



BENCHMARK | SURVEY

09

 **Sanlam**

Employee Benefits

#### 2009 BENCHMARK SYMPOSIUM BY SEB

Guiding you through the changes in the Retirement Industry. To stay ahead and manage funds effectively you need the best information and analysis available. The retirement industry in South Africa is in a state of change and thus Sanlam Employee Benefits is perfectly placed to offer guidance and education to all those in the industry during this time.

#### 2009 BENCHMARK SURVEY BY SEB

This comprehensive survey provides an essential tool for the management of retirement funds and constitutes a yardstick for all stakeholders to measure their funds against the latest benefit trends.

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## FOOTNOTES

### Sample size


Please note that the base size for the result (n=200) with the exception of 2006 (n=188)

Results should be used with caution when doing any cross-tabulations or reviewing responses for a particular option. Where the no. of respondents to a particular question option is <30 (indicated by ★) we regard this as statistically insufficient from which to draw any significant industry conclusions.

### Totals

The nature and format of certain questions allow for multiple responses, as a result, answers in a particular question may add up to >100%

# Introduction



Sanlam Employee Benefits (SEB) has successfully completed its 29th survey of South Africa's retirement fund industry, including for the second year running, a complementary survey of retirement fund members.

This year, the team has exceeded previous efforts by giving the survey a distinguishing brand. Under the theme 'reality check', the 2009 BENCHMARK Survey once again provides the retirement fund industry with substantive information about South Africa's retirement landscape, putting into context some of the economic, social, political and regulatory factors affecting the industry's 'new reality'.

The most significant current reality is that of the global economic crisis. South Africa's economy and retirement fund industry have not been immune from its effects, and as a result, benefits for retirement fund members in defined contribution funds have been eroded, leaving some members to examine their retirement timeline and affordability.

Fundamentally, the BENCHMARK Survey aims to provide quantitative information to assist retirement fund stakeholders in the design

of benefit structures, communication and investment strategies. This year, effectively three studies were completed:

- 200 face-to-face interviews with principal officers of stand-alone funds,
- 100 face-to-face interviews with participating employers in umbrella funds
- 600 telephonic interviews with retirement fund members

One of the obvious highlights of the 2009 survey is the growing prevalence of umbrella solutions as consolidation continues in the industry. In an environment where it is no longer sustainable for smaller retirement funds to be administrated on their own, it was no surprise to learn that at least 41 percent of stand-alone retirement funds had investigated or are considering conversion to an umbrella platform.

As the size of funds continues to grow, however, retirement funds are increasingly attentive to members' needs, providing more frequent communication, complemented by additional education of trustees. Although there is still a long way to go to better inform and engage members, the need for information that is concise, uncluttered and effective is paramount if the industry is to increase member understanding of savings, investments and preservation of funds. A



lesson that the government should consider as it prepares to implement its National Social Security System (NSSS), still an important driving force in the industry.

We trust that the survey results continue to be successful in informing and influencing this process, and a valuable catalyst to further inform and empower stakeholders in the industry and the wider retirement landscape in South Africa.

We thank our colleagues from across Sanlam – including Coris Fund Administration, Sanlam Distribution, Marketing, Employee Benefits Actuarial and Market Intelligence – for their invaluable assistance in reviewing the

questionnaire, studying the data and formulating the results.

Thank you for your ongoing support of the BENCHMARK Survey. We trust that you continue to find value in all that we do at Sanlam Employee Benefits to generate and share these results.

**Dawie de Villiers**

CHIEF EXECUTIVE OFFICER  
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# Balancing Opportunity with Protection

## Introduction\*

This year's BENCHMARK Symposium coincides with not only the worst but also the broadest economic slowdown in history due to the extent of citizens' participation in the economy. What started off as a financial crisis rapidly transformed into a multiple-crisis that threatens to result in long term structural weaknesses which could easily lead to a vicious circle. The financial crisis has led to an almost unstoppable domino effect of sectoral imbalances; a devastating asset price collapse; a global recession; a blow up in unemployment; a social crisis; growing fiscal imbalances; all of which threaten a long lasting global structural imbalance.

This ripple effect threatens worldwide long term savings as retirement funding, seems to be the biggest victim of this global crisis.

This harsh experience provides further evidence to dispel the notion that retirement reform is purely a legislative exercise.

The economy is faced with a unique challenge that requires increase efforts to seek far reaching solutions for a sustainable social security and retirement regime that:

- Takes account of economic cycles;
- Positions itself for the long term; and
- Ensures that both the well heeled and vulnerable citizens are fully catered for under any economic eventuality.

This challenge gave rise to the BENCHMARK Symposium theme of "Balancing Opportunity with Protection". We ask what policies should be put in place to take advantage of the economic conditions to improve the worth of the economy. Another key

question asked is how we may accomplish this whilst also ensuring that the vulnerable and dependent members of society are included in the mainstream and also capitalise on current conditions.

These challenges are especially relevant to South Africa as we are wrestling with social security and retirement reform.

In this context, the above questions can be crystalised into one: "What should the country do, such that when the economy turns, we are ready to ride the tide and enhance welfare?"

The research has therefore focused on understanding the macro and micro impact of an economic slowdown, through studying the experiences of other countries. Their experiences guide us to the most appropriate policy and household responses in the current economic climate.

## What are the opportunities?

A balanced view of strengths and weaknesses of the South African economy is necessary to judge both whether and what opportunities are available to South Africa in the current economic maelstrom. The position that we find ourselves in provides certain valuable opportunities, which we should capitalise on, such as:

- Bringing macro stability back onto the global agenda and in particular to South Africa's reform agenda;
- Elevating the urgency of proper reforms;
- Forcing a rethink on early retirement; and
- Placing regulatory issues high on the agenda of reform.

\* For the full version of the research, visit [www.sanlam.co.za](http://www.sanlam.co.za)

In its recent economic outlook, the OECD is projecting a 9% fiscal deficit for 2009 and rising. Growth across this group of countries is expected to record a -4.7% with a sluggish turnaround in 2010 of 0.7%. The impact of this economic performance will result in unemployment rising by 2.2% in 2009, to 7.8%. This equates to an additional 11 million people becoming unemployed. Unemployment was recorded at 9.4% in May and is expected to rise further to 10% in 2010. All this takes place against the backdrop of an asset collapse of -23% (weighted) and -17.5% (unweighted). This economic data spells out the depth of the global crisis.

Whilst our economy was also caught off-guard by the slowdown it, unlike many others, was structurally stronger due to a decade of good macroeconomic planning and management. Shortly before the crisis, South Africa generated fiscal surpluses due to a more conservative stance, solid revenue experience and anticipated increases in obligations due to the social security and retirement reform. Coupled with this, is a solid capital expenditure programme enhancing the overall savings performance of the economy.

The characteristics that define the South African economy are described in the table below:

## Strengths and weaknesses of the SA economy

Weakness/disadvantages	Strengths/advantages
<ul style="list-style-type: none"> <li>• Poor domestic savings</li> <li>• Over-reliance on foreign savings to fund investment</li> <li>• Global slowdown will dry up resources, making borrowing costlier</li> <li>• Rising debt in developed world</li> <li>• Poor replacement ratios</li> <li>• Weak employment opportunities and retrenchments</li> <li>• High inflation and interest rate environment</li> <li>• Sticky wages and salaries</li> <li>• Weak global liquidity</li> <li>• Weak savings culture</li> </ul>	<ul style="list-style-type: none"> <li>• Budget surplus</li> <li>• Low debt burden in the domestic economy</li> <li>• Robust infrastructure programme</li> <li>• Preparedness for next upswing</li> <li>• Balance sheets of South African corporates are healthier than those in the rest of the world</li> <li>• Reform is forcing an introspection across all sectors of the economy               <ul style="list-style-type: none"> <li>- Cost across production chains</li> <li>- Partnerships with the state</li> </ul> </li> <li>• High interest rate environment allows for monetary room to inject growth impetus</li> <li>• Strong financial sector</li> </ul>

The existing strengths of the economy have given South Africa an edge over other economies despite the existence of some underlying structural weaknesses. This may partly explain why South Africa has so far weathered the storm relatively better, but may still suffer from extended global recession.

## The role of the economy

The link between the ongoing retirement and social security reform process and economic management cannot be denied as the right macroeconomic

environment is necessary to meet the social goals. Such an environment is a function of a healthy partnership between the private and public sectors. Adding further weight to the importance of the economy in the reform process is that the majority of the key objectives targeted by a reform programme are economic. Even the instruments for achieving the objectives are predominantly economic, for example, macroeconomic stability and inflation targeting.

The economic crisis has increased the challenge of retirement reform. It has the potential of dealing



a larger negative blow to economic performance, labour absorption and the fiscal programme than the various crises that have come before.

Haugh D. *et al*, find that economic downturns following banking crises are more severe than other downturns as:

- Output losses are typically 2 to 3 times greater;
- The period to recovery is at least twice as long;
- The recovery itself is much slower;
- Business investment and housing investment are disproportionately reduced; and
- There is a large reduction in fiscal performance.

Implications highlighted by Haugh *et al* include that the:

- Current downturn may be severe with output remaining below potential, for a number of years;
- Potential output growth is likely to be more adversely affected, and permanent, the longer it takes to resolve the immediate banking problems; and
- Structural unemployment is likely to increase.

Together, all these factors will have a devastating effect on the long term savings industry. In particular, the probable long term structural weaknesses resulting from the current crisis are a bigger snake in the room. However, there is hope as it is possible that the actual results may be muted or totally different to those painted above as the global response to this crisis may precipitate a much swifter resolution.

## Reforming successfully

A key consideration for reform relates to “people saving adequately for retirement”. This theme underpinned the 2008 Sanlam Survey research and is driven by economic fundamentals. Ironically, this is the theme that preoccupies debate in the OECD today, in light of the global economic performance.

Economic growth, financial market stability and job

creation are essential to satisfying the consideration. The economic crisis shows how intertwined the real economy and the financial sector have become. What started off as a localised banking imbalance scenario has resulted in shrinking incomes, and a decline in employment. The long term effects of government responses are yet to be seen and may potentially give rise to longer term structural weakening.

The reform process ought to be aimed at dealing with income inequality, poverty and ensuring decent retirement incomes. The test of this objective will only occur some 20 years from the day of its implementation. We, therefore, we have to rely on interim indicators to guide the process towards maturity. Such indicators give an idea of how efficient the system is and how effectively it is serving society. These may include:

- Annual investment returns;
- Administrative costs and transition costs;
- Institutional and administrative capacity; and
- Transparency.

The global economic crisis has drawn policy makers’ attention to short term considerations. However, even if these are important, they are not the only concerns that need to be dealt with. Issues of a long term structural nature are even more important, as the reform has to deal with promises of a lifetime. Short-termism seems to be the growing monster and biggest risk, militating against sound and sustainable reform. Many economies which attempted in reform have had to balance growth promotion and social protection as one cannot go without the other. The OECD seems to be jettisoning, in the midst of short term pressures.

An essential characteristic of a sound system is its ability to respond to emerging risks as it looks forward to the long term goal of poverty eradication. Many challenges face reforms, ranging from political will and resistance; to capacity to deliver; to financial constraints; to macroeconomic stability and to sequencing (the order in which reforms are

implemented). The World Bank found sequencing to be extremely crucial in dealing with implementation and risk management. It identified a three pillar framework to deal with these risks, namely:

- Flexible and active labour market policies
- Pension and social insurance schemes
- Social assistance

As we move forward, we need to focus even more on principles underlying the microeconomic framework of insurance and saving. It is critical that we fully appreciate these micro fundamentals as they interrelate with the key objective of old age income security, efficient consumption smoothing and averting old age poverty.

## Impact on South Africa's long term savings

The financial sector is key to successful reform. The basis for retirement funding is the lifetime promise given to the saver. This is particularly threatened given that the current crisis is driven to a large extent by historically low levels of confidence. The challenge is to now correct the imbalance that has been created by the financial crisis to ensure that trust and confidence return quickly to the global economy.

Despite the strengths mentioned earlier, South African retirement funds have not been spared the wrath of the crisis as it is estimated that retirement savings assets could have shrunk by about R300 billion. The slowing economy, declining returns and job shedding imply that that the replenishment of these assets will take a long time to be realised. The strong positive correlation between the economic fortunes of a society and the retirement savings pattern has been well established. The current state of the economy will have negative implications on the retirement industry. Most recent data from Stats-SA reveals that participation rates in the formal economy have shrunk from 62% in 2005 to 58% in the first quarter of 2009.

## 2009 BENCHMARK Survey Results

The 2009 iteration of the BENCHMARK Survey has yielded many interesting results. One of which is that on the back of the economic slowdown people are growing increasingly less optimistic about the successful implementation of the social security and reform programme. This is to be expected as people's abilities to save are waning due to the tightening of their belts and job losses.

However, an encouraging finding is that about 97% of those surveyed indicated that saving is very important. This positive attitude is to be promoted and supported. It is evident in that voluntary contributions have held up well despite harsh financial constraints as they have dropped marginally from 2.82% of salary in 2008 to 2.29% of salary in 2009.

## Replacement Ratios

South Africans are becoming increasingly aware of the replacement ratio concept and are beginning to apply it to their individual circumstances. An amazing 75% of people surveyed are targeting a replacement ratio of between 80 and 100%. This is in stark contrast to the observed replacement ratio in South Africa of 30%. Last year's research may have had a role in influencing the shift as it revealed that economies similar to South Africa enjoy replacement ratios closer to 75%. The very small proportion of South Africans targeting a replacement ratio of less than 60% is thought provoking when considering that government has proposed a replacement ratio of a minimum of 40%.

## Readiness to retire

It emerges that South Africans do not feel that they are ready for retirement. About 30% of respondents would opt to delay their retirement while 54% plan to work for a wage or salary in their retirement. Ironically, the observed average retirement age has dropped slightly from 63.2 years in 2007 to 62.87 years in 2009.

