



Dear Participating Employer

We strive to ensure that you remain up to date regarding developments at the National Tertiary Retirement Fund (NTRF). The objective of this communication is to advise you of the latest Fund news, events, and notices.

Did you know?
 The NTRF is a great way to allow your employees to save, for so many reasons!

- ✓ **Low costs** – [click here](#) to find out more about Fund costs.
- ✓ **Value-added risk benefits** – [click here](#) to find out more about benefits at disability and/or death of a member.
- ✓ The NTRF is a **'not for profit' Fund** – we are totally **independent** of our service providers. Our focus is on the member value proposition.
- ✓ **New value-added benefits** – see **page 3** to find out more about what the Fund is planning in this regard.

In the coming weeks, we will be sending out a member communication covering the topics below.

Fund Board and Management News

Welcome to our new Principal and Deputy Principal Officers

Jennifer Grefen has been appointed as the Principal Officer of the Fund, and Diana Bent has been appointed as the Deputy Principal Officer. Both assume their positions on 1 July 2022.

	<p>QUALIFICATIONS</p> <ul style="list-style-type: none"> ▪ Bachelor of Commerce: University of the Witwatersrand ▪ Certified Financial Planner[®] ▪ Advanced Diploma in Financial Planning: University of the Free State ▪ RE5 and RE1 FAIS qualifications <p>BACKGROUND</p> <p>Jennifer is integrally involved in the retirement funds industry, and is a past Board member of the FIA, a member and former chair of the FIA Employee Benefits Exco, and a member and former chair of the of the FPI Employee Benefits Committee. She is also a member of both the Principal Officers Association and Batseta and attends Pension Lawyers Association (PLA) functions on a regular basis. She is a regular contributor to various industry publications and is a specialist speaker at various conferences on matters relating to the retirement funds industry. With her wealth of experience, and in-depth industry knowledge, Jennifer is a welcome addition to the Fund management team.</p>
<p>Jennifer Grefen Principal Officer</p>	



Diana Bent
Deputy Principal Officer

QUALIFICATIONS

- Certificate in Wealth Management
- RE5 and RE1 FAIS qualifications

BACKGROUND

Diana has a wealth of experience spanning over 24 years in the retirement funds arena. Her broad-based industry experience includes retirement fund administration, retirement fund consulting, long-term insurance products, investment products and investment strategies, umbrella fund products, as well as an in-depth knowledge of the operations and risk mitigation strategies required by a retirement arrangement.

Board appointments

The Board has appointed Anesh Soonder as its Chairman with effect from 1 July 2022.



Anesh Soonder
Chair of the Board


QUALIFICATIONS

- BA and LLB: University of KwaZulu-Natal
- Master of Laws (LLM): University of South Africa
- Certificate in Compliance Management: Compliance Institute of SA
- Certificate in Finance: WITS Business School
- Chartered Principal Executive Officer: Batseta
- Investment Management – University of Cape Town

BACKGROUND

Anesh has been involved in the retirement funds industry for over 20 years and has fulfilled various roles in the corporate sector as well as in retirement funds. He is an admitted and practising Attorney with his own firm, specialising in pensions law. Anesh has a strong entrepreneurial nature. In addition to running a law firm he brings expertise to various boards of retirement funds, fulfilling roles such as Independent Trustee, Chairperson, and Principal Officer. Some of the other roles he has fulfilled include that of Legal Advisor, Head of Compliance, Chief Operating Officer and Chief Executive Officer in the corporate sector.

Dr Doeke Tromp was re-elected as the pensioner representative on the Board.

 <p>Dr Doeke Tromp Pensioner Trustee</p>	<p>QUALIFICATIONS</p> <ul style="list-style-type: none">▪ Doctor of Commerce: North-West University▪ Laureatus Technology: Vaal University of Technology▪ Various professional memberships and certificates, including the Trustee Toolkit and training courses as required by the Financial Services Conduct Authority <p>BACKGROUND</p> <p>Dr Tromp lectured Management Accounting for 10 years and has co-authored 5 books on Cost and Management Accounting and 10 articles in professional journals. He has presented numerous short courses and papers, both locally and internationally. He has also assisted with strategic planning, the implementation of various accounting systems and mergers and take-overs. He has headed the financial activities at tertiary education institutions and managed their operations as these related to residences, infrastructure, and services.</p> <p>Dr Tromp participated in the creation of the NTRF in 1994 and served as an elected employer representative from 2003 to 2009, and as an elected pensioner representative from 2012 to 2022. He was a member and sometime chairman of the Investment Committee as well as the Audit Committee and served as Chairman of the Board for a period of 5 years in all.</p>
---	---

Congratulations to all the newly appointed and re-appointed office bearers. We look forward to your participation and input on all Fund matters.

We take this opportunity to thank Mr Jacques van der Merwe, the outgoing Principal Officer, and Mr Wim de Klerk, who was the Chairperson of the Fund up to 31 December 2022, for their dedication and hard work, and wish them all the best in the years to come.

Investment Update – Returns to 31 May 2022

Richard Thaler won the Nobel Prize for Economics in 2017. Thaler’s research focused on the behavioural errors we tend to make. He was an academic at Chicago University, and advised the university that it should send members investment statements only once every five years. Of course, Thaler’s point is that it is a behavioural error to get caught up in short-term investment returns, which are often driven mainly by either anxiety or overconfidence. Through receiving an investment statement only every five years, members would be protected against making poor decisions based on noisy short-term market returns.

