



MEMBER SURVEY WINNERS

We're excited to announce the winners of our 2018 Member Survey competition! **The lucky prize winners are enjoying some fantastic prizes sponsored by our generous investment managers:**

Sponsor	Prizes	Winners
OLD MUTUAL INVESTMENT GROUP Provider of the OMIG Profile Edge28 Portfolio , Old Mutual Balanced Index Fund and OMIG Shari'ah Balanced Fund	R10,000 in an OMIG Unit Trust fund	Boitumelo Onuegbu
OLD MUTUAL INVESTMENT SERVICES (CORPORATE) Provider of the Old Mutual Absolute Smooth Growth Portfolio and the Absolute Secure Growth Portfolio	A Nespresso Expert & Milk Coffee Machine with 2 branded Old Mutual Smooth Bonus mugs	Hendrik Vorster
OLD MUTUAL MULTI-MANAGERS Provider of the OMMM Inflation Plus 5-7% portfolio	An Apple iPad with WiFi & Cellular, 32GB, Silver, valued at R7,500	Denzil Weitz
CORONATION FUND MANAGERS Provider of the Coronation Managed Fund	R5,000 in a Coronation Unit Trust fund	Mohamed Osman
PRUDENTIAL INVESTMENT MANAGERS Provider of the Prudential Global Balanced Fund	A Prudential hamper including a bottle of Groot Consistency Prudential Merlot, a power bank, a wooden chopping board, a cufflinks set, a key ring and a notebook & pen set.	Ntombodumo Jiba

Thank you to everyone who participated in the survey! Look out for more communication in the coming weeks about what your fellow-members had to say in the survey. We'll also address some of the comments and questions raised by members.

JMC ELECTIONS

Thank you to everyone who nominated a candidate for the OMEGS Joint Management Committee elections. We will now consolidate the nominations and source information from the candidates. The election phase is expected to commence before the end of August.

PENSION-BACKED HOUSING LOANS

OMEGS members have access to a pension-backed housing loan facility offered by Standard Bank.

WHAT DOES THIS MEAN FOR ME?

- You are able to take out a loan from Standard Bank **to be used specifically for housing purposes** related to your primary residence. For example, you could use the loan to buy a house, build, or do renovations or home improvements. There are strict criteria to ensure the loan is used for housing purposes only. Standard Bank will consider all of the usual credit affordability requirements to ensure you can afford to repay the loan.
- The surety for the loan will be backed by a portion of your OMEGS Fund Credit** (i.e. the pot of money you have saved in your retirement fund). This means that, if you

were to stop paying your loan repayments, Standard Bank could claim the outstanding amount from your retirement fund savings.

- **You would have to settle your pension-backed housing loan if you leave Old Mutual's employment.** If you aren't able to quickly refinance the loan at this point (e.g. with a normal bond from a bank), this might mean that a large portion of your retirement fund savings is used to settle the loan. This could be very detrimental, because you may have to pay tax on this amount, and you will be giving up some of your hard-earned retirement savings.

OLD MUTUAL HOME SOLUTIONS CAN HELP YOU APPLY!

- [Old Mutual Home Solutions](#) can help you apply for a Standard Bank pension-backed housing loan, and at the same time they can help you compare this against a normal bond by sourcing competitive quotes from several banks*. This can help you make the best decision for your circumstances. **The Old Mutual Home Solutions offering is completely free.**
 - You can contact Old Mutual Home Solutions by phoning **0860 000 366** or emailing HomeSolutions@oldmutual.com
 - You can access the [OMHS form](#) to submit an application.
 - Alternatively, you can apply directly to Standard Bank – you can find a brochure with contact details on the [OMEGS website](#). Please ensure you properly understand the features of a pension-backed housing loan.
- Note that it can take several weeks from starting the application process until any loan amount is paid (assuming it is approved).

* Please note: The OMEGS Joint Management Committee does not specifically endorse the services of Old Mutual Home Solutions. However, the JMC considers it important for OMEGS members to consider and understand all of their options, and Old Mutual Home Solutions is able to assist members with this process.



CHANGE IN LIFE COVER PREMIUM RATES AND EXPENSE DEDUCTION

The **premium rates for the Life Cover benefits** are reviewed every year, based on the OMEGS experience (i.e. the actual claims paid) in recent years. The new rates take effect from July 2018.

- The cost of the [Full Cover](#) benefit has decreased from 1.38% down to 1.24% of pensionable earnings. Members in the Full Cover group will therefore see slightly more money being directed towards retirement savings. There is no impact on your take-home pay.
- The cost of the [Core Cover](#) benefit has increased from 0.86% to 0.91% of pensionable earnings. If you are in the Core Cover group, this cost increase means you will have slightly less money directed towards your retirement savings during the coming year. There is no impact on your take-home pay.

There has also been a change in **expense deduction** for administration and governance costs with effect from August 2018.

- The expense deduction has increased from 0.110% to 0.144% of pensionable earnings. The reason for the change is that in recent years we have been able to subsidise the expense deduction by slowly drawing down on a positive expense reserve balance. This expense reserve has now reached its target level, and so no further subsidisation is possible.
- Members who have been around since before 2014 may be interested to know that our 2013 expense deduction in the previous fund (the Old Mutual Staff Retirement Fund) was 0.370% of pensionable earnings. That means that the current expense deduction is less than half what it used to be in the previous fund!



SUPERFUND EDUCATIONAL NEWSFLASH IN 5 LANGUAGES

The latest Old Mutual SuperFund educational newsflash is available in 5 languages! **Click on your preferred language below** to read more about how to prepare for a longer retirement:

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INDEMNITY STATEMENT

This Newsflash was produced by Old Mutual Corporate Consultants on behalf of the Old Mutual Employee Group in SuperFund (OMEGS), Mutualpark, Jan Smuts Drive, Pinelands 7405. It represents an overview of the topics currently under discussion. While every effort has been made to ensure that the information in this Newsflash is correct, the Joint Management Committee (JMC) take no responsibility for any loss or damage suffered by any person as a result of their reliance on the information contained herein.