

THINGS TO REMEMBER WHEN YOU PLAN TO RESIGN

"There are some who start their retirement long before they stop working." Robert Half

Congratulations on your saving towards your old age; remember the road to retirement is long, so saving should not end when you leave your job. Any decision taken today will impact on your retirement, so before you choose the payment option in the Verso Umbrella Retirement Fund, ask yourself:

Have I saved enough money for my retirement, and do I have sufficient funds to continue with my current lifestyle after retirement?

Most people do not save enough for retirement and one of the main reasons is the fact that members take their savings in cash when they change employment. If you want to change this pattern, consider not taking your retirement savings in cash but to rather preserve it. One of the options you have is to leave your benefit in the Verso Umbrella Retirement Fund.

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

- No tax is payable;
- No upfront or additional costs;
- A minimal monthly administration fee;
- The savings remain invested in the same investment portfolio; and
- You are allowed one cash withdrawal before retirement.



In addition to the above option to leave your savings in the Fund, you also have the following three options when you leave the employment of your current employer:

"Retirement, a time to enjoy all the things you never had time to do when you worked." Catherine Pulsifer

1. Transfer your fund benefit to your new employer's retirement fund (if available). This is a good way of continuing saving for retirement. The advantages are:

- The transfer is tax-free unless you are transferring from a pension fund to a provident fund
- The benefit is preserved/saved for retirement.
- You can contribute monthly to the new fund and continue to grow your savings for retirement.
- You will have access to your benefit when you leave your new employer, retire or die.

2. Transfer your fund benefit to a retirement annuity The advantages are:

- You can transfer part of or your full benefit to a Retirement Annuity, tax-free.
- Your benefit is preserved/saved until retirement.
- You can retire anytime after you have reached the age of 55.
- You can make additional contributions to a retirement annuity fund.

Just note the following:

- No cash withdrawal is allowed until retirement.
- A maximum of one-third of the benefit at retirement will be payable in cash and two-thirds must be used to buy a monthly pension when you retire.

continued on next page

Dear Member

During 2015, there were many discussions around saving and the fact that South Africans do not save enough, particularly for their retirement. What is also a reality in our country is the struggling economy, sometimes resulting in life changing events like retrenchment which makes saving so much more difficult. I want to congratulate every member of the Fund since you are in fact saving for retirement. Please read our article on the option the Fund now offers for members to leave their benefit invested in the Fund if they resign or are retrenched by their employer. This makes it really easy for members to continue growing these savings with investment return to ensure a healthy nest egg at retirement.



The investment markets reflected the turmoil in the local and global arena and you will find that short-term returns are lower than what they used to be and have even been negative for short periods of time. I want to emphasize that retirement savings are a long-term investment and short term volatile returns should not cause any panic. The Verso Umbrella Retirement Fund (VURF) trustees have spent a lot of time evaluating and monitoring the appointed, experienced portfolio managers and elected portfolios. This was based on long-term track records through market cycles and technical analysis, in line with the Fund's investment strategy.

As we are nearing the festive season, I once again want to emphasize the importance of completing beneficiary nomination forms. Updated forms assist tremendously when dependency investigations are undertaken by the Fund for the distribution of death benefits.

I wish you all a blessed and safe festive season.

Principal Officer, **Brenda Krummeck**



SAVE FOR RETIREMENT

Read the article in this edition.



For further investment news visit www.vurf.co.za

continued from previous page

THINGS TO REMEMBER WHEN YOU PLAN TO RESIGN

3. Take your benefit in cash

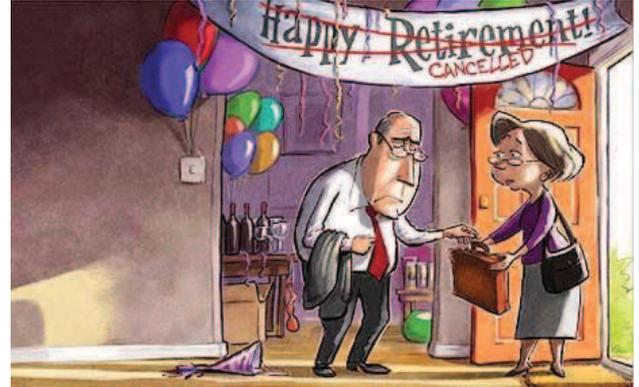
This should be your last option. Think about your retirement, do you want to rely on other people or the government pension? Remember - once the cup is empty, it'll take a while for you to build up the amount that you have already saved again.

