



Trustee Member Newsletter

November 2013

FundsAtWork
Pension and Provident
Preservation Funds

momentum

employee benefits



According to industry research, **most South Africans are not well prepared for retirement and life's eventualities.**

This may have a serious impact on our ability to take care of ourselves and our loved ones when we are no longer able to earn an income due to retirement, disability or death.

From the desk of the chairperson

We take our responsibility of supporting you on your financial wellness journey seriously. For this reason we have dedicated this edition of the newsletter to giving you feedback on the performances of the various investment portfolios as well as some changes to the portfolios during 2013. Your choice of investment portfolios should be carefully considered to ensure they remain appropriate. Information regarding your investments can be found in your benefit statement.

You can access your benefit statement online at www.momentum.co.za with your login details. Our friendly call centre consultants can assist you in case you don't remember your login details.

If needed, they can also assist you with a copy of your benefit statement. Give them a call on 0860 65 75 85 or send an email to fawcenturionadmin@momentum.co.za.

Remember, you should always speak to your financial adviser before making any changes regarding your retirement savings.

We know how important it is for you to have financial security in place and we are here to help you do just that.

Keep well and keep saving.

H. A. Lambrechts

Professor Hugo Lambrechts

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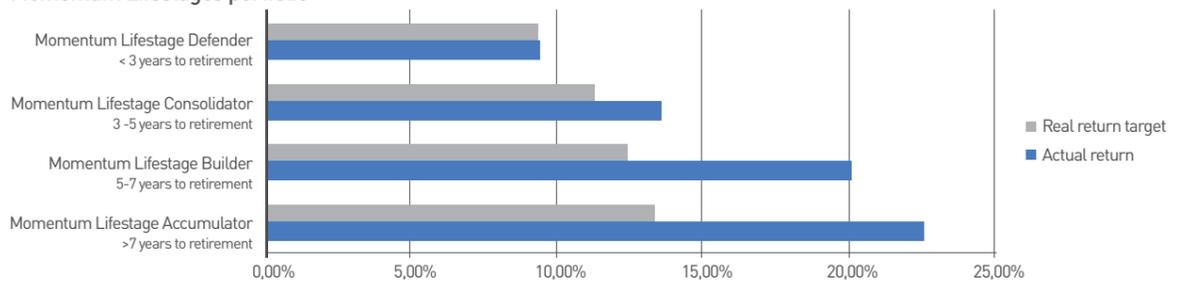
Outperformance for your **Financial Wellness**

Momentum Lifestages portfolio

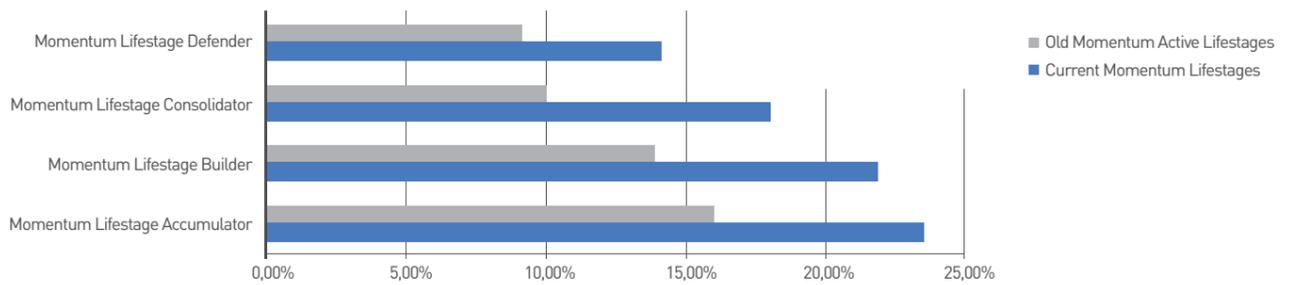
In April 2012, the FundsAtWork trustees approved the change from the Momentum Active Lifestages portfolio to the Momentum Lifestages portfolio. **The new portfolio is more diversified and invests in both traditional asset classes**, such as equities, bonds and cash, as well as “new generation” asset classes, such as hedge funds and private equity in order to maximise performance and minimise risks faced by members.