About 23% of respondents indicated that they do not think that they will recover from the financial crisis. Whilst concerning, this view is not based on a lack of confidence in the South African financial system. A convincing 58% of respondents revealed confidence in the financial system. This complements the latest Financial Sector Assessment Programme (FSAP) on South Africa by the IMF and the World Bank. These findings imply that South Africa does not suffer from an underlying confidence risk and that there is hope that the turnaround will be soon and possibly sustainable. The latest OECD prediction that the global turnaround will be led by emerging markets is supported by this result.

## Preservation and Compulsion

Respondents have voted overwhelmingly to indicate a preference to preserve their benefits on withdrawal. Almost 78% of respondents indicated this preference, providing clear insight into how policy may be structured. This settles a long standing fear that such a policy would attract fierce resistance.

Another sticky question is whether compulsion should be enforced. The research did not provide as definitive an answer, as 48% of respondents indicated acceptance to being compelled to save for their retirement. Adding weight to the compulsion argument is the finding that 77% of respondents indicated that they would not reduce their contributions to increase their take home pay in spite of the current financial woes. Instead, there is a bias towards a preference for voluntary savings to top up the contribution prescribed by their fund.

## Exits

There was a five-fold increase in the average exits from funds from 60 in 2008 to 310 in 2009. This negative result may be largely due to the toll of the economic slowdown.

An interesting point is that these exits have, up till now been driven by resignations. An average of 210 people exited on resignation compared to an average

of 30 on retirement. This may be a function of the notorious urge to cash-in retirement benefits amongst members. We do expect to see a switch in the cause as retrenchments take centre stage, on the back of negative recessionary effects and the underlying lagging characteristic of the labour variable.

Meanwhile the average number of new entrants into funds increased from 69 to 307 between 2008 and 2009 adding irony to this picture.

## Conclusion

The key lesson for South Africa from the economic crisis is that we need to make economic growth restoration our immediate task if we are to see a successful reform. The reform we envision should be partnered with more growth, more jobs and significant and sustainable real financial returns.

The global crisis is increasingly social in nature and the solution, therefore, has to mirror this. The social impact is felt most in the retirement environment. We need to ensure that financial stability is the bedrock of our macroeconomic and microeconomic programmes. Underlying this would be low inflation, a stable currency and interest rates.

The internal factors driving stability are within our control and we need to apply sound reasoning to manage these economic fundamentals in order to implement a successful reform.

## Selected Readings

D'Addio Anna C, Seisedos Jose and Whitehouse Edward R, Investment Risk and Pensions; Measuring Uncertainty in Returns, OECD, June 2009

Haugh David, Ollivaud Patrice and Turner David; The Macroeconomic Consequences of Banking Crises in OECD Countries, OECD Economics Department Working Papers No. 683, 2009

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Kay Stephen J and Sinha Tapen; Lessons from Pension Reform in the America's, Oxford University Press, Oxford, 2008

Masilela Elias and Kaniki Sheshi, South Africans contributing towards a pension: evidence from the Labour Force Survey, Unpublished paper, South Africa, 2009

OECD, Pensions at a Glance; Retirement-Income Systems in OECD Countries, OECD, May 2009

OECD, Labour and the OECD: The Role of TUAC, OECD Observer, December 2008

OECD Observer (No 272), Economic Crisis, Don't Forget Development, April 2009

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OECD, OECD Private Pensions, Outlook 2008, OECD 2009

Think Tank, Thought Leadership in Asset Management, Building Long-Term Savings in Europe, The Case for UCITS in the post credit crunch era, January 2009

World Bank, Balancing Protection and Opportunity; A Strategy for Social Protection in Transition Economies, World Bank, Washington DC, September 2000

# Methodology and sample

The 2009 Benchmark Survey was conducted among 200 principal officers of stand-alone retirement funds and 100 participating employers in umbrella Funds. Interviews were conducted between January and April 2009. Respondents were selected at random to represent small (<100 members), medium (100-500 members), large (501-5 000 members) and very large (5 001+ members) funds and employers in South Africa.

The survey was conducted by the independent market research agency BDRC, via face-to-face interviews. Once again, the survey recorded a 100% response rate with a total of 200 funds and 100 participating employers, responding. This is indicative of the positive attitude and willingness of the industry representatives to participate in shaping the future of South Africa's retirement environment.

The research was conducted under the SAMRA (South African Marketing Research Association) Code of Conduct and all information gathered is held in strict confidence. All respondents remain anonymous and only the aggregated results of the survey have been reported on.

## Notes on summary tables

### Sample size

The tables and graphs in this report are based on responses by 200 principal officers in stand-alone retirement funds. The data represented are for three consecutive years (2007 to 2009). To keep the results current, any questions from previous studies but not asked in 2009, have not been tabulated. However the historic data is available on request.

The sample size is 200 but in some instances the base size ( $n \neq 200$ ),

- Where  $n < 200$  the question was not applicable to all participating funds.
- Where  $n > 200$  the question allowed for multiple responses.

Caution: Data should be used with care particularly where responses (base <30), as this is considered statistically insufficient from which to draw any significant industry conclusions.

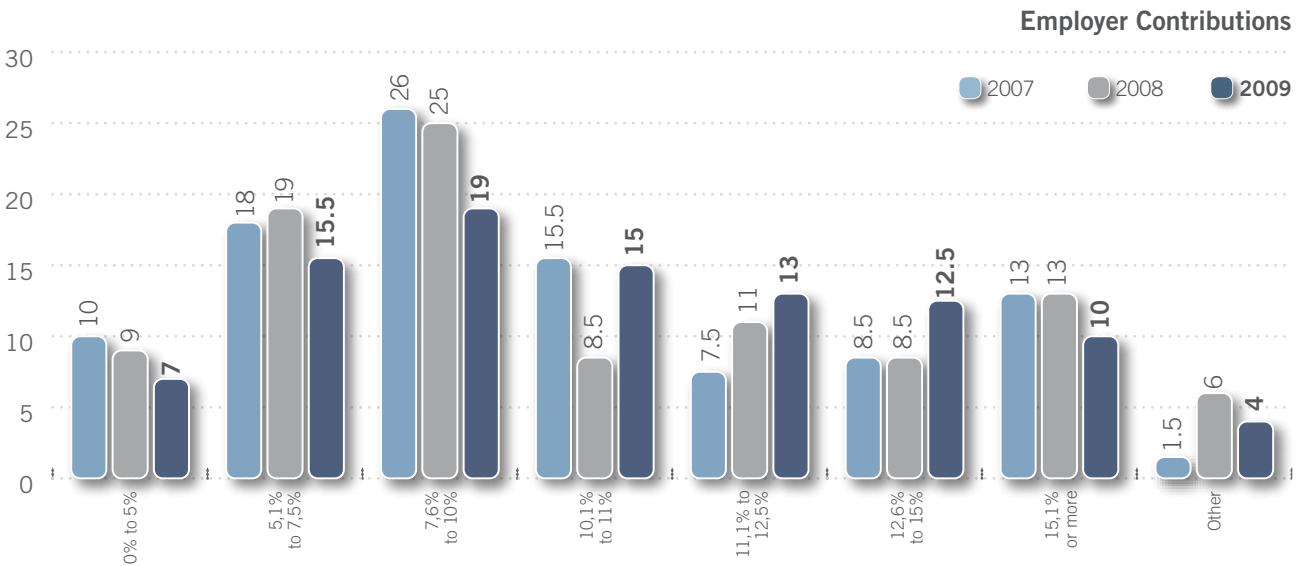
### Numbering

Over the years we have tracked responses to certain questions which allow us to determine trends for a specific period. As a result of this, question numbering may not be sequential in an attempt to retain original questions.

# Contributions

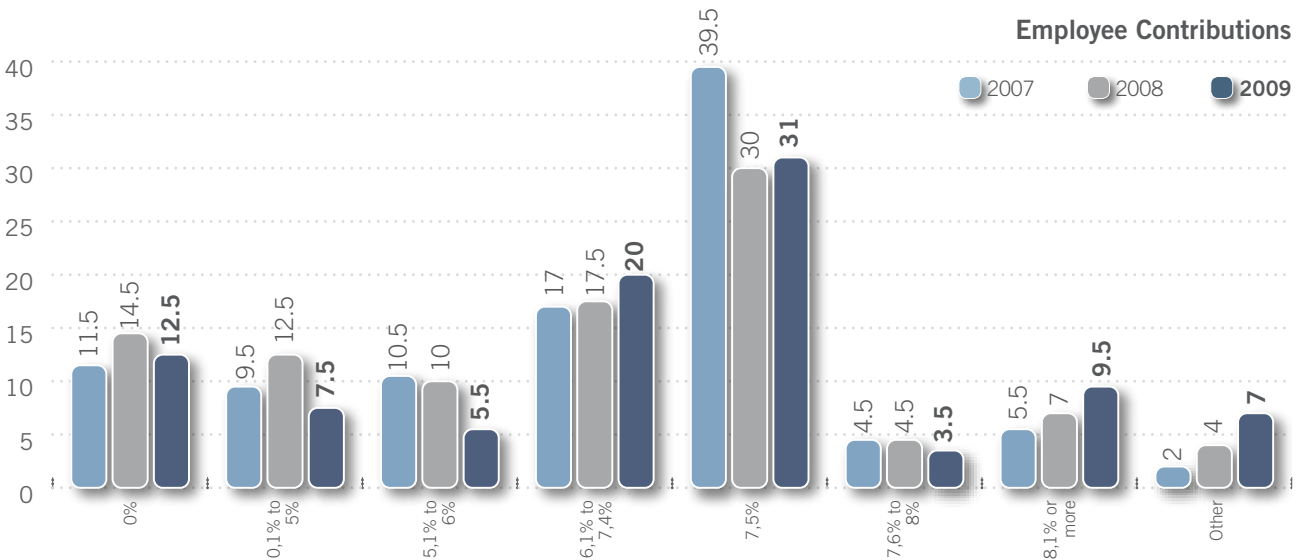
58% of funds indicated that the employer's remuneration package is based on a total cost to company, broadly in line with the 59% in the 2008 survey. A split based on the type of fund revealed that

there is a significant shift towards provident funds in this regard. Also, 24% of the balance (mostly provident funds) is contemplating such a structure.



The average employer contribution is 9.9%. This is up from 9.5% in the 2008 survey. The average employer contribution for pension funds was slightly down on the total average at 9.6% and the average employer contribution for provident funds was slightly

up on the total average at 10.1%. A split based on fund size, showed that large funds (funds with 5000 and more members) had an average employer contribution of 10.9%, well above the total average.



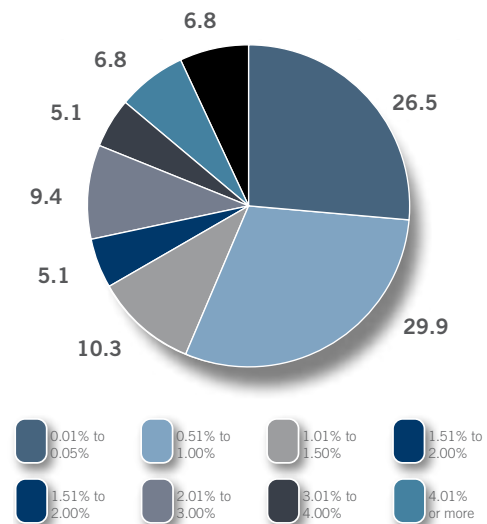
The average employee contribution is 5.9%, significantly higher than the 5.5% in 2008. A split based on the fund type showed that members belonging to pension funds contributed on average 7.0% compared to those members belonging to provident funds which contributed 5.1% on average. A further split based on the size of the fund showed that members belonging to funds with a total membership of between 100 and 500 contributed on average 5.8%, only 0.1% below the total average, whereas members belonging to funds with a total membership of between 500 and 5000 contributed on average 5.9%, in line with the total average.

## Cost of administration

About 58% (2008: 51%) of funds stated that their administrator bills separately for each item. 23% (2008: 28%) pay administration fees including all expenses, and 18% (2008: 20%) pay additional expenses not specified in the administration agreement. Meanwhile, 49% (2008: 54%) of funds do not operate a contingency reserve account. Of those that do, 26% (2008: 37%) fund the reserve by way of a deduction from employer contributions, while 26% (2008: 14%) express their contribution to the reserve account as a percentage of the administration fee. About 59% of funds are billed as a percentage of salary, as opposed to 62% in 2008. Only 21% (2008: 24.5%) are charged on a fixed cost basis per member, whilst 12% (2008: 8%) are billed as a percentage of assets. The average fixed cost per member remains R33 in line with R33 in 2008.

The fixed-cost approach implies the lowest level of cross-subsidy, but this is one instance where cross-subsidy may be preferred. The total cost of administration is between 0.5% and 1% of payroll for 30% of funds. The average cost is 1.3%, slightly up from 1.1% in 2008. It should be noted that fixed costs weigh more heavily as a percentage reduction on small salaries and have a much smaller effect on large salaries. Funds that use this method of cost recovery lose any cross-subsidies between higher paid and lower paid workers. Therefore, the

effective reduction in yield to lower paid workers is proportionately higher than that of the higher paid workers. The distribution of cost as a percentage of payroll is as follows:



## Key indicators

	2009	2008	2007	2006
Employer contributions	9.9	9.5	9.7	10.0
Death benefit premiums	(1.9)	(1.7)	(1.8)	(1.9)
Disability benefit premiums	(1.3)	(1.3)	(1.1)	(1.4)
Administration and operating costs	(1.3)	(1.1)	(1.0)	(1.2)
Retirement provision	5.4	5.4	5.8	5.5
Employee contributions	5.9	5.5	5.5	6.0
Total provision for retirement	11.3	10.9	11.3	11.5

# Investments – member-directed investment choice

Almost 52% of stand alone funds (and a similar percentage of umbrella funds) surveyed offer member-directed investment choice, up from 46% in 2008. A further 13% of funds are considering it. It is interesting to note that within funds with member-directed investment choice, respondents indicated that most members (64%) rely on the trustee or default choice and, as such, do not choose their own investments. This is similar to the previous survey results.

Of the funds that offer member-directed investment choice, life stage mandates constituted the most important component of the trustee or default choice (47% of respondents).