Yes, you will have immediate cash but:

- You probably will not have enough money for retirement;
- The full benefit is taxable if taken in cash, as per the tax table below, less a tax-free amount of R 25 000.

Taxable lump sum (R)	Rate of tax
0 – 25 000	0%
25 001 – 660 000	18% of amount exceeding R25 000
660 001 – 990 000	R114 300 + 27% of amount exceeding R660 000
990 001 and above	R203 400 + 36% of amount exceeding R990 000

As at 1/3/2015



Source: Telegraph-UK

Make the wise decision not to cash in your retirement savings when you leave the service of your employer and rather leave your benefit in the Fund – for future use when you need it most.

CONGRATULATIONS

HERE ARE THE WINNERS!!

Thank you all for taking part in the “Test your knowledge” competition.



First prize winner

Ms. Cronje
from TH Machine Tools



Second prize winner

Ms. Smith
from Springbok Toyota



Third prize winner

Mr. Spangenberg
from Springbok Toyota

We are glad to see our member understand how their Fund works.

BUZZWORD for October

Retirement benefit

The savings available in the Fund to replace a member's monthly salary when he/she retires from the employer.

HOW DID YOUR FUND PERFORM?

Verso Umbrella Retirement Funds : Portfolio Performance

Portfolios	August 2015	3 months	1 year	3 years	5 years
Aggressive					
Momentum MoM Enhance Factor 7	-1.62%	-1.01%	9.58%	17.76%	17.52%
Investment Solutions Performer	-0.48%	0.03%	8.80%	17.01%	16.74%
Investment Objective CPI + 6%			10.97%	11.89%	11.57%
Moderate / Aggressive					
Sygnia Skeleton 60	-1.10%	0.64%	10.91%	16.33%	16.30%
Investment Solutions Defender Plus #5	-0.35%	0.47%	7.67%	13.46%#5	13.15%#5
Sygnia Signature 50	-0.81%	0.74%	12.07%	16.35%	15.71%
Investment Objective CPI + 5%			9.97%	10.89%	10.57%
Moderate					
Momentum MoM Enhance Factor 4	-0.37%	0.61%	9.02%	11.26%	11.81%
Momentum MoM Target Factor 4	-0.39%	0.58%	8.23%	10.65%	n/a
Investment Objective CPI + 4%			8.97%	9.89%	9.57%
Moderate / Conservative					
Sanlam Monthly Bonus	0.81%	2.58%	13.24%	15.41%	12.91%
Investment Objective CPI + 3%			7.97%	8.89%	8.57%
Conservative					
Investment Solutions Banker	0.61%	1.88%	7.36%	6.69%	6.77%
Market Indicators					
FTSE/JSE All-Share Index (ALSI)	-3.55%	-3.78%	1.12%	15.64%	16.36%
FTSE/JSE SA Listed Property Index	0.22%	4.99%	27.50%	15.30%	19.50%
BEASSA ALL Bond Index (ALBI)	0.14%	0.98%	5.39%	5.65%	7.85%
SteFI	0.54%	1.59%	6.38%	5.70%	5.75%
MSCI World Index (All Countries)	-1.59%	-0.95%	15.97%	27.08%	22.81%
Rand/Dollar Movement	5.42%	9.21%	24.81%	16.33%	12.48%
Consumer Price Index (CPI)			4.97%	5.89%	5.57%

1. All Returns are time weighted and quoted gross of investment management fees. All net figures are available on request.
2. The Sanlam Monthly Bonus bonuses are net of guarantee charges and gross of investment management fees.
3. Investment returns for periods greater than 12 months are annualised.
4. Every effort has been made to ensure the information in this summary is correct. The summary is for information purposes only and the Fund or its consultants cannot be held liable for any loss or damages as result of any inaccuracy.
5. The Investment Solutions Defender Plus 1, 3 and 5 year figures are “back tested” figures as this is a new portfolio offering

Belmont Office Park, Twist Street, Bellville. 7530
P.O. Box 4300, Tyger Valley, 7536

021 943 5300
021 917 4600

info@vurf.co.za
www.vurf.co.za

BOARD OF TRUSTEES:

Ms W Parker (Independent Trustee and Chairperson), Mr W Rossouw (Independent Trustee), Adv C Franken (Verso Appointed Trustee), Mr E Thomson (Verso Appointed Trustee), Mr W Breytenbach (Verso Appointed Trustee), Ms B Krummeck (Principal Officer)

INDEMNITY:

Every effort has been made to ensure the information in this newsletter is correct. This newsletter is for information purposes only and the Fund or its consultants cannot be held liable for any loss or damages as result of any inaccuracy.