The table below shows the returns of the Momentum Lifestages portfolio relative to their CPI-linked targets at the end of August 2013.

Momentum Lifestages portfolio



The table below shows the returns of the current Momentum Lifestages portfolio compared to the old Lifestages portfolio at the end of March 2013.

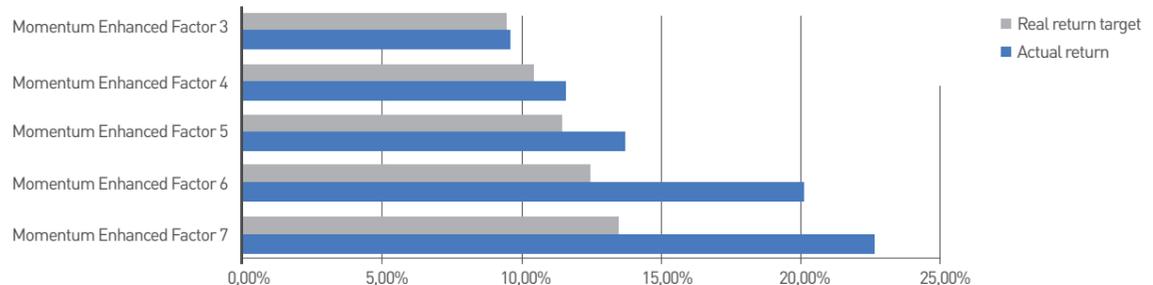


From this you can see that with the new Lifestages portfolio members can **expect even better returns** in the long term.



Momentum Enhanced Factor portfolios

The table below shows the returns of the portfolios relative to their real return targets at the end of August 2013. The new Trustee Choice Portfolio, which invests in Momentum Enhanced Factor 3, replaced the Momentum Multi-Manager Smooth Growth Fund Global portfolio (MMSGFG) as the Trustee Choice Portfolio from 1 October 2013.



The fund fact sheets of all the Momentum portfolios are available on our website at www.momentum.co.za/fundsatwork.





Your **family** may be **protected** for **free**

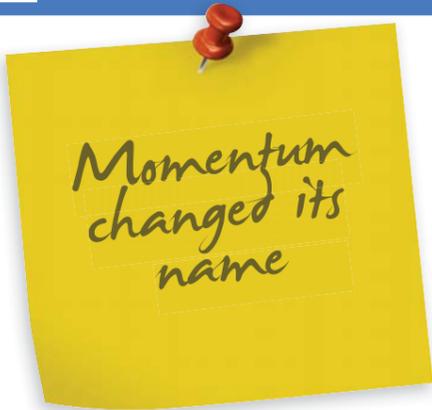
You and **your family** may be enjoying the FundsAtWork Family Protector BASE **benefits free of charge** without even knowing it.

If you...	You will get...
...joined the FundsAtWork Preservation Fund from the FundsAtWork Umbrella Fund or any other Momentum Fund.	...the Family Protector funeral benefit BASE.
...joined the FundsAtWork Preservation Fund from the FundsAtWork Umbrella Fund or any other Momentum Fund AND have also taken out a life policy with Momentum.	...the Family Protector funeral benefit BASE and the Family Protector education benefit BASE and the Family Protector health premium waiver BASE on death as long as you are a member of Momentum Health.
...joined the FundsAtWork Preservation Fund from the FundsAtWork Umbrella Fund or any other Momentum Fund and you took out a disability policy with Momentum.	...the Family Protector funeral benefit BASE and the Family Protector health premium waiver BASE on disability as long as you are a member of Momentum Health.



For more information, contact our client contact centre on **0860 65 75 85** or via email at clientcontactcentre@momentum.co.za

Pin board



Momentum Group Limited, the underwriter of the FundsAtWork Preservation Funds, has changed its name to MMI Group Limited. You will however still see and experience the Momentum brand.

FundsAtWork Preservation Funds receive a "clean bill of health"

The Funds have been audited up to 30 June 2012 and received unqualified audit reports. The next audit will be for the period 1 July 2012 to 30 June 2013.

Reduced fees on Momentum Enhanced Factor 3

The investment management fee on Momentum Enhanced Factor 3 has been reduced from 1.5% to 1.3% for all members who have selected this portfolio. The reduction in fee for these members is effective from November 2013.