It is still common practice to charge all members the same administration fee, irrespective of whether they want or use member-directed investment choice or not, with 89% of funds charging a flat fee. Only 7 funds indicated that members who do not make their own investment choices pay a lower administration fee (down from 8 in 2008).

Of the funds allowing members to choose their own investment options, most allow members to switch annually (31%) or monthly (27%).

Almost 90% of funds are either satisfied or very satisfied with their investment choices compared with 84% in 2008. The main benefits are seen as the variety of choices, investment performance and member satisfaction. This positive response was echoed by 83% of umbrella funds.

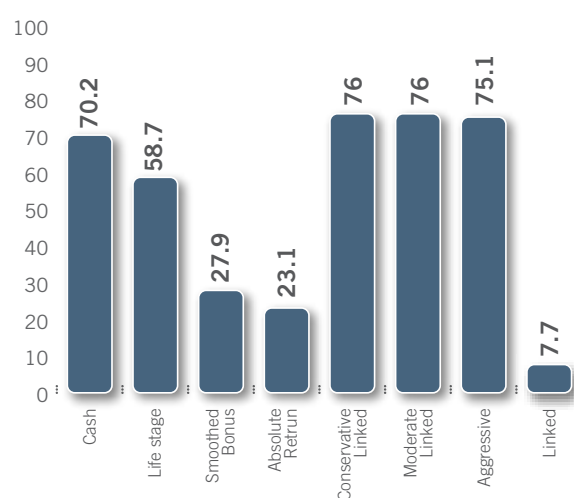
More than 70% of funds have a cash, conservative, moderate and an aggressive linked investment option. Multi-manager options are still more popular than single-manager options across the conservative, moderate and aggressive risk profiles.

Absolute return options have decreased significantly over the last three surveys, from 49% in 2007, 36% in 2008 to 23% in 2009. Very few small funds offer absolute return-type portfolios (only 14% of funds with 500 or less members). Amongst portfolios with guarantees, 28% of Funds offer a smoothed bonus option and 8% offer a structured/derivative based products.

Most Funds offer a life-stage solutions (59% of funds), these solutions are especially popular in larger funds (more than 500 members), where 76% include this as an option.

17% of Funds include a Shari'ah compliant investment option to members. Under umbrella fund the availability of this option more than doubles to 39%.

## Relative popularity of investment choices



## Investments – trustee choice

48% of funds do not offer member-directed investment choice and rely on trustee investment decisions. The most popular investment choices are:



- Cash/money market (54%)
- Moderate linked portfolios (44%)
- Conservative linked portfolios (33%) and
- Smoothed bonus portfolios (29%).

## Stable returns and guarantees

Similar to last year, 88% of funds consider the ability of a portfolio to provide stable investment returns to be important. Cash and Smoothed bonus portfolios were rated the best at providing stable returns.

64% of funds also consider the guarantees provided by products to be important. Once again cash and smoothed bonus portfolios were rated best at providing guarantees on benefit payments. Structured products and absolute return portfolios were considered to provide less of a guarantee on benefit payments.

## Feedback on investments

96% of funds provide investment feedback to members, compared to 90% last year. Quarterly feedback (38%) is still the most popular option, followed by annual feedback (25%).

The most popular form of feedback is written communication (71% of funds) followed by internet/intranet (32%) and road shows (31%). The feedback usually includes portfolio returns (35%), returns vs. benchmark returns (67%) and risk analysis (44%).

## Governance instruments and benchmarks

Most Funds (80%) utilise an investment policy statement (IPS). This is up from below 70% in previous surveys. 69% of Funds conduct a regular performance review and 52% have mandates for each investment product / portfolio.

IPS are normally reviewed on an annual basis (71% of Funds). Investment performance and compliance with mandates are mostly reviewed quarterly (41% of Funds) or annually (37% of Funds).

The following benchmark is normally used in the IPS or mandates:

- Peer performance in published survey (54%)
- Published index, e.g. FTSE/JSE All Share Index (36%)
- Inflation (35%)
- A weighted combination of indices (30%)

When deciding to retain an investment manager, most Funds consider peer performance in a published survey as the most important benchmark.

Most of the respondents knew their fund's investment return for the past year and reported it to be between 0% and 10%. This is significantly lower than the figure in last year's survey. There were 59 funds (30% of respondents) that reported negative investment returns for 2008. One fund reported returns of more than 30%.

57% of respondents expect investment returns for 2009 to be lower than for 2008, but still positive. Some 21% of respondents are optimistic that returns will be better than those achieved in 2008, while 18% expect negative returns in the year ahead.

## Socially responsible investments

Only 10% of funds have a policy to invest a portion of assets in socially responsible investments, with very large funds (more than 5000 members) nearly three times more likely to invest in these investments. Funds with a policy to invest in socially responsible investments invest on average 6% of their portfolio in such investment. Their collective view is that Funds should invest 8% of its assets in socially responsible investments.

## Offshore investments

The Minister of Finance has indicated that the maximum permissible offshore exposure for retirement funds will increase from 15% to 20%. In

the interim Funds can approach the South African Reserve Bank for exemption of the current 15% cap on offshore investment.

41% of respondents indicated that their Fund have already applied for exemption. Of those that have not applied for exemption, 10% are considering it. Respondents indicated that their ideal allocation to offshore assets are between 15% and 20% (mean 18.4%).

## National Social Security System (NSSS)

There has been considerable discussion around Government's proposals for a National Social Security System (NSSS). If implemented, 56% of respondents believe that members should be allowed to opt out of the NSSS, while 23% feel it should be compulsory for everyone earning below a certain income threshold. Only 8% of respondents believe it should be compulsory for all members.

During 2008 most respondents learned about the NSSS for either the media (65%) or their consultant (56%).

## Sub-prime crisis

The majority of respondents indicated that their Funds have a zero or insignificant exposure to toxic assets from the sub-prime crisis in their local assets (50% of respondents) and international assets (43%). However 7% of respondents indicated that their Fund had a large exposure to toxic assets, both locally and internationally.

More than 50% of respondents indicated that they will not be changing their credit exposure conditions for either their local or international assets. Only 8% of respondents are changing their credit exposure conditions with the rest considering it or unsure.

88% of respondents expect their investment returns to be negatively impacted by the sub-prime crisis during 2009 (36% of respondents expect a large impact).

On the local front, 87% of respondents believe that the local banking industry is stable and secure relative to US/global peers.

67% of respondents indicated that their company have been negatively impacted by the sub-prime crisis during 2009 (14% of respondents indicated a large extent).

Respondents indicated that their investment consultants reacted to the crisis by providing communication to members (44%) and described the reaction as pro-active (36%). Most respondents (75%) were positive about the reaction and feedback from their investment consultant.

# Risk Benefits

The cost of the average death benefits under a fund is 1.86% of salary compared to last year's average cost of 1.74%. The average cost of these benefits under a separate scheme has increased to 1.68% from 1.38% last year.

The average cost of disability benefits offered under a fund and under a separate scheme has increased from 1.27% of salary in 2008 to 1.33% in 2009 and decreased from 1.12% in 2008 to 1.05% in 2009 respectively.

The proportion of schemes offering flexible benefits has remained steady at about 14% since the last survey. A higher proportion of the larger funds offer flexible death benefits than the smaller funds. This may reflect the increased heterogeneity within larger funds and enables members to select benefits that apply to their own particular circumstances. As would be expected, a higher proportion of funds that offer member level investment choice also offer flexible death benefits than those which do not as this is consistent with the principal of empowering the member to take ownership of their financial affairs. The larger funds would also benefit from economies of scale when handling the higher administration costs of these types of benefits compared to the smaller funds.

The average cost of the core benefit and flex benefit has decreased by 4% in the last year to 1.67% and by 40% to 1.03% respectively for the funds.

43% of the funds offering flexible benefits allow members to reduce their cover levels, which may allow them to increase their allocation to savings and/or to increase their disposable income.

The proportion of responses indicating that members valued retirement savings more than risk cover has consistently increased from 52% in 2007 to 59% in 2009. The member survey provided results

that paralleled these findings as 57% of members interviewed also felt this way. These results may be due to the increased media attention on saving for retirement as well as the impact of the NSSS on water-cooler discussions.

A higher proportion of the larger funds value savings and risk equally when compared to the smaller funds. Interestingly, a higher proportion of the members surveyed indicated that they value both death benefits and retirement saving equally compared to the respondents from Benchmark Survey itself.

## Risk Rebroke

There have been a few trends emerging in this particular area for the funds. The proportion of funds that rebroke their risk business annually has dropped considerably from 65.5% in 2007 to 51% in 2009. There has been a marked increase in the number of funds that rebroke every two years. This proportion has jumped from 10.6% in 2006 to 26% in 2009. The number of funds that never rebroke or has increased from 1% in 2008 to 6% in 2009. The proportion of respondents that indicated that they rebroke when risk charges are increased is also 6%.

## Capping of the Costs of Risk Benefits

A decreasing proportion of schemes are applying caps to the costs of disability benefits. This proportion has decreased from 47% in 2007 to 42% in 2009. The proportion of schemes applying caps to death benefits has also decreased slightly to about the 41% mark.

Hybrid funds tend to make the most use of caps.

The proportion of funds using caps broadly increases as the size of the fund increases. This applies to both increases in asset size and especially membership.

This trend is especially strong when considering death benefit cost caps.

The average death benefit cost is capped at 2.56% of salary and has increased from last year's figure of 2.12%. The average size of the cap on death benefit cost is greatest for provident funds (2.73%). The average size of the cap on death benefit cost tends to increase as the membership size of the funds increases.

The average cap on the cost of disability benefits has increased steadily in the last three years from 1.86% in 2007 to 2.24% in 2009. The average size of the cap on disability benefit costs is largest for hybrid funds (2.44%).

## Death Benefits

Nearly all funds provide lump sum death benefits. There has been a trend of a decreasing proportion of funds offering the spouse's pension. A higher proportion of larger funds pay spouse's and children's pensions compared to the smaller funds. On average, a higher lump sum is paid on death by schemes without a spouse's pension than those with.

The average death benefit under a separate scheme has increased to 3.5 times salary from 3.2 times salary in 2008.

33.3% of the death benefit paid includes the member's equitable share. This is the latest outcome in what has been a falling trend over the last four years from 48% in 2006 to 40% in 2007 to 33.8% in 2008.

Of those funds offering flexible death benefits, the average minimum level of cover is 2.5 times salary. This represents a stable increase from 1.8 times in 2006. For those able to choose additional levels of cover, the average level has decreased from 5.1 times in 2008 to 4.71 times in 2009.

In the past year, 63% of the fund respondents distributed death cover to minors. About 48% of

such funds set up a trust, paid the trust or appointed a legal guardian to provide benefits to minors. A much higher proportion of larger funds have had to distribute death benefits to minor orphans compared to the smaller funds.

## Disability Benefits

The majority of funds utilize an occupational disability type definition to assess qualifying criteria for disability benefits with 60% indicating so. The proportion using a functional impairment approach is 20%.

In the 2009 survey, 37% of the fund respondents indicated that they provide a lump sum disability benefit. This is lower than the comparable 2008 figure of 49%. A higher proportion of larger funds provide lump sum disability benefits compared to the smaller funds.

There is an approximately equal split between the funds offering the benefit under a separate scheme and those offering it as an accelerator although a higher proportion of larger funds do pay this benefit as an acceleration of the death cover relative to the smaller funds.

The average cover provided is 2.7 times salary and represents a 27% increase in the average cover level of 2.2 times salary in 2008 for the funds.

31% of funds reduce the lump sum payable on disability as the member approaches their normal retirement age with the reduction spread over an average period of about 5 years.

74% of funds that offered a permanent disability benefit chose to use the disability income benefit only. 81% of funds that offered a temporary disability benefit chose to use the disability income benefit only. Of these, a progressively increasing majority provide income disabilities expressed as 75% of salary.

3 month waiting periods are the most common in permanent and temporary disability across the funds.

Larger funds tend to have longer waiting periods for permanent disability benefits than smaller funds on average. No such pattern exists for temporary disability benefits.

66% of funds allow for increases in these benefits. The average fixed percentage used has increased from 4.9% in 2008 to 5.6% in 2009 for the stand-alone funds. 100% of CPI is consistently the most popular option when increases are linked to CPI.

The proportion of schemes that reinsure a waiver of employer or employee contributions has remained stable at 37% and 12% respectively.

## Other Benefits under Separate Schemes

There has been an increase in the proportion of respondents that offer this cover under a separate scheme from 8% in 2008 to 13% in 2009 and. About 60% of all funds offer funeral cover. These percentages have been steadily increasing by small amounts since 2006. As a result, the number of respondents that do not offer any benefits under a separate scheme has been decreasing from 47% in 2006 to 39% in 2009.

The most popular critical illness cover level across all funds is 1 times annual salary and employers tend to be the contributors towards this cover in the vast majority of the cases. Of the funds providing critical illness cover, 48% also allow for reinstatement of life cover with a reinstatement period of 1 month being most popular and 32% of funds provide an option to convert that cover so a similar individual life policy on withdrawal.

Of those respondents indicating that they offered funeral cover benefits, almost all also offered benefits for the children. There has been a dramatic decline in the proportion of funds that offer funeral benefits to any extended family from 95% in 2008 to 27% in 2009. Almost all categories of members are entitled to receive funeral cover.

The mean level of funeral cover has risen for almost all categories of lives insured from the 2007 level. The most popular funeral benefit remains either R10 000 or R5 000 for the main member. The employer meets the costs for the majority of respondents offering funeral benefits.

The proportion of all respondents that offer a conversion/continuation option for life, disability or funeral cover stands at about 50%

## HIV/Aids Management Programmes

69% of the funds, up from the 2008 figure of 65%, indicated that the employer had an HIV/AIDS management programmes in place. Analysis shows that an employer is more likely to have a management programme in place the higher the membership of the fund. For example, 80% of funds with more than 5 000 members offered such programmes compared to 50% of funds with less than 100 members. This may be a result of the cost of such programmes and the economies of scale that are available to larger employers.

