

## Principal Officer's note

Dear member

One of the most talked about topics over the last year is the weather and drought. We are living with water restrictions and very dry gardens in the Western Cape. But, true to South African culture, we are hopeful for rain and a wet winter season to fill up the dams. The drought made us realise that we need to make alternative plans to save water since we live in a water scarce country. We should also think of alternative/additional ways to save for our retirement and in this newsletter, we have included an article regarding the options you have when you exit the fund (before retirement).

The Trustees identified the need for members to have access to individual financial planners to assist with their financial planning needs. After a full due diligence process, they have approved the provision of advice services by Verso Wealth (Pty) Ltd to members of the Fund, where members require this. You will therefore have access to professional advice with regards to the benefits in your fund at withdrawal, retirement, death and disability, if you so wish to make use of the service provided. Also see the article prepared by Verso Wealth regarding the impact of not taking your benefit in cash when you resign.

I again want to urge you to provide the fund with your contact details. This will make it easier for the fund to communicate with you on important and interesting topics.

I hope you will find the articles educational.  
VURF wishes

Brenda Krummeck

Principal Officer of the Verso Umbrella Retirement Pension and Provident Funds



# THE BENEFITS OF SAVING

The information in this illustration has been provided by B.Dunn, financial planners with Verso Wealth (Pty) Ltd. Verso Wealth has been appointed as the preferred financial advisers by the Fund. If you have any financial concerns and require advice, you can contact a Verso Wealth planner on 021 943 5301.

You leave employment for one of the following reasons:

- You got a new job;
- You, or a member of your family become seriously ill;
- You no longer want to work there but you haven't found other work yet;
- You've decided to start your own business;
- You were retrenched;
- You are retiring.

What you can do with your retirement fund benefit?

1. Park it (preserve in VURF or a preservation fund);
2. Transfer it (to a retirement annuity or new employer retirement fund);
3. Cash it - take all or a portion of the retirement savings in cash and start all over again.

**The 3 honeypots illustrate the options.**

## **Option 1: Park it (Preserve in VURF or another preservation fund)**

- No tax payable.
- You cannot contribute into this preservation honey pot.
- You can contribute into a new honey pot to continue saving for retirement.
- Your preservation honey pot will grow with investment interest.
- The preservation honey pot and the new honey pot will both add to your retirement savings.



## **Option 2: Transfer it (To a retirement annuity or new employer's retirement fund)**

- You preserve all your previous retirement funds savings.
- No tax is payable.
- You start your new retirement savings honey pot half full, adding to your already saved retirement money.
- This means that with time the honey pot will get fuller and fuller and you will be closer to your retirement goal.



- As time goes by more interest and dividends will flow into the honey pot and the market value of your retirement savings (investments) will also increase.
- You will be able to contribute to this honey pot every month and put in additional lumps whenever you like.

### Option 3: Cash it

- Tax is deducted on the amount you take in cash.
- There is nothing left in your 1st retirement savings honey pot.
- Your new honey pot is either completely empty or only a little bit full.
- This means you start saving from scratch.
- You are now faced with the very real prospect that you are going to run out of time and will not be able to fill up your honey pot enough to achieve your retirement savings goal.



If you would like to know more on how to improve your retirement savings, contact a Verso Wealth planner.

@ info@verso-wealth.co.za

021 943 5301

#### Visit

www.versowealth.co.za

@versofinancialadvice

VersoWealthSA

https://www.linkedin.com/company-beta/10511022/

# VERS

WEALTH (PTY) LTD

Part of

**galileocapital**

Challenging Conventional Wisdom

# MOBILE DATA PRIZES TO BE WON!!!

## INTOUCH MOBILE APP FOR YOU

The InTouch mobile app allows you, the member, exclusive access to your personal fund information.

This means you can;

- View your fund values;
- Access your annual benefit statements;
- Manage your beneficiaries;
- Update your contact details quickly, easily and securely from your mobile phone.

## WIN DATA PRIZES

How do I enter?

- Download the InTouch mobile app and register as a new user.
- Once you have logged in, you will automatically be entered and will stand a chance to win data prizes.