Fiscal year to date investment markets have been very volatile. Investors are anxious about higher inflation and the possibility of a global economic recession. Undoubtedly, the Russia–Ukraine war has caused a rise in inflation and has concurrently heightened geopolitical risk. If one considers the long-term history of stock markets, events similar to what has happened in 2022 have occurred in the past and markets have recovered. Of course, there is no guarantee that markets will recover as in the past; however, there is a relative likelihood that they will.

Thaler’s point about thinking long term is most relevant if you are a long way from retirement. However, as

you get closer to retiring and spending your money (as opposed to saving), short-term market volatility can have a material negative impact on your pension. It is for this reason that the Fund's Life Stage Model invests your money more conservatively as you approach retirement, and most of your money will be invested in the Stable and/or Money Market Portfolio.

With this as background, the table below shows the returns of the Fund's investment channels for the below periods to 31 May 2022:

Investment channel	Investment horizon	One year	Three years	Five years	Seven years
Long Term Portfolio	7+ years	Period too short ¹		8.3%	7.9%
Stable Portfolio	2 to 5 years	6.8%	7.8%	7.8%	Period too long ²
Money Market Portfolio	1 to 2 years	5.8%	6.3%	Period too long ²	
Shari'ah Portfolio ³	5 to 7 years	Period too short ¹		8.2%	n/a
Inflation		6.3%	4.5%	4.5%	4.8%

Updates to Fund Benefits

Life Stage Investment Strategy

Members received a communication earlier in June giving an update on the way investments are transitioned in the Life Stage Model as they approach retirement. You can view this document [here](#).

Pension-backed housing loans

The Board recently concluded agreements with Standard Bank to provide pension-backed housing loans to Fund members. This service will allow you to use your retirement savings as surety for a loan to do any of the following, at competitive interest rates:

- Buy a new home or vacant land
- Build a new home
- Improve an existing home
- Furnish a deposit for buying a home
- Pay bond fees

The property must be in the name of the member or member and spouse, AND be occupied by the member, spouse, or dependants as defined in the Pension Funds Act.

¹ The portfolio is most suitable for members with a long investment horizon (7 years or more) and who are concerned about managing inflation risk. We therefore exclude the short-term performance history.

² The portfolio is most suitable for members with a short investment horizon (3–5 years or less) and who are concerned about managing capital risk. We therefore exclude the long-term performance history.

³ Term since inception is 6 years and 7 months.

Important: This facility will need to be approved by you as the employer before your member employees can access it, as there are agreements which need to be signed, and deductions in relation to the housing loans need to be made by the employer on a monthly basis.

Should you be interested in offering the Standard Bank housing facility to member employees, please contact the Principal Officer at jennifer@gobenefits.co.za or the Deputy Principal Officer at diana@gobenefits.co.za to indicate your interest. They will contact you regarding the documentation and the process to be followed to set up the facility for your member employees.

Note: This does not affect on members who previously took out pension-backed housing loans that are currently administered by Absa. These loans will continue based on the terms and conditions agreed with the members at the time the loan was taken out.

Group risk (death and disability) benefit review

There are two broad risk categories in the NTRF:

1. Fixed risk members: members who joined the Fund before 1 September 2002 and who have not switched out of the fixed risk category. Once a year, these members may choose to move into the flexi risk group, but once they make this change, they cannot go back to fixed risk.
2. Flexi risk members: members who joined the Fund after 1 September 2002 and members who switched into this group. Once a year, these members may choose to review their percentage of cover (between 2% and 4%) – increasing cover is subject to medical testing as required by the insurer.

The following will take place in the third quarter of 2022:

- Members will receive a letter and forms regarding their opportunity to review their cover. The letter will be made as simple and easy to understand as possible.
- Members will be reminded to check their current cover on their benefit statements, which can be found on the administrator's portal, and to contact their financial advisor or the Principal Officer if they need further assistance.
- Members are required to submit their option form to the administrator if they wish to change their cover. If they want to retain their current risk option, no action is required.
- All requests for changes will be implemented from 1 September 2022.

Fund News

- The Annual Financial Statements and the Actuarial Valuation as at 31 December 2021 are in the process of being finalised. We are pleased to announce that the Fund remains in a financially sound position.

Industry News

- The Financial Sector Conduct Authority (FSCA) recently published the draft Conduct Standard and related documents on the requirements related to the payment of pension fund contributions. The Fund will be holding meetings with our administrator (Momentum Retirement Administrators) regarding these documents, and their impact on the Fund's contribution schedules.
 - The minimum data to be provided monthly by the employer has been expanded to include RSA ID or passport number and tax reference number as well as payroll number, very detailed member contact information, and pensionable salary.
 - The employer must also provide a monthly declaration that the contribution schedule accurately includes all employees who are eligible to be members of the Fund. The administrator must report to the "monitoring person" (PO) on data that is missing, any reconciliation issues, any contributions which

- have not been received, or any matters previously reported on which were not resolved.
- This report must be sent by the 30th day following the end of the month to which the contributions relate, that is, by 30 days after the end of the “due month”. The PO in turn must report this to the Board.

Fund Contact Information

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