Almost all the management programmes entail providing information and awareness regarding the epidemic and the majority provides counselling and testing. The proportion of employers providing HIV/AIDS testing has grown from 67% in 2008 to 83% in 2009. 50% of the management programmes in 2009 include medication and this has grown from the 2007 figure of 46%. There continues to be a strong positive relationship between the size of the fund and the proportion that offers medication.

## Impact Of HIV/Aids On Risk Costs

There has been a definite decline in the proportion of funds that had experienced any increase in risk costs as a result of HIV/AIDS over the last three years from 26% in 2006 to 12% in 2009.

The proportion of funds indicating that there has been no change to their rates due to HIV/AIDS has increased from 57% in 2007 to 68% in 2009.

This may be as a result of the greater insight into the impact of HIV/AIDS on the costs of risk benefits due to:

- Superior HIV/AIDS models being available
- Extensive research into the impact and progression of the epidemic
- Improved expertise within the industry leading to better understanding of the risk factors and their interdependencies

The AIDS epidemic itself is much less volatile than it was 5 years ago as it has entered the mature phase resulting in the stabilisation with regard to the

number of people infected with HIV. The availability of anti-retroviral treatments has also helped in the management and slowing down of the epidemic.

As a result, AIDS experience has become more established and hence easier to predict.

In the case of those who believed that their risk costs have increased due to HIV/AIDS, 38% indicated an increase of up to 4%, with the average increase slightly above 12%. The level of the average increase generally drops as the membership size of the fund grows.

# Communication

## Tools used to communicate

According to the survey results it was found that large funds prefer face to face communication more than smaller funds. 39% of all funds use member roadshows as a means of communication. Of these, about 70% of large funds employ this tool.

It was mentioned that smaller firms seem to focus on white collar funds, whilst larger firms report mainly blue collar funds amongst their client base. From this it can be derived that blue collar funds rely more on verbal communication.

## Topics communicated

The benefit structure (89%) and investment performance (87%) are still the most popular topics communicated. Decisions made by Trustees and frequently asked questions showed quite an increase in popularity since 2007 (10% and 16% increase respectively). Large funds (about 86%) seem to value Trustee decisions more than the rest.

## Retirement fund related Queries

10% more funds approach Trustees with retirement fund related queries (42% in 2008; 52% in 2009). This could be ascribed to PF130 which deals with the education and training of Trustees. Members seem to have gained confidence in Trustees' ability to handle queries.

## Communication strategy

The majority of funds (70%) do not allocate either a rand amount or a % of assets towards a communication strategy. Of those that do, mostly large funds contribute. A rand amount is the most common type of contribution.

Of the 70% that do not allocate, still the greater part (89%) has no plans for future contributions.

## Member understanding

Still the majority (91%) of senior members understand more than half of the financial advice and information given, whilst the vast majority (more than 80%) of the other staff understands less than half or nothing of the advice. There is no change since 2007.

## Steps taken to improve understanding

	2009	2008
Provision of basic financial education / training at work	50.5	45.0
Use of different media, e.g. cellphone, role play etc.	24.0	13.0
None	18.0	25.0
Improve quality of communication/communicate to staff at their level	6.5	-

- 5% more funds provide basic financial education / training at work.
- More funds (11% more) use different media, e.g. cellphone, role play, etc. There seem to be more exposure to information and education via the media.
- Less funds (7% less) do not take any steps.
- Improvement of quality of communication and communication to staff at their level was asked for 1st time. Only 6.5% of funds recognize the importance of communicating to staff in an easily and understandable language.

From the above it can be seen that more funds have taken steps to improve members' understanding, yet the understanding of non-senior staff has not improved. The effects of these steps taken might only be visible in later years perhaps.

## Financial education

There is no major change in the % of funds that would/might consider paying for education (55% might/would; 45% unlikely/would not).

Paying for financial education is clearly not one of the steps taken to improve understanding.

## Internet/intranet facilities

Still more than 60% of funds utilize internet/intranet facilities. The majority of these still use a personal password to gain access.

General information available via internet/intranet	2009	2008	2007	2006
The fund rules	72	77.2	67.4	69.9
Investment portfolio information	63.2	68.3	69.8	61.2
Member booklet	61.6	61.8	59.7	59.2
Investment returns	59.2	52	47.3	59.2
Members newsletter	51.2	3.3	3.1	

Members newsletters are placed by more funds online (increased from 3% in 2007 & 2008 to 51% in 2009).

11% less funds (60% in 2008, 49% in 2009) place monthly updated benefit statements online, whilst 45% of funds place daily updated members benefit statements online. This could be as a result of more funds moving from monthly pricing to daily pricing.

Still more than 50% provide no training online.

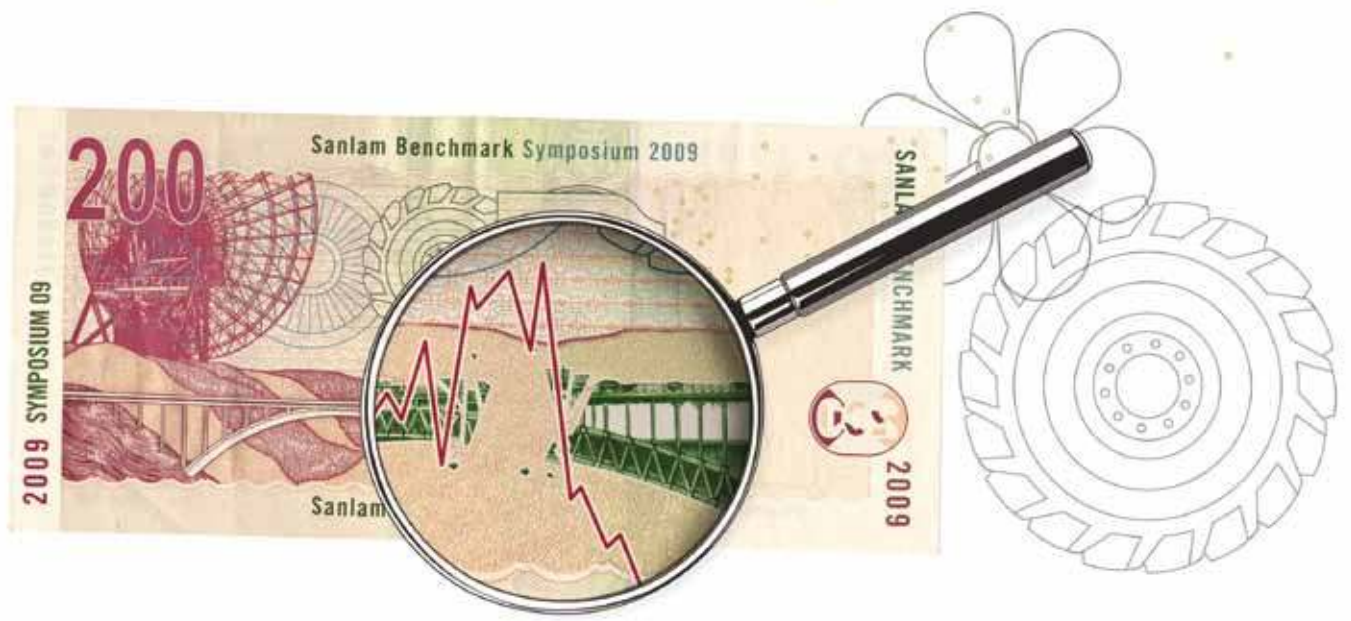
## Important aspects of retirement fund administration

Loading and investing contributions timeously and paying claims are very important aspects to all funds.

Building good relationships are the least important to all, except small funds. They are indifferent when it comes to building good relationships.

Regular asset and liability modeling is also seen as one of the least important aspects.





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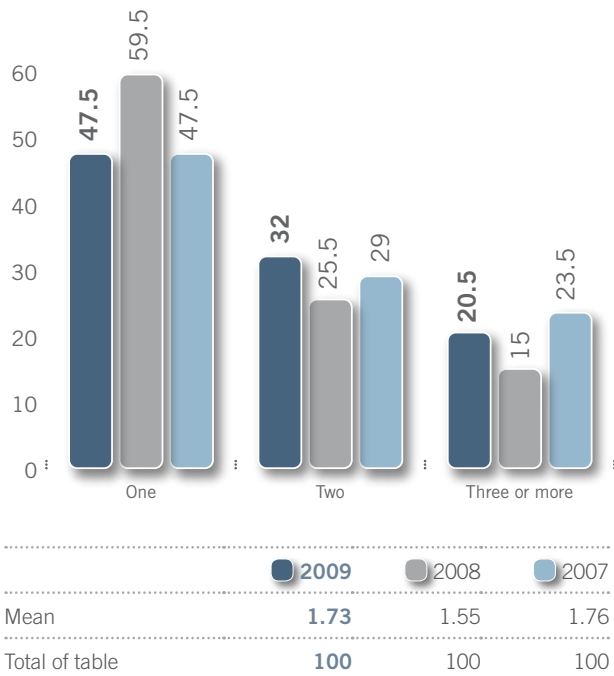
# Section 1: General

**Q1.1** How would you classify the principal employer, using one of the following business categories?

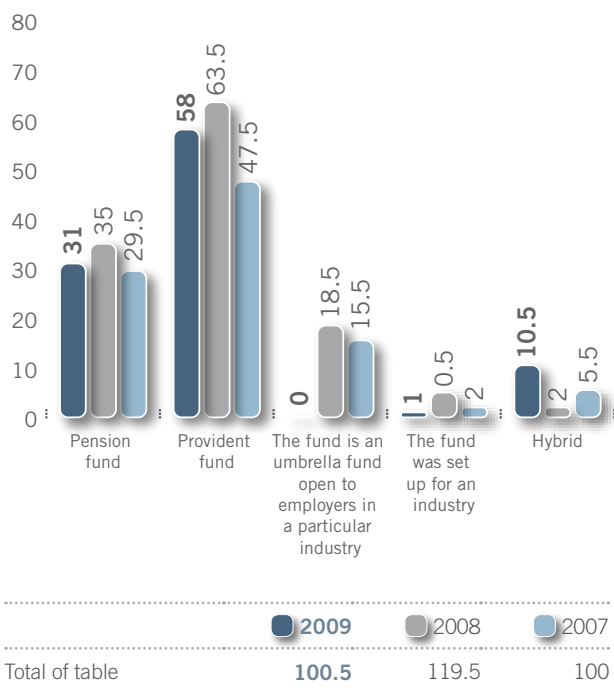
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>PRINCIPAL EMPLOYER</b>			
Financial Services	<b>16</b>	30	23
	<b>8</b>	15	11.5
Manufacturing	<b>46</b>	54	43
	<b>23</b>	27	21.5
Agriculture, forestry or fishing	<b>6</b>	8	7
	<b>3</b>	4	3.5
Professional or business services	<b>13</b>	13	6
	<b>6.5</b>	6.5	3
Building or construction	<b>7</b>	8	10
	<b>3.5</b>	4	5
Wholesale and retail	<b>25</b>	20	22
	<b>12.5</b>	10	11
Mining	<b>9</b>	4	3
	<b>4.5</b>	2	1.5
Government, semi-government / parastatal	<b>6</b>	4	5
	<b>3</b>	2	2.5
Breweries, distilleries or wineries	<b>3</b>	1	3
	<b>1.5</b>	0.5	1.5
Chemical or pharmaceutical	<b>5</b>	5	4
	<b>2.5</b>	2.5	2
Energy or petrochemical	<b>4</b>	8	3
	<b>2</b>	4	1.5
Engineering	<b>12</b>	9	10
	<b>6</b>	4.5	5
Education	<b>1</b>	4	7
	<b>0.5</b>	2	3.5
Healthcare	<b>7</b>	4	7
	<b>3.5</b>	2	3.5
Hospitality	<b>6</b>	3	3
	<b>3</b>	1.5	1.5
IT or telecoms	<b>9</b>	6	5
	<b>4.5</b>	3	2.5

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>PRINCIPAL EMPLOYER</b>			
Printing and publishing	<b>0</b>	2	3
	<b>0</b>	1	1.5
Local authority or municipality	<b>1</b>	1	
	<b>0.5</b>	0.5	
Entertainment	<b>3</b>		
	<b>1.5</b>		
Transport	<b>7</b>		
	<b>3.5</b>		
Advertising	<b>1</b>		
	<b>0.5</b>		
Religion	<b>1</b>		
	<b>0.5</b>		
Property development	<b>1</b>		
	<b>0.5</b>		
Export	<b>2</b>		
	<b>1</b>		
Food and Beverage	<b>1</b>		
	<b>0.5</b>		
Glass fitment	<b>1</b>		
	<b>0.5</b>		
Bargaining Council	<b>1</b>		
	<b>0.5</b>		
Other	<b>6</b>	16	36
	<b>3</b>	8	18
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

**Q1.2a** How many retirement funds does your organisation offer to employees?



**Q1.2b** Which of the following descriptions applies to the fund participating in the survey?



**Q1.3a** How many active members belong to the fund?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>NUMBER OF ACTIVE MEMBERS BELONGING TO FUND</b>			
41 to 100 (70)	20	40	36
	10	20	18
101 to 300 (200)	46	53	41
	23	26.5	20.5
301 to 500 (400)	29	26	30
	14.5	13	15
501 to 1 000 (750)	33	30	33
	16.5	15	16.5
1 001 to 5 000 (3000)	51	40	41
	25.5	20	20.5
5 001 or more (7500)	21	11	19
	10.5	5.5	9.5
Mean	1787.25	1244	1564.85
Total of table	200	200	200
	100	100	100