How do I know if I have won?

- You will receive an SMS to notify you that you have won.



## INTOUCH MOBILE APP FOR YOU

The InTouch mobile app allows you, the member, exclusive access to your personal fund information.

- 1 Step 1.** Go to **Google Play** or **App Store**.
- 2 Step 2.** Search for “**InTouch by Verso**”. **Download** and **Accept**.
- 3 Step 3.** **Open** the **InTouch App**, Click on **Login**.
- 4 Step 4.** Select “**New User**”. Complete the required fields.

Please note: You will only be able to receive data to the cellphone number you provide when registering for the InTouch mobile app. The data prize is not transferable.

## For assistance

 021 943 5300  [intouch@verso.co.za](mailto:intouch@verso.co.za)  <http://verso.co.za/page/mobile-apps/>

The InTouch mobile app is brought to you by Verso Financial Services (Pty) Ltd. An authorised Financial Services Provider. FSP 14985.

## Savings Tip: Know what you pay and where you shop

**M**ost of us get in a routine of shopping at the same grocery store, and we may not even realize that we're not getting the best deal. Fortunately, there's a simple way to find the cheapest store around.

All you need to do is keep track of the 20 or so things you buy most often, then shop for these items at a variety of stores and compare the price of each item.

Eventually, one store will come out on top for your purchases –then make that one of your regular shopping destinations and you'll automatically save money.



# Resigned? Retrenched? Dismissed? You have an option to stay in VURF

As a member you have to make a very important decision regarding your Fund savings when you leave your employer's service.

When you resign from your current employer's service, it is important to remember that your goal to save for retirement does not end, but has to continue in another way.

Most people do not save enough for retirement, and the biggest reason for this is that they take their Fund savings in cash when they leave employment. You can change this since you have the chance not to fall into the same trap and be in a better financial position when you retire one day. An easy option to preserve your fund savings is to leave it in VURF.

## When you leave the following options are available to you:

- Preserve (leave) your fund savings in the Verso Umbrella Retirement Fund (preservation option); or
- Preserve (transfer) your fund savings in another preservation fund; or
- Transfer your fund savings to your new employer's retirement fund; or
- Transfer your fund savings to a retirement annuity fund (your financial advisor can assist with this option); or
- Take your fund savings in cash.

## How do I give my instruction?

When you leave the service of the employer, you have to complete a benefit claim form. You are given options you must elect, to instruct the Fund Administrator what to do with your retirement savings.

## Extract from the benefit claim form:

### BENEFIT OPTIONS (Withdrawal and Retirement Claims ONLY)

On retirement from a Pension Fund a member is entitled to commute up to a maximum of 1/3rd (33.33%) only!

- Leave my benefit invested in the Fund until further notice (ie. Preservation option)
- Pay benefit directly into my own bank account as specified above.
- Pay portion of my benefit into my own account as specified above.

Specify amount or percentage: \_\_\_\_\_

Transfer of Benefit;  Full Benefit

Portion of Benefit: Specify amount or percentage: \_\_\_\_\_

NAME OF FUND: \_\_\_\_\_

TYPE OF FUND: \_\_\_\_\_

CONTACT DETAILS: \_\_\_\_\_

PRESERVATION  
=  
COMFORTABLE  
RETIREMENT

**This article discuss the option to leave your Fund savings in VURF, in more detail.**

**How do I indicate my decision to leave my Fund savings in VURF?**

Tick the 1st block under benefit options on the benefit claim form.

The advantages of leaving your Fund benefit in the Verso Umbrella Retirement Fund (preservation) are:

- No tax is payable;
- No upfront or additional costs apply;
- A minimal monthly administration fee is payable;
- The savings remain invested in the same investment portfolio (or a portfolio elected by you from the available menu);
- You have an opportunity to transfer your savings to another approved fund;
- You may withdraw your total benefit any time before reaching retirement age.

**Just note the following if you choose this option:**

- No new contributions are allowed into the fund;
- The facility for one withdrawal will reduce your ultimate retirement benefit.



☎ 021 943 5300 @ info@vurf.co.za 🌐 www.vurf.co.za