The investment management fee for members who have selected the Trustee Choice Portfolio, that currently invests in Momentum Enhanced Factor 3, has also been reduced from 1.5% to 1.3% effective from October 2013.

The reduction in the investment management fee does not apply to members who invest in lifestage portfolios where Momentum Enhanced Factor 3 is being used as one of the underlying lifestage portfolios.

Investment portfolio changes

The trustees of the FundsAtWork Preservation Funds have to ensure that the investment portfolios are relevant to members and have decided to implement some portfolio changes to enhance your retirement benefits over the long term to ensure a comfortable retirement and sustainable financial wellness. Some portfolios have been discontinued, some were merged and a new portfolio has been added.

The Trustee Choice Portfolio has also been changed. Previously there were two Trustee Choice Portfolios, i.e. Momentum Secure Bonus (MSB) for members who joined the Fund before 1 March 2012, and Momentum

Multi-Manager Smooth Growth Fund Global (MMSGFG) for members who joined after 1 March 2012.

The trustees have made a decision to have only one Trustee Choice Portfolio from 1 October 2013 that currently invests in Momentum Enhanced Factor 3, and which is available on the Founder, Provider and Entrepreneur product options from 1 October 2013.

Communication was sent to all affected members. However, please call our Client Contact Centre on 0860 65 75 85 for more information.

	Founder	Narrator	Provider	Entrepreneur
Portfolios closed. The investments of all affected members were moved to Momentum Enhanced Factor 3 except for those members who have opted to change to a different portfolio of their choice.			<ul style="list-style-type: none"> Momentum InflationGro (June 2013) Momentum Secure Bonus (Sept 2013) 	<ul style="list-style-type: none"> Momentum Secure Bonus (Sept 2013) Momentum Inflation Guaranteed (June 2013) FundsAtWork Guaranteed and FundsAtWork Multi-Manager Guaranteed (Sept 2013)
Portfolios merged. Members remain invested in the merged portfolios.				<ul style="list-style-type: none"> Momentum Smooth Growth Fund Local (June 2013) and Momentum Multi-Manager Smooth Growth Fund Local were merged (June 2013) Momentum Secure Growth Fund and Momentum Multi-Manager Secure Growth Fund were merged (June 2013)
New portfolios added.	<ul style="list-style-type: none"> Trustee Choice Portfolio that currently invests in Momentum Enhanced Factor 3 (Oct 2013) 		<ul style="list-style-type: none"> Momentum Smart Guaranteed +3 (Sept 2013) Trustee Choice Portfolio that currently invests in Momentum Enhanced Factor 3 (Oct 2013) 	<ul style="list-style-type: none"> Momentum Smart Passive +4 (Sept 2013) Momentum Smart Guaranteed +3 (Sept 2013) Trustee Choice Portfolio that currently invests in Momentum Enhanced Factor 3 (Oct 2013)
Change to Trustee Choice Portfolio. All members who defaulted into MMSGFG since it became the Trustee Choice Portfolio in March 2012 were switched to the new Trustee Choice Portfolio.	<ul style="list-style-type: none"> Momentum Multi-Manager Smooth Growth Fund Global was replaced with the Trustee Choice Portfolio that currently invests in Momentum Enhanced Factor 3 (Oct 2013) 			

Service providers of the Funds

The Pension Funds Act requires the official appointment of certain service providers of which the following are the service providers to the FundsAtWork Preservation Funds.

Administrator	MMI Group Limited (formerly called Momentum Group Limited)
Auditors	PricewaterhouseCoopers
Asset managers	Momentum Managers of Managers Momentum Asset Management Various external managers
Independent Principal Officer	Tania Bakker
Tracing agent	The Data Factory

Annual rates and fee review

The table below illustrates the rate and fee reviews effective from 1 July 2013.

Rate / fee	Preservation Funds
Asset-based administration fee (payable by members in the Entrepreneur product option invested in external investment portfolios)	Less than R750 000 - 0.55% R750 000 to R1 500 000 - 0.30%
Fund expenses	Pension Fund : 0.05% p.a. of assets Provident Fund : 0.11% p.a. of assets