**Q1.3b** What is the total value of assets of the fund? (R million)

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>VALUE OF ASSETS OF FUND</b>			
Less than R 12 mill (R6mil)	15	29	32
	7.5	14.5	16
R 12,1 mil to R 30 mill (R21mil)	25	24	24
	12.5	12	12
R 30,1 mil to R 60 mill (R45mil)	30	37	22
	15	18.5	11
R 60,1 mil to R 120 mill (R90mil)	21	27	19
	10.5	13.5	9.5
R 120,1 mil to R 300 mill (R210mil)	36	31	33
	18	15.5	16.5
R 300,1 mil to R 500 mill (R400mil)	17	9	13
	8.5	4.5	6.5
R 500,1 mill to R 1 bn (R750mil)	19	13	19
	9.5	6.5	9.5
More than R 1 bn (R1.5 bn)	21	16	25
	10.5	8	12.5
Not sure	16	12	13
	8	6	6.5
Refused	0	2	
	0	1	
Mean	347.64	261.47	359.76
Total of table	200	200	200
	100	100	100

### Q1.4a How many members have exited the fund in the last 12 months?

	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
<b>NUMBER OF PEOPLE EXITING THE FUND</b>		
None		12
		6
1 to 5	9	21
	4.5	10.5
6 to 10	21	28
	10.5	14
11 to 20	18	28
	9	14
	0	13
	0	6.5
21 to 30	24	16
	12	8
31 to 40	14	7
	7	3.5
41 to 60	16	16
	8	8
61 to 100	16	18
	8	9
101 to 150	15	10
	7.5	5
151 to 200	11	22
	5.5	11
201 to 300	8	
	4	
301 to 500	15	
	7.5	
501 to 1000	12	
	6	
1001 +	13	
	6.5	
Don't know	8	9
	4	4.5
Mean	310.06	59.63
Total of table	200	200
	100	100

### Q1.4b Of the members who exited the fund, how many were as a result of retrenchments?

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>MEMBERS EXITED AS A RESULT OF RETRENCHMENT</b>	
None	126
	63
1 to 5	26
	13
6 to 10	8
	4
11 to 20	14
	7
21 to 30	2
	1
31 to 40	2
	1
41 to 60	4
	2
61 to 100	4
	2
101 to 150	2
	1
151 to 300	5
	2.5
301 +	6
	3
Don't know	1
	0.5
Mean	30.14
Total of table	200
	100

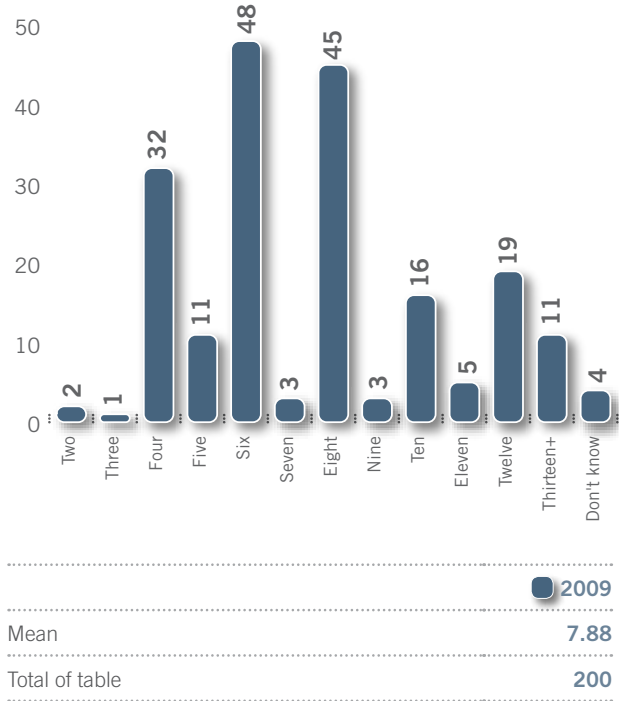
**Q1.4c** Of the members who exited the fund, how many were as a result of resignation?

	<b>2009 TOTAL</b>
BASE: ALL RESPONDENTS	<b>200</b>
	<b>100</b>
<b>NUMBER OF PEOPLE EXITED AS RESULT OF RESIGNATION</b>	
None	<b>12</b>
	<b>6</b>
1 to 5	<b>16</b>
	<b>8</b>
6 to 10	<b>26</b>
	<b>13</b>
11 to 20	<b>22</b>
	<b>11</b>
21 to 30	<b>22</b>
	<b>11</b>
31 to 40	<b>17</b>
	<b>8.5</b>
41 to 60	<b>15</b>
	<b>7.5</b>
61 to 100	<b>13</b>
	<b>6.5</b>
101 to 150	<b>14</b>
	<b>7</b>
151 to 300	<b>16</b>
	<b>8</b>
301 to 500	<b>10</b>
	<b>5</b>
501 +	<b>16</b>
	<b>8</b>
Don't know	<b>1</b>
	<b>0.5</b>
Mean	<b>209.53</b>
Total of table	<b>200</b>
	<b>100</b>

**Q1.5** And how many new members joined the fund in the last 12 months?

	<b>2009 TOTAL</b>	<b>2008 TOTAL</b>
BASE: ALL RESPONDENTS	<b>200</b>	200
	<b>100</b>	100
<b>NEW MEMBERS JOINED FUND IN LAST 12 MONTHS</b>		
None	<b>8</b>	14
	<b>4</b>	7
Up to 5	<b>16</b>	20
	<b>8</b>	10
6 to 10	<b>17</b>	23
	<b>8.5</b>	11.5
11 to 20	<b>26</b>	16
	<b>13</b>	8
	<b>0</b>	17
	<b>0</b>	8.5
21 to 30	<b>13</b>	19
	<b>6.5</b>	9.5
31 to 40	<b>9</b>	7
	<b>4.5</b>	3.5
41 to 60	<b>13</b>	18
	<b>6.5</b>	9
61 to 100	<b>20</b>	14
	<b>10</b>	7
101 to 150	<b>12</b>	13
	<b>6</b>	6.5
151 to 300	<b>24</b>	29
	<b>12</b>	14.5
301 to 500	<b>10</b>	0
	<b>5</b>	0
501 +	<b>24</b>	0
	<b>12</b>	0
Don't know	<b>8</b>	10
	<b>4</b>	5
Mean	<b>307.24</b>	69.32
Total of table	<b>200</b>	200
	<b>100</b>	100

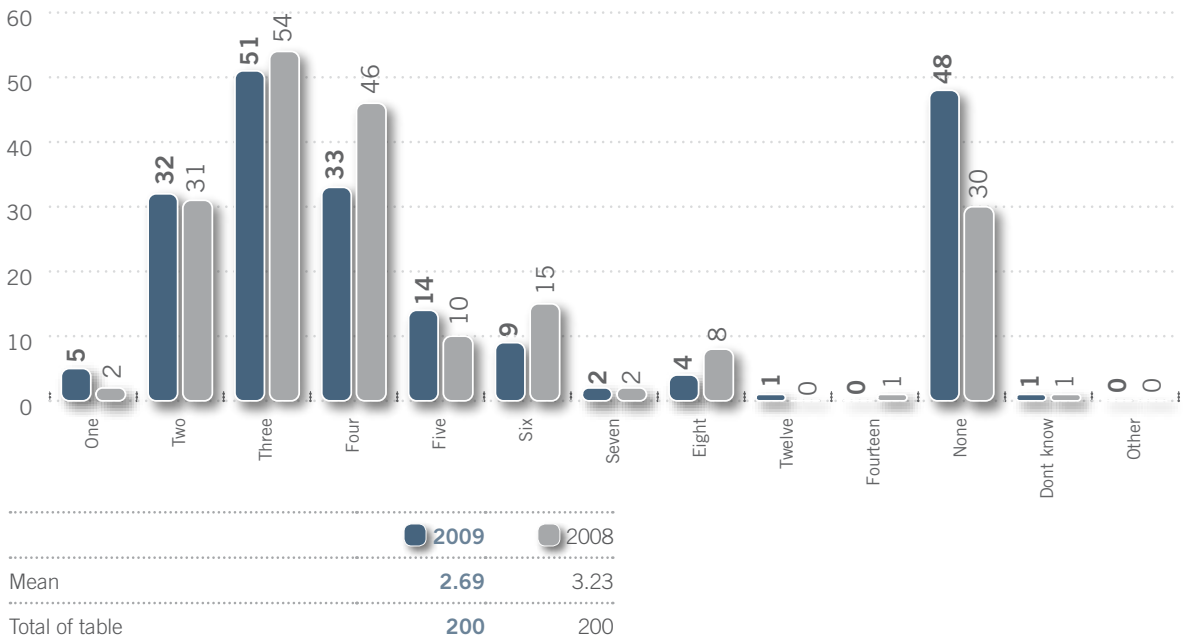
**Q1.6** How many trustees are on the board?



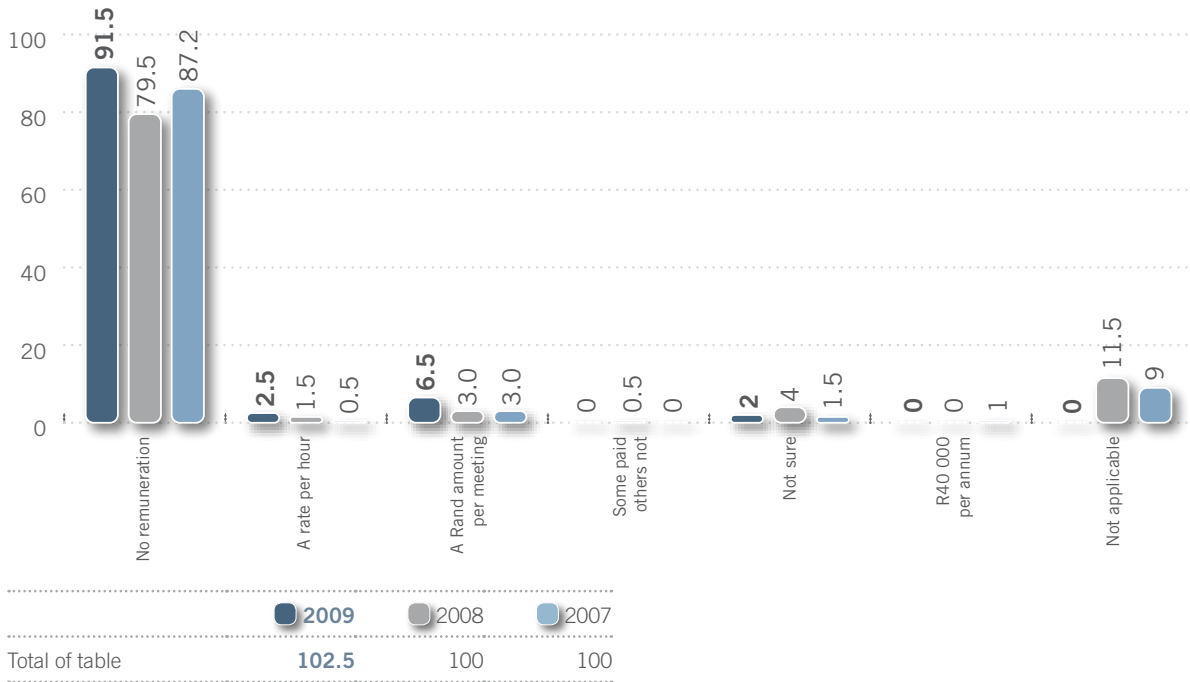
**Q1.5** How many of the trustee board are employer appointed trustees?

	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS		
	200	200
	100	100
NUMBER OF EMPLOYER APPOINTED TRUSTEES		
1	7	5
2	3.5	2.5
3	17	16
4	57	60
5	28.5	30
6	35	50
7	17.5	25
8	14	11
12	7	5.5
None	8	15
Don't know	4	7.5
Not sure	1	2
Mean	0.5	1
Total of table	1	4
	0.5	2
	1	0
	0.5	0
	41	21
	20.5	10.5
	1	0
	0.5	0
	0	0
	0	0
	2.67	3.2
	200	200
	100	100

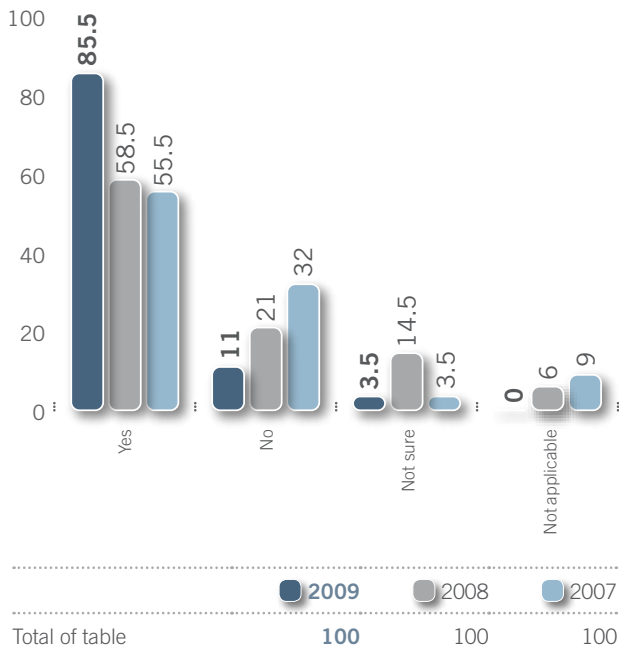
**Q1.6** How many of the trustee board are member elected trustees?



