

PRESCIENT UMBRELLA FUNDS

MEMBER BROCHURE



What are the Prescient Umbrella Funds?

The Prescient Umbrella Pension Fund and the Prescient Umbrella Provident Fund (“the Funds”) are retirement savings vehicles which allow you to save for your retirement in a tax-efficient manner. Your employer has elected to join either the Pension or Provident Fund.

The rules of the Fund allow both you as the member and / or your employer to make monthly contributions to the Fund. A percentage of your salary will be deducted and contributed to the Fund and invested so that it can grow. When you leave the Fund your total Fund benefit will be made up of the following:

- All contributions paid to the Fund
- Any additional amount that you may have transferred into the Fund from a previous employer
- Less any administration fees and charges
- Plus the investment returns earned on contributions

Who are the administrators of the Funds?

Prescient Fund Services (Pty) Limited (“Prescient Fund Services”) is the appointed administrator of the Funds. Prescient Fund Services is an approved section 13B administrator, and an authorised Financial Services Provider (“FSP”). Prescient Fund Services’ value proposition is to deliver simple, flexible, cost-effective and transparent life and retirement solutions which service the needs of our clients.

How are the Funds managed?

The Funds are managed and run by Trustees who have a responsibility to protect members’ interests. Their responsibilities include:

- Appointing an administrator to manage the day to day admin of the Funds
- Drafting a set of general rules for the Funds that apply to all members and which say how the Funds must operate
- Managing the Funds in accordance with the general rules and the Pension Funds Act
- Deciding on the range of investment options for the members
- Determining members’ dependents and deciding how to divide members’ death benefits

You have the right to see the Fund rules and you can request them directly from Prescient Fund Services.

What communication will you receive as a member?

It is important for you to know all about your benefit held within the Fund and for you to be updated with all the changes in the retirement fund industry that may affect your retirement planning. You will receive the following from the Fund:

1. Welcome pack

Once you become a member of the Fund, and we have received the first contribution from your employer, we will issue you with the following:

- A welcome letter confirming your membership of the Fund
- A summary of your membership confirming your static details and the contribution percentages selected
- The terms and conditions of your membership
- Your log on details for online access
- A Prescient Online Member Portal user guide

2. Annual benefit statement

Prescient Fund Services will send you, either directly via email or, if selected, via your employer, a statement at least once a year with your membership details and Fund value.

3. Investment statements

You are able to access your member record, download statements and change beneficiary details using the log on details provided to you at inception. Please refer to our Prescient Online Member Portal user guide for more information on how to use the portal.

4. Newsletter

Every six months you will receive a newsletter on news and updates about the Fund. This newsletter will be sent either directly via email or, if selected, via your employer.

What will you be able to do online using the portal?

With the Prescient Online Member Portal you will be able to:

- Change and update your beneficiary nominations
- Switch your investment value and future contributions between portfolios
- Generate an updated statement reflecting contributions and fees
- View your Fund value

What are the Investment Options available to you?

The Trustees approve Investment Options suitable for the members but you have the choice of selecting up to four of these Investment Options in which to invest your Fund value. The growth of your Fund value plays an important role in determining how much money you will have at retirement. All investment decisions carry a

certain amount of risk. It is your responsibility to make an informed decision on where you would like to invest your contributions. Your employer must provide you with enough information on the Investment Options for you to make this decision but if you are in any doubt as to how to invest you should seek independent financial advice.

What happens when you change jobs?

If you resign, are dismissed or retrenched, the value in the Fund is due to you. You can either:

- Transfer the Fund value tax free to a preservation fund, such as the Prescient Preservation Funds
- Transfer the Fund value tax free to a Retirement Annuity Fund, such as the Prescient Retirement Annuity Fund
- Transfer the Fund value tax free to your new employer fund
- Take the Fund value in cash, which will be taxed in your hands using the latest SARS withdrawal tax tables

It is your responsibility, to inform your employer in time of what you would like to do with your Fund value. It is important to get independent financial advice before you make your decision.

What happens when you retire from the Fund?

Your retirement benefit will provide for your needs on a day to day basis when you retire and no longer have a monthly salary.

If you belong to the Pension Fund you can take up to one third of your Fund value in cash at retirement. Tax may be levied on the cash portion taken. The remaining balance must be used to purchase an annuity that will pay an income in retirement.

If you belong to the Provident Fund you can take up to 100% of your Fund value in cash at retirement. You can also use part or all of your Fund value to purchase an annuity that will pay an income in retirement.

It is best to get independent financial advice to help you make informed decisions about your retirement.

What happens if you die while you are a member of the Fund?

If you die, while you are employed, and you are a member of the Fund, your dependants will receive your Fund value. The law states that the trustees of the Fund have an obligation to determine who your legal dependants are and divide the death benefit payment fairly between dependents and nominees. For more information on death benefits, please refer to our death benefit guide.

What are your responsibilities as a member?

- Keep your nomination of beneficiary records up to date
- Inform your employer of any changes in your details
- Inform your employer of your choice when you withdraw from the Fund
- Inform your employer of your choice when you retire from the Fund

Where can you get help?

If you have any questions, please contact your human resources department, appointed consultants / independent financial advisor or contact Prescient Fund Services at ebadmin@prescient.co.za.

Fund Name	Prescient Umbrella Pension Fund	Prescient Umbrella Provident Fund
FSCA Registration Number	12/8/20153	12/8/36671

Disclaimer

The Prescient Umbrella Funds (“the Funds”) are registered with the Financial Services Board and approved by the South African Revenue Services for tax purposes. The Funds are administered by Prescient Fund Services (Pty) Ltd (Reg. No: 1998/023727/07, “Prescient Fund Services”). Prescient Fund Services is an approved retirement benefits administrator (Licence No: 765) under section 13B of Pension Funds Act, 24 of 1956 and an authorised Financial Services Provider (Licence No: 43191) under the Financial Advisory and Intermediary Services Act, 37 of 2002. This document was written by Prescient Fund Services for information purposes only and does not constitute advice or a solicitation for investments. It is subject to copyright and may not be altered, copied or reproduced in whole or in part without the written permission of Prescient Fund Services. The Funds and their trustees, and / or Prescient Fund Services cannot be held liable for damages or loss suffered as a result of any action taken based on the information in this document.