12 470 9080/+27 (0) 12 348 3428  
**Fax number:** +27 (0) 12 348 3447  
**Email:** [info@faisombud.co.za](mailto:info@faisombud.co.za)

## 18. Conflict of interest

Alexander Forbes Investments Limited, its directors, managers or employees may have interests or potential interests in the Portfolios from time to time. The interests of Alexander Forbes Investments Limited and its directors, managers and employees are available on request.

The **CONFLICT OF INTEREST MANAGEMENT POLICY** is available on the website. (Click on the name to download the document.)

## 19. Contact details

The registered office of the Fund is:

### Physical address

115 West Street  
Sandown  
2196

All communication may be directed to the Fund as follows:

**Postal address:** PO Box 786055, Sandton, 2146  
**Fax number:** +27 (0) 11 263 6142  
**Contact Centre number:** 0860 333 316  
**Transactional email:** [Afinvestinstructions@alexanderforbesinvestments.com](mailto:Afinvestinstructions@alexanderforbesinvestments.com)  
**General queries email:** [Afinvestcontactcentre@aforbes.com](mailto:Afinvestcontactcentre@aforbes.com)  
**Website:** [www.alexanderforbesinvestments.co.za](http://www.alexanderforbesinvestments.co.za)

Alexander Forbes Investments Limited is a licensed financial services provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended, FAIS licence number 711. This information is not advice, as defined in the Act. Please be advised that there may be representatives acting under supervision.

**Company Registration Number:** 1997/000595/06. **Pension Fund Administrator Number:** 24/217. **Long-term Insurer Number:** 00018/001. **Postal Address:** PO Box 786055, Sandton 2146. **Physical Address:** 115 West Street, Sandown 2196. **Telephone Number:** + 27 (0) 11 505 6000. The **COMPLAINTS POLICY** and **CONFLICT OF INTEREST MANAGEMENT POLICY** can be found on the website. Click on the name to download the document.