**Q1.7** How, if at all, are trustees paid for their services?



**Q1.8** Do the trustees have a policy which restricts or prohibits their accepting gifts?



**Q1.9a** Who provides training to fund trustees?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>TRAINING PROVIDED BY</b>			
Fund consultant	77	72	81
	<b>38.5</b>	36	40.5
Investment consultant	30	27	25
	<b>15</b>	13.5	12.5
Administrator	98	80	86
	<b>49</b>	40	43
Independent trustee trainer	51	39	28
	<b>25.5</b>	19.5	14
In-house training by HR/EB/FD etc	11	8	10
	<b>5.5</b>	4	5
No formal training provided	7	14	10
	<b>3.5</b>	7	5
Other	6	5	9
	<b>3</b>	2.5	4.5
Don't know/don't deal with us	5	23	
	<b>2.5</b>	11.5	
<b>Total of table</b>	<b>285</b>	268	249
	<b>142.5</b>	134	124.5

### Q1.9b How frequently do you receive training from the Fund Consultant?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM FUND CONSULTANT	77	72	81
	100	100	100
<b>FREQUENCY</b>			
Weekly			1
			1.2
Monthly	2		2
	2.6		2.5
Every 2 months	2	1	3
	2.6	1.4	3.7
Every 3 months	24	21	26
	31.2	29.2	32.1
Every 6 months	16	12	10
	20.8	16.7	12.3
Once a year	19	22	25
	24.7	30.6	30.9
Less frequently than once a year	8	10	12
	10.4	13.9	14.8
Other	5	4	2
	6.5	5.6	2.5
Don't know	1	2	
	1.3	2.8	
Total of table	77	72	81
	100	100	100

### Q1.9b How frequently do you receive training from an Investment Consultant?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	30	27	25
	100	100	100
<b>FREQUENCY</b>			
Weekly		1	
		3.7	
Monthly	1		
	3.3		
Every 2 months		1	2
		3.7	8
Every 3 months	10	6	8
	33.3	22.2	32
Every 6 months	5	3	5
	16.7	11.1	20
Once a year	8	12	8
	26.7	44.4	32
Less frequently than once a year	4	3	0
	13.3	11.1	0
Other	2	1	2
	6.7	3.7	8
Total of table	30	27	25*
	100	100	100

### Q1.9b How frequently do you receive training from the Administrator?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	98	80	86
	100	100	100
<b>FREQUENCY</b>			
Weekly		2	1
		2.5	1.2
Monthly	5	2	1
	5.1	2.5	1.2
Every 2 months	2	1	2
	2	1.3	2.3
Every 3 months	23	19	24
	23.5	23.8	27.9
Every 6 months	14	7	11
	14.3	8.8	12.8
Once a year	37	30	25
	37.8	37.5	29.1
Less frequently than once a year	8	11	15
	8.2	13.8	17.4
Other	7	7	7
	7.1	8.8	8.1
Don't know	2	1	
	2	1.3	
Total of table	98	80	86
	100	100	100

### Q1.9b How frequently do you receive training from the independent trustee trainer?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INDEPENDENT TRUSTEE TRAINER	51	39	28
	100	100	100
<b>FREQUENCY</b>			
Weekly		1	
		2.6	
Every 2 months	1	1	
	2	2.6	
Every 3 months	7	5	2
	13.7	12.8	7.1
Every 6 months	5	2	3
	9.8	5.1	10.7
Once a year	28	23	11
	54.9	59	39.3
Less frequently than once a year	4	1	7
	7.8	2.6	25
Other	6	3	5
	11.8	7.7	17.9
Don't know		3	
		7.7	
Total of table	51	39	28*
	100	100	100



### Q1.9b How frequently do you receive training from in-house training?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING IN-HOUSE TRAINING	11	8	10
	100	100	100
<b>FREQUENCY</b>			
Every 2 months	1	-	-
	9.1	-	-
Every 3 months	4	3	4
	36.4	37.5	40
Every 6 months	3	1	1
	27.3	12.5	10
Once a year	-	3	1
	-	37.5	10
Less frequently than	-	-	3
	-	-	30
Other	2	1	1
	18.2	12.5	10
Don't know	1	-	-
	9.1	-	-
Total of table	11	8	10*
	100	100	100

### Q1.9b How frequently do you receive training from other providers?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM OTHER PROVIDERS	6	5	9
	100	100	100
<b>FREQUENCY</b>			
Every 3 months		1	3
		20	33.3
Every 6 months	1		
	16.7		
Once a year	3	2	4
	50	40	44.4
Less frequently than once a year	1		1
	16.7		11.1
Other	1	2	
	16.7	40	
Don't know			1
			11.1
Total of table	6	5	9*
	100	100	100

### Q1.9c What type of information is mainly provided by the Fund Consultant?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM FUND CONSULTANT	77	72	81
	100	100	100
<b>TYPE OF INFORMATION</b>			
Fund governance issues	56	56	67
	72.7	77.8	82.7
Fiduciary duties	56	46	58
	72.7	63.9	71.6
Administration issues	53	48	53
	68.8	66.7	65.4
Investment strategy	47	47	64
	61	65.3	79
Investment products	41	37	51
	53.2	51.4	63
Risk strategy	36	36	52
	46.8	50	64.2
Legislative change	53	49	62
	68.8	68.1	76.5
Accounting issues	26	24	37
	33.8	33.3	45.7
Member communication issues	40	45	56
	51.9	62.5	69.1
Other	3	1	1
	3.9	1.4	1.2
Don't know	1		
	1.3		
Total of table	412	389	501
	535.1	540.3	618.5

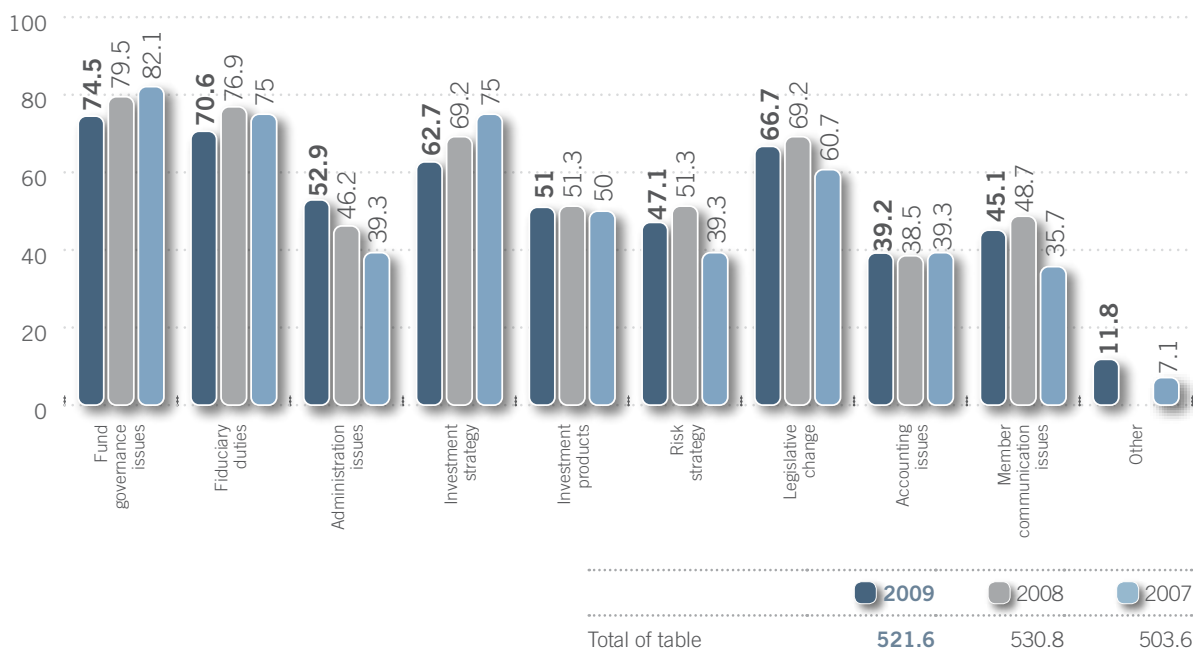
**Q1.9c** What type of information is mainly provided by the Investment Consultant?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	30	27	25
	100	100	100
<b>TYPE OF INFORMATION</b>			
Fund governance issues	8	11	9
	26.7	40.7	36
Fiduciary duties	7	8	9
	23.3	29.6	36
Administration issues	5	9	7
	16.7	33.3	28
Investment strategy	24	25	23
	80	92.6	92
Investment products	26	21	22
	86.7	77.8	88
Risk strategy	15	14	11
	50	51.9	44
Legislative change	6	11	13
	20	40.7	52
Accounting issues	6	5	5
	20	18.5	20
Member communication issues	6	7	4
	20	25.9	16
Other	2	-	-
	6.7	-	-
Total of table	105	111	103
	350	411.1	412

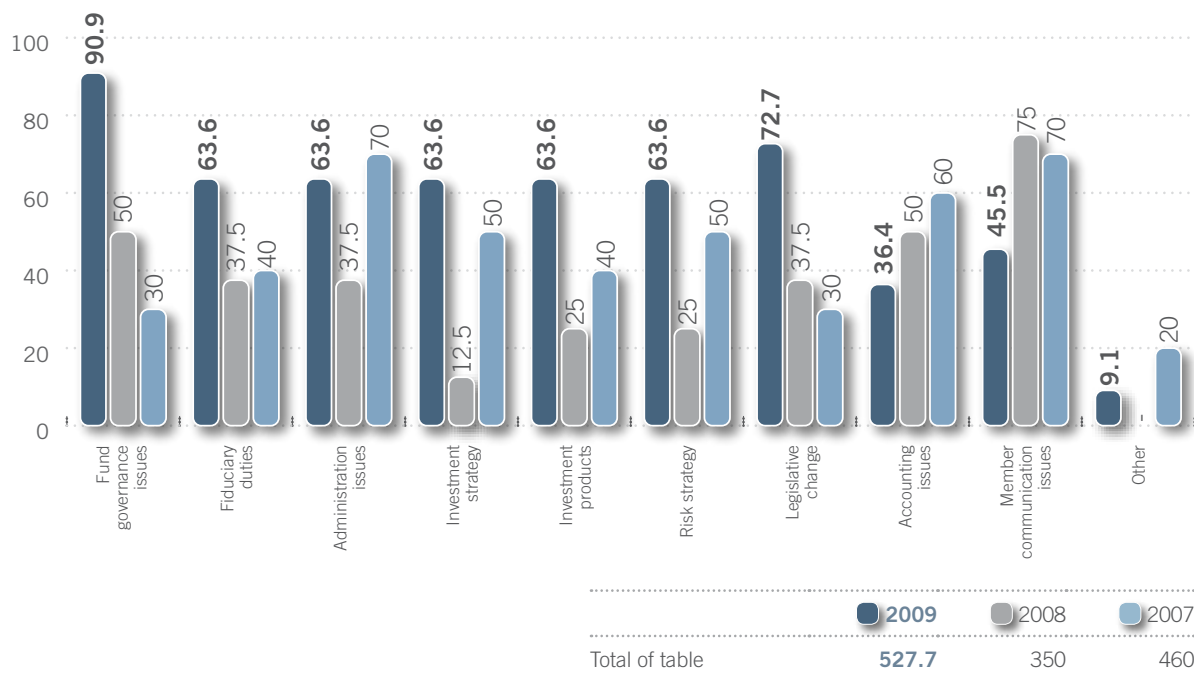
**Q1.9c** What type of information is mainly provided by the Administrator?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	98	80	86
	100	100	100
<b>TYPE OF INFORMATION</b>			
Fund governance issues	60	55	63
	61.2	68.8	73.3
Fiduciary duties	72	48	59
	73.5	60	68.6
Administration issues	66	53	61
	67.3	66.3	70.9
Investment strategy	51	48	56
	52	60	65.1
Investment products	45	36	46
	45.9	45	53.5
Risk strategy	38	29	41
	38.8	36.3	47.7
Legislative change	63	49	60
	64.3	61.3	69.8
Accounting issues	33	25	39
	33.7	31.3	45.3
Member communication issues	58	42	48
	59.2	52.5	55.8
Other	4	3	4
	4.1	3.8	4.7
New trustee training	-	1	1
	-	1.3	1.2
Total of table	490	389	478
	500	486.3	555.8

**Q1.9c** What type of information is mainly provided by the independent trustee trainer?



**Q1.9c** What type of information is mainly provided by in-house training?



**Q1.9c** What type of information is mainly provided by other training?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>RESPONDENTS RECEIVING TRAINING FROM OTHER PROVIDERS</b>	<b>6</b>	<b>5</b>	<b>9</b>
	<b>100</b>	<b>100</b>	<b>100</b>
<b>TYPE OF INFORMATION</b>			
Fund governance issues	6	2	8
	100	40	88.9
Fiduciary duties	4	2	6
	66.7	40	66.7
Administration issues	3	-	5
	50	-	55.6
Investment strategy	4	2	6
	66.7	40	66.7
Investment products	3	1	6
	50	20	66.7
Risk strategy	3	2	5
	50	40	55.6
Legislative change	6	3	7
	100	60	77.8
Accounting issues	4	-	2
	66.7	-	22.2
Member communication issues	5	1	3
	83.3	20	33.3
Other	-	1	-
	-	20	-
Don't know	-	1	-
	-	20	-
<b>Total of table</b>	<b>38</b>	<b>15</b>	<b>48</b>
	<b>633.3</b>	<b>300</b>	<b>533.3</b>

**Q1.9d** In what format do your trustees receive training from Fund Consultant?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>RESPONDENTS RECEIVING TRAINING FROM FUND CONSULTANT</b>	<b>77</b>	<b>72</b>	<b>81</b>
	<b>100</b>	<b>100</b>	<b>100</b>
<b>FORMAT</b>			
Written documents	39	37	40
	50.6	51.4	49.4
Formal presentations	53	55	59
	68.8	76.4	72.8
Informal workshops	18	15	21
	23.4	20.8	25.9
At trustee meetings	38	36	40
	49.4	50	49.4
One on one meetings	15	9	8
	19.5	12.5	9.9
Via e-mail	10	15	15
	13	20.8	18.5
Structured training courses	23	26	23
	29.9	36.1	28.4
Group	-	-	2
	-	-	2.5
Don't know	2	-	-
	2.6	-	-
<b>Total of table</b>	<b>198</b>	<b>193</b>	<b>208</b>
	<b>257.1</b>	<b>268.1</b>	<b>256.8</b>

### Q1.9d In what format do your trustees receive training from Investment Consultants?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	30	27	25
	100	100	100
<b>FORMAT</b>			
Written documents	17	11	10
	56.7	40.7	40
Formal presentations	19	16	15
	63.3	59.3	60
Informal workshops	4	3	6
	13.3	11.1	24
At trustee meetings	17	16	14
	56.7	59.3	56
One on one meetings	6	2	3
	20	7.4	12
Via e-mail	8	5	1
	26.7	18.5	4
Structured training courses	5	8	7
	16.7	29.6	28
Others	-	-	0
	-	-	0
Don't know	1	2	1
	3.3	7.4	4
Total of table	77	63	57
	256.7	233.3	228

