



Welcome

FUND GOVERNANCE AND COSTS

MARCH 2025

Presented by the Principal
Officer's Office





Agenda

- > Governance structures
- > Key role players
- > Costs deducted from contributions



Agenda

- > Costs deducted from assets
- > Why are costs comparisons important?
- > Questions



Governance Structure

Board of the Fund comprises 13 members:



3 are appointed by the employers



1 is elected by the pensioners



6 are elected by the members



3 are appointed by the Board

The Board is assisted by the Principal Officer and the Principal Officer's office.



The role of the Board

- Trustees must act in the best interest of members, but also protect the rights of all stakeholders.
- They also need to ensure compliance with ALL legislation / regulations.
- They also need to ensure that risks are identified and managed.



The role of the Board

- Despite being appointed by different mechanisms, once a Trustee they do not represent a particular party. All Trustees are equal and represent all members.
- Trustees must meet the Fit and Proper requirements which includes the completion of the FSCA Trustee Toolkit.
- Trustees are responsible for keeping up to date with an regulatory changes.



Jennifer Grefen
Principal Officer



Diana Bent
Deputy Principal Officer



Principal Officer's Office

Go Benefits employee benefits provide support to the Principal Officer and the Deputy Principal Officer.

This includes the following:

- Ensuring the smooth functioning of the Board
- A service centre to ensure the smooth operation of the Fund
- Regular interactions with the different employers and their HR teams
- Regular member communication sessions



Key Role Players

Administrator

Momentum Retirement Fund Administrators

Auditors

PWC

Actuary

Willis Towers Watson

Investment Consultant

Willis Towers Watson



Service providers

- The Board of Trustees retains the responsibility for all functions. They can outsource functions to service providers but not the responsibility.
- Appointment of appropriate service providers and the ongoing monitoring of service providers is critically important.
- Costs are effectively paid by the members, and cost savings are thus to the benefit of members.



Other costs

- Insured benefits : Sanlam
- Regulator levies : Financial Sector Control Authority and Pension Funds Adjudicator
- PI and FG insurance : Marsh / Camargue
- Bank charges on Fund accounts administered by Administrator: Nedbank
- Specialist service providers as required: pension lawyers, communication specialists etc



Costs deducted from monthly contributions

- Currently there is a charge of 0.25% of pensionable salary deducted to cover all expenses.
- The Trustee Board (guided by the Fund's actuary) review this annually to ensure it covers all costs.



Allocation To Retirement Savings

Members can select either:



2% of contribution allocated to the cost of insured risk benefits



4% of contribution allocated to the cost of insured risk benefits

Depending on the option selected the NET contribution to retirement savings is either **19.75%** or **21.75%**.

The industry average of **12.80%**.



Investment Strategy



There are 4 investment portfolios which are specifically created for NTRF members.



These are based on the recommendations of the investment consultants, Willis Towers Watson.



Asset size enables fees to be kept low and performance has been excellent.



These are multi manager and multi asset class portfolios



Investment Returns on NTRF Portfolios

The table indicates the long-term investment performance since inception, up until 31 December 2024 (19 years) :

NTRF portfolio	Annualised net return
<i>Long term capital portfolio</i>	11.6% pa
<i>Stable portfolio</i>	10.1% pa
<i>Money market portfolio</i>	8.2% pa

Inflation over the 19 years : 5.6%pa



Investment portfolio costs

Base portfolio fees : This is the fee charged by the asset manager for assets invested in the selected portfolio

Platform fee : This could be a fee levied by a multi manager (if the portfolio has building blocks or an administrator). For NTRF portfolios these are included in the base fee.

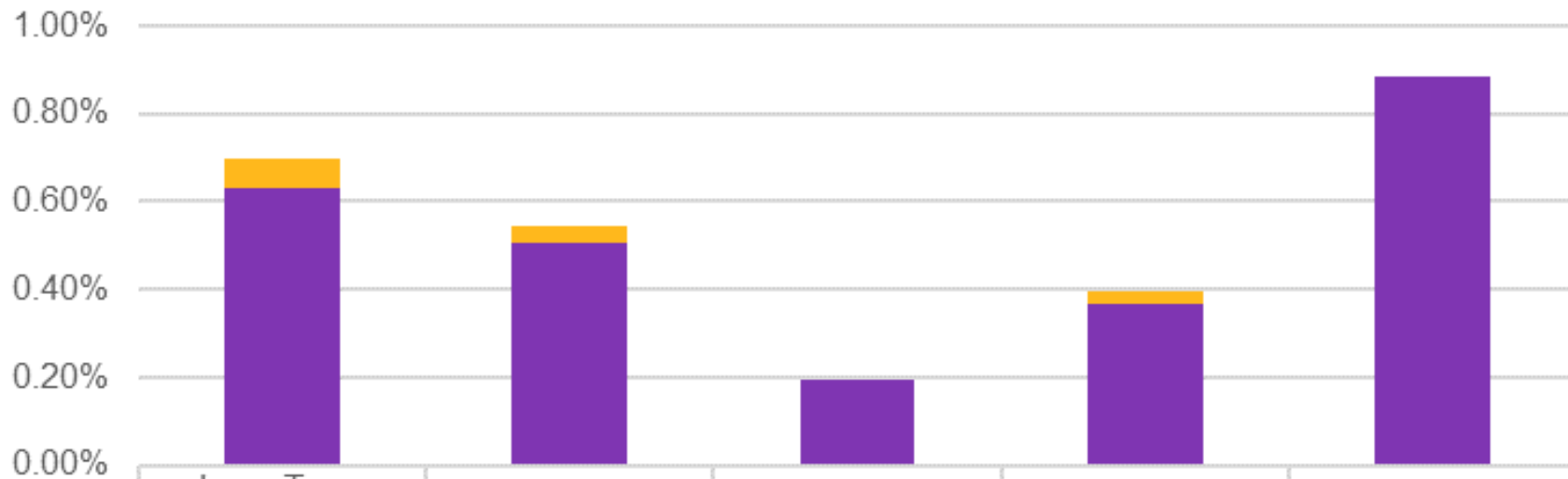
Portfolio expenses: Certain other costs, such as custody charges, are levied against the portfolio over and above the quoted fees

Trading costs: The stockbroking costs, STT on some trades and bank charges are levied against the portfolio over and above the quoted fees



NTRF Portfolio costs

Total Investment Charge + Expected Performance Fees



	Long Term Capital	Stable	Money Market	Pensioner	Shari'ah
Expect PF	0.07%	0.04%	0.00%	0.03%	0.00%
TIC	0.63%	0.51%	0.19%	0.37%	0.89%
TIC + Expected PF	0.70%	0.55%	0.19%	0.39%	0.89%



NTRF Investment portfolio costs

These costs are about 30% to 40% of the charge the members would typically pay as a retail investor.

They are also lower than the fees paid in most commercial umbrella Funds

Note that the 0.25% of contributions equates to 9bps of the asset value (for comparisons where umbrella funds recover costs via asset fees).



Insured Benefits : Death And Medical Disability Before Retirement

Age Band (age next birthday)	Option 1: 2% cover Multiple of pensionable salary	Option 2: 4% cover Multiple of pensionable salary
18 - 25	9.30	16.00
26 - 35	9.15	15.65
36 - 40	7.50	12.85
41 - 45	6.70	11.20
46 - 50	5.60	9.20
51 - 55	4.45	7.30
56 - 60	3.20	5.35
61 - 65	2.25	3.65



Post Retirement Costs

Pensioners need to consider the following costs:

- Investment fees that is the fees (TER and TIC) as per previous slides
- For Life annuitants they also need to consider any built in charges for risk
- Administration and platform fees
- Advice fees / commission



Other Costs

Administrative charges can be levied for certain events:

- Processing a divorce order payment
- Registering a home loan – this is capitalised by the Bank
- Death in service payments – tracing or paternity cost could be levied and deducted from the benefit
- If benefit not paid for 24 months (unclaimed benefits), tracing cost can be deducted



Member Communication

- Fund website: www.ntrf.co.za
- Monthly Investment Fund Fact sheets – published on Fund website
- Online Member Portal (secure website): <https://mra.momentum.co.za/>
- Newsletters and articles – published on Fund website
- Online Member Retirement Planning Tool – coming soon
- Annual Member Benefit Statements & monthly member values (available on Member Portal)
- Online Retirement Seminars
- The Benefit Counsellor Email : info@benefitcounsellor.com or you can log onto the www.ntrf.co.za and request for virtual counselling with The Benefit Counsellor



Fund Contact Information

Member Website: www.ntrf.co.za

OFFICE OF THE PRINCIPAL OFFICER (Management of the Fund)

Contact the Principal Officer for all escalations of queries

Physical address	Telephone	Email
Building 2 Country Club Estate Woodlands Drive Woodmead	011 258 8825	info@gobenefits.co.za

ADMINISTRATOR (Administrative matters)

Contact the Fund Administrator for all investment and claim queries and other admin-related queries

Physical address	Telephone	Email
Fund Retirement Administrators The Marc 129 Rivonia Rd Sandown Sandton	0860 000 071	NTRF@momentum.co.za



Questions