### Q1.9d In what format do your trustees receive training from the Administrator?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	98	80	86
	100	100	100
<b>FORMAT</b>			
Written documents	48	38	53
	49	47.5	61.6
Formal presentations	58	55	56
	59.2	68.8	65.1
Informal workshops	22	14	19
	22.4	17.5	22.1
At trustee meetings	43	33	46
	43.9	41.3	53.5
One on one meetings	17	7	8
	17.3	8.8	9.3
Via e-mail	18	19	15
	18.4	23.8	17.4
Structured training courses	26	30	33
	26.5	37.5	38.4
Others	1	2	4
	1	2.5	4.7
		1	
		1.3	
Total of table	233	199	234
	237.8	248.8	272.1

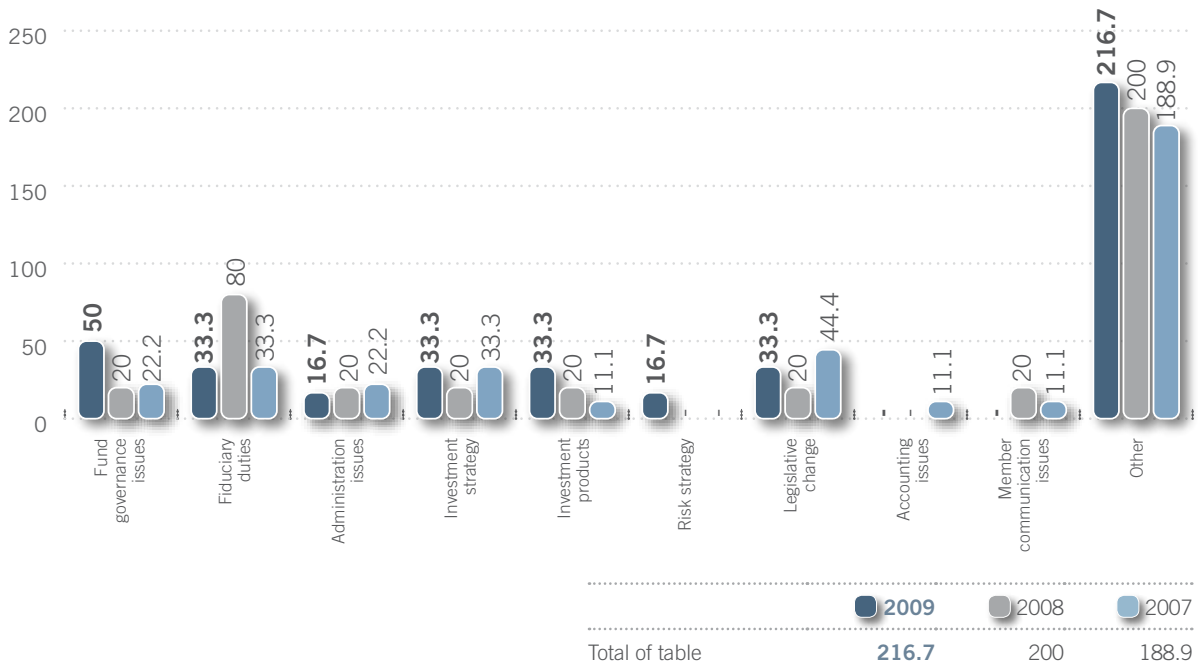
### Q1.9d In what format do your trustees receive training from an independent trustee trainer?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INDEPENDENT TRUSTEE TRAINER	51	39	28
	100	100	100
<b>FORMAT</b>			
Written documents	20	12	11
	39.2	30.8	39.3
Formal presentations	38	20	19
	74.5	51.3	67.9
Informal workshops	8	12	1
	15.7	30.8	3.6
At trustee meetings	7	9	3
	13.7	23.1	10.7
One on one meetings	4		1
	7.8		3.6
Via e-mail	3	3	2
	5.9	7.7	7.1
Structured training courses	20	24	21
	39.2	61.5	75
Others	1	-	-
	2	-	-
Don't know	-	2	-
	-	5.1	-
Total of table	101	82	58
	198	210.3	207.1

### Q1.9d In what format do your trustees receive training from in-house training?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENTS RECEIVING IN-HOUSE TRAINING	11	8	10
	100	100	100
<b>FORMAT</b>			
Written documents	6	3	5
	54.5	37.5	50
Formal presentations	9	4	5
	81.8	50	50
Informal workshops	1	4	4
	9.1	50	40
At trustee meetings	5	3	5
	45.5	37.5	50
One on one meetings	1	1	1
	9.1	12.5	10
Via e-mail	2	3	3
	18.2	37.5	30
Structured training courses	2	3	2
	18.2	37.5	20
Others	-	-	1
	-	-	10
Total of table	26	21	26*
	236.4	262.5	260

**Q1.9d** In what format do your trustees receive training from other providers?



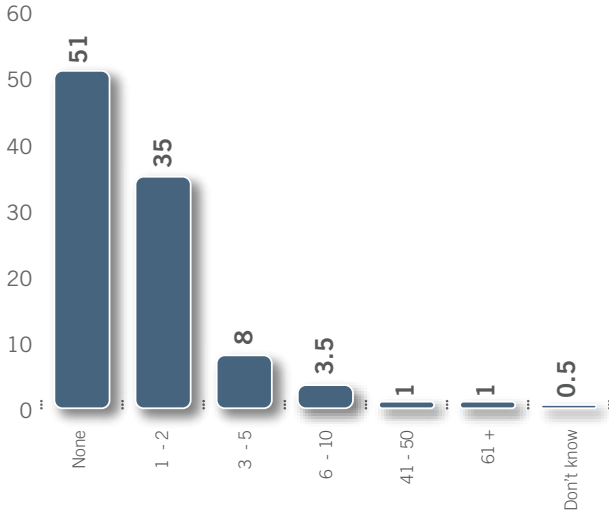
**Q1.10** What is the normal retirement age for new entrants?

	2009 TOTAL	2008 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	<b>200</b>
	<b>100</b>	<b>100</b>
<b>NORMAL RETIREMENT AGE FOR NEW ENTRANTS*</b>		
59 or younger	2	2
	1	1
60	62	57
	31	28.5
61	1	1
	0.5	0.5
62	5	5
	2.5	2.5
63	35	27
	17.5	13.5
64	3	1
	1.5	0.5
65	85	105
	42.5	52.5

	2009 TOTAL	2008 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	<b>200</b>
	<b>100</b>	<b>100</b>
<b>NORMAL RETIREMENT AGE FOR NEW ENTRANTS*</b>		
66 and older	1	
	0.5	
Mean	62.87	63.13
Not specified - as per employment contract/arrangement with employer	1	2
	0.5	1
Differs for men and women	5	-
	2.5	-
<b>Total of table</b>	<b>200</b>	<b>200</b>
	<b>100</b>	<b>100</b>

\* In previous studies we differentiated new entrants on gender basis, but since 2008 have decided to combine results.

**Q1.11a** What proportion of employees work beyond normal retirement?

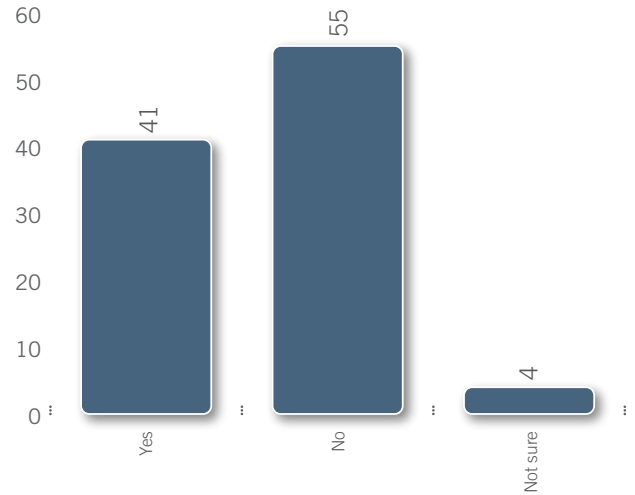


2009

Mean 4.8

Total of table 100

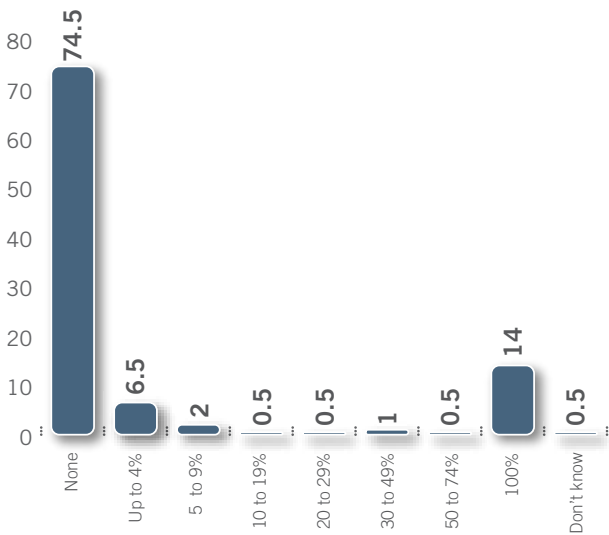
**Q1.12** Have the Trustees ever considered providing benefits to members via an umbrella fund arrangement?



2009

Total of table 100

**Q1.11b** Of these individuals what proportion still contribute to the retirement fund?



2009

Mean 8.41

Total of table 100

## Section 2: Information Management

**Q2.1** Which of the following are used to communicate with members?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>COMMUNICATION USED WITH MEMBER</b>			
A rule booklet	<b>150</b>	135	139
	<b>75</b>	67.5	69.5
Annual benefit statements	<b>195</b>	190	186
	<b>97.5</b>	95	93
Membership certificate	<b>87</b>	78	65
	<b>43.5</b>	39	32.5
Annual trustee report	<b>103</b>	87	83
	<b>51.5</b>	43.5	41.5
Members newsletter: paper based	<b>117</b>	94	98
	<b>58.5</b>	47	49
Members newsletter: electronic	<b>89</b>	-	-
	<b>44.5</b>	-	-
Articles in company newsletter(s)	<b>53</b>	35	35
	<b>26.5</b>	17.5	17.5
Other printed documents, e.g. letters	<b>74</b>	79	64
	<b>37</b>	39.5	32
New members inductions	<b>99</b>	78	66
	<b>49.5</b>	39	33
Annual or more regular workshop and discussion groups	<b>70</b>	57	61
	<b>35</b>	28.5	30.5
Role play / theatre	<b>2</b>	-	3
	<b>1</b>	-	1.5
Other face to face communication	<b>54</b>	57	46
	<b>27</b>	28.5	23
Information on Intranet/Internet	<b>125</b>	123	129
	<b>62.5</b>	61.5	64.5
Member roadshows	<b>77</b>	-	-
	<b>38.5</b>	-	-
Email	<b>64</b>	46	34
	<b>32</b>	23	17
Cell phone	<b>7</b>	10	7
	<b>3.5</b>	5	3.5
No communication	-	1	1
	-	0.5	0.5
Other	-	1	8
	-	0.5	4
<b>SUMMARY</b>			
Any printed material	<b>200</b>	-	-
	<b>100</b>	-	-
Any face to face	<b>151</b>	-	-
	<b>75.5</b>	-	-
Any technology	<b>136</b>	-	-
	<b>68</b>	-	-
Total of table	<b>1366</b>	1071	1025
	<b>683</b>	535.5	512.5

**Q2.2** Which of the following topics are communicated to members?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>TOPICS COMMUNICATED TO MEMBERS</b>			
The benefit structure	<b>178</b>	171	176
	<b>89</b>	85.5	88
Trustee decisions	<b>144</b>	124	132
	<b>72</b>	62	66
How the fund works	<b>159</b>	144	153
	<b>79.5</b>	72	76.5
Valuation results	<b>95</b>	90	100
	<b>47.5</b>	45	50
Investment performance	<b>174</b>	168	175
	<b>87</b>	84	87.5
Frequently asked questions	<b>109</b>	78	97
	<b>54.5</b>	39	48.5
The annual benefit statement: Interpretation and implications	<b>149</b>	149	146
	<b>74.5</b>	74.5	73
Member investment choice	<b>103</b>	95	88
	<b>51.5</b>	47.5	44
Knowledge quizzes/educational games	<b>5</b>	-	-
	<b>2.5</b>	-	-
Legal updates	<b>2</b>	-	-
	<b>1</b>	-	-
Financial planning	<b>1</b>	-	-
	<b>0.5</b>	-	-
Quarterly benefit statements	-	1	1
	-	0.5	0.5
Trustee elections	-	1	1
	-	0.5	0.5
Issues of concern to women	-	-	1
	-	-	0.5
None	-	1	1
	-	0.5	0.5
Not sure	-	-	1
	-	-	0.5
Other	<b>1</b>	4	3
	<b>0.5</b>	2	1.5
Total of table	<b>1120</b>	1026	1075
	<b>560</b>	513	537.5

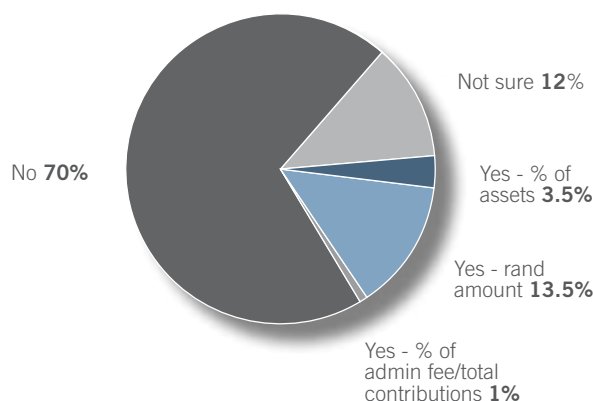
**Q2.3** Who answers members' retirement fund related queries?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>QUERIES ANSWERED BY</b>			
Trustees	104	83	98
	52	41.5	49
Administrator	112	115	116
	56	57.5	58
Retirement fund consultant	53	57	66
	26.5	28.5	33
Human resources department	105	111	108
	52.5	55.5	54
Principal Officer	114	84	103
	57	42	51.5
Employee benefit Co ordinator/ department	-	2	2
	-	1	1
Financial manager	-	-	1
	-	-	0.5
Fund manager	-	2	1
	-	1	0.5
Chairman of the board	-	2	1
	-	1	0.5
Advisory committee	-	1	-
	-	0.5	-
Retirement fund consultant	-	1	-
	-	0.5	-
Payroll administrator	-	4	-
	-	2	-
Broker	-	1	-
	-	0.5	-
Other-independent financial advisor/chairperson	4	-	-
	2	-	-
Other	4	8	3
	2	4	1.5
<b>SUMMARY</b>			
Any internal	184	170	175
	92	85	87.5
Any external	135	145	145
	67.5	72.5	72.5
Total of table	496	471	499
	248	235.5	249.5

**Q2.4a** Does the fund allocate a % of assets or a rand amount towards a communication strategy?

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100

**ALLOCATE TOWARDS A COMMUNICATION STRATEGY**



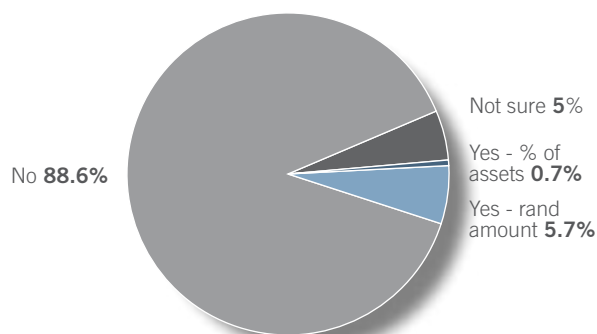
**SUMMARY**

Any yes	36
	18
Total of table	200
	100

**Q2.4b** Does the fund plan to allocate a % of assets or a rand amount towards a communication strategy?

	2009 TOTAL
THOSE WHO DO NOT ALLOCATE TOWARDS A COMMUNICATION STRATEGY	140
	100

**PLAN TO ALLOCATE TOWARDS A COMMUNICATION STRATEGY**

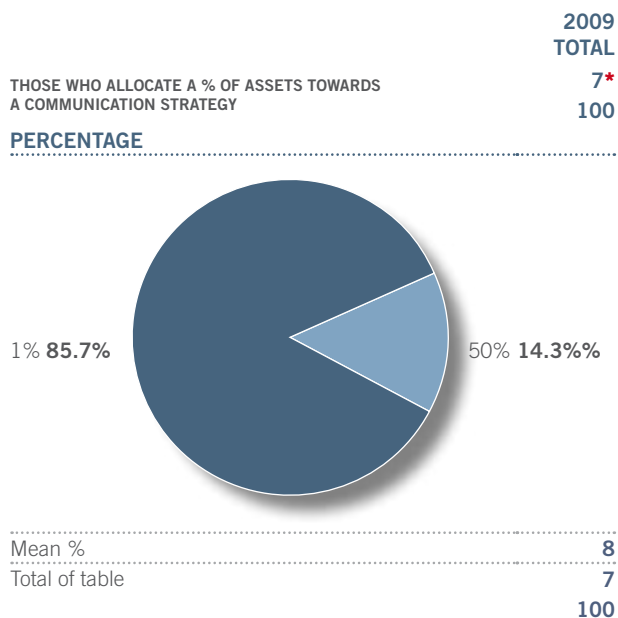


**SUMMARY**

Any yes	9
	6.4
Total of table	140
	100



**Q2.4c** What % of assets are allocated towards the communication strategy?



**Q2.4d** What rand amount is allocated towards the communication strategy?

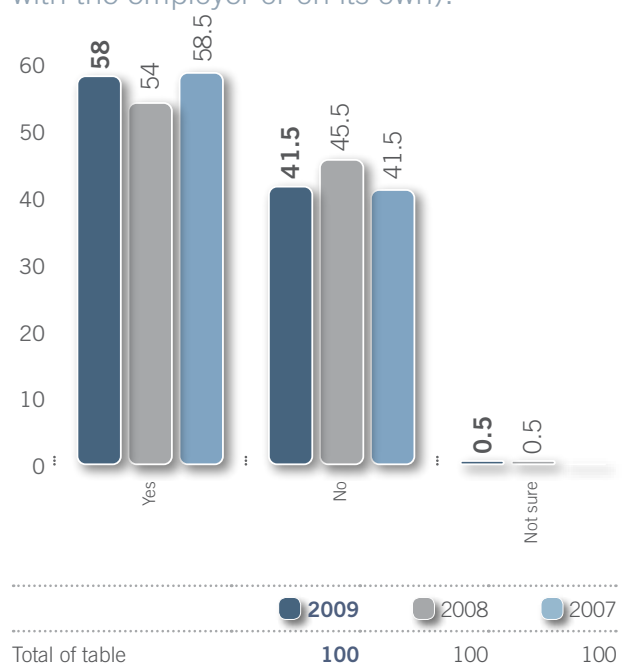
THOSE WHO ALLOCATE A RAND AMOUNT TOWARDS A COMMUNICATION STRATEGY

2009 TOTAL 27 100

RAND AMOUNT

Up to R3000	2
	7.4
R5000	1
	3.7
R28000	1
	3.7
R30000 - R40000	3
	11.1
R50000	3
	11.1
R60000 - R100000	3
	11.1
R200000 - R400000	6
	22.2
R600000 +	3
	11.1
<b>Mean %</b>	<b>222513.64</b>
Don't know	5
	18.5
<b>Total of table</b>	<b>27*</b>
	<b>100</b>

**Q2.5** Does the fund have a formalised strategy for rendering financial advice to active members (whether in consultation with the employer or on its own)?



**Q2.6** Who provides this financial advice in terms of FAIS?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FORMALISED STRATEGY FOR RENDERING FINANCIAL ADVICE</b>	<b>116</b>	108	117
	<b>100</b>	100	100
<b>FINANCIAL ADVICE PROVIDED IN TERMS OF FAIS BY</b>			
Worksite adviser (financial adviser/ broker contracted by the fund and/or company)	98	77	96
	84.5	71.3	82.1
Member's own financial adviser or broker	36	37	48
	31	34.3	41
Call centre	-	2	1
	-	1.9	0.9
Other	-	1	-
	-	0.9	-
Not sure/don't know/new fund	1	1	2
	0.9	0.9	1.7
<b>Total of table</b>	<b>135</b>	118	147
	<b>116.4</b>	109.3	125.6

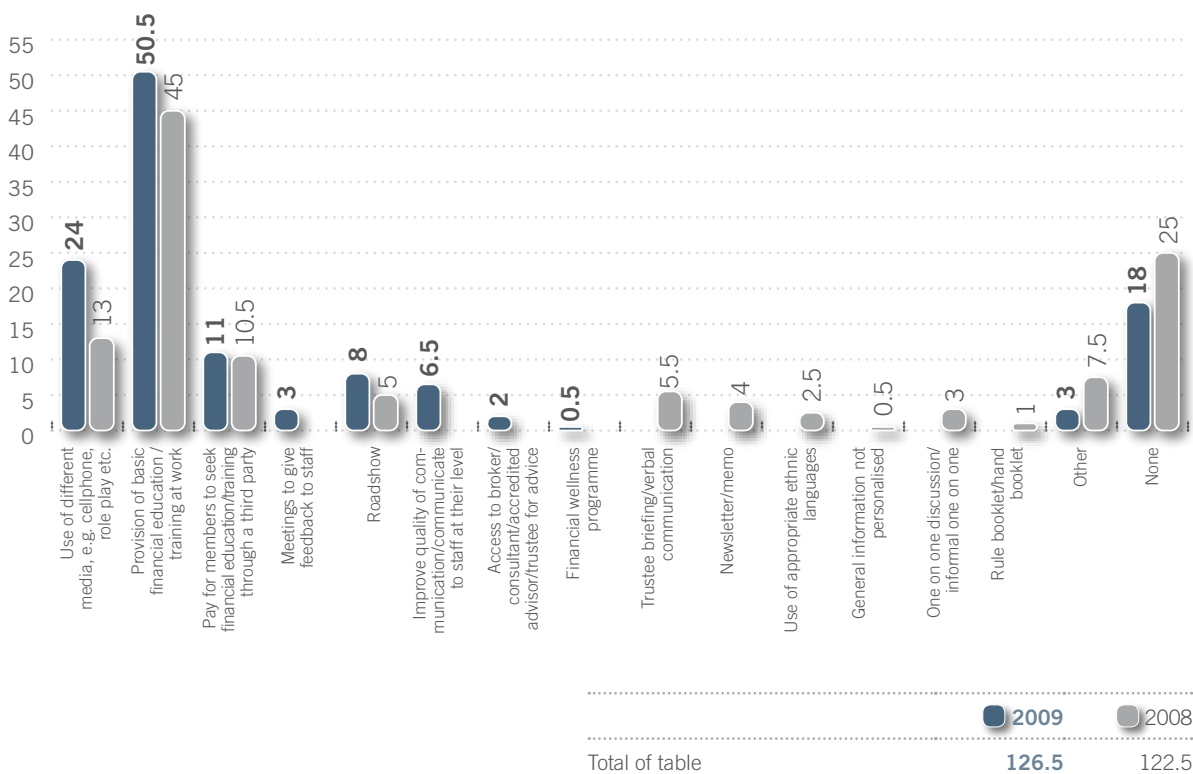
**Q2.7** In your opinion, to what extent do staff members understand the financial advice and information provided to them? - Senior Staff

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>SENIOR STAFF</b>			
They understand the vast majority of it	<b>134</b>	145	142
	<b>67</b>	72.5	71
They understand about half it	<b>48</b>	40	44
	<b>24</b>	20	22
They understand less than half of it	<b>7</b>	7	7
	<b>3.5</b>	3.5	3.5
They hardly understand any of it at all	<b>3</b>	2	-
	<b>1.5</b>	1	-
Not sure	<b>1</b>	3	3
	<b>0.5</b>	1.5	1.5
No Senior staff	<b>7</b>	3	2
	<b>3.5</b>	1.5	1
Not applicable	-	-	2
	-	-	1
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

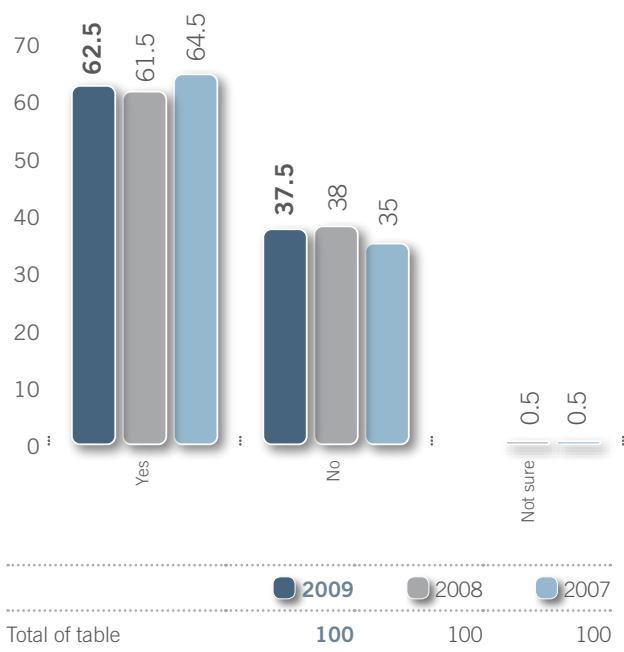
**Q2.7** In your opinion, to what extent do staff members understand the financial advice and information provided to them? - All other staff

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>ALL OTHER STAFF</b>			
They understand the vast majority of it	<b>25</b>	31	31
	<b>12.5</b>	15.5	15.5
They understand about half it	<b>64</b>	71	69
	<b>32</b>	35.5	34.5
They understand less than half of it	<b>72</b>	70	73
	<b>36</b>	35	36.5
They hardly understand any of it at all	<b>36</b>	23	19
	<b>18</b>	11.5	9.5
Not sure	<b>2</b>	5	8
	<b>1</b>	2.5	4
No other staff	<b>1</b>	-	-
	<b>0.5</b>	-	-
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

**Q2.8** What specific steps, if any, have you taken to improve member understanding?



**Q2.9** Please confirm whether the fund utilises an Intranet or Internet facility in order to give members access to information?



**Q2.10** How do members gain access to the internet/intranet?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	125	123	129
	100	100	100
<b>GAIN ACCESS BY</b>			
Via HR or similar office only	14	25	16
	11.2	20.3	12.4
Directly, using a personal password only	87	84	79
	69.6	68.3	61.2
Either via HR or directly, using own password	36	21	33
	28.8	17.1	25.6
Through HR intranet & A F website	-	2	-
	-	1.6	-
Other	-	5	1
	-	4.1	0.8
Not sure	-	1	0
	-	0.8	0
Total of table	137	138	129
	109.6	112.2	100

**Q2.11** What general information is available via the Internet / Intranet?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	125	123	129
	100	100	100
<b>GENERAL INFORMATION AVAILABLE VIA INTERNET/INTRANET</b>			
The fund rules	90	95	87
	72	77.2	67.4
Member booklet	77	76	77
	61.6	61.8	59.7
Insurance policies (i.e. group risk and disability)	38	60	43
	30.4	48.8	33.3
Administration agreement	12	15	17
	9.6	12.2	13.2
Investment / Asset management agreements	24	21	28
	19.2	17.1	21.7
The resumes and contact details of trustees	42	38	44
	33.6	30.9	34.1
The resumes and contact details of other appointed officers	26	31	29
	20.8	25.2	22.5
The annual rule change notification	35	45	54
	28	36.6	41.9
Investment portfolio information	79	84	90
	63.2	68.3	69.8
Investment returns	74	64	61
	59.2	52	47.3
Members newsletter	64	4	4
	51.2	3.3	3.1
Financial statements	1	1	-
	0.8	0.8	-
Information of own pension fund/ personal fund status	-	1	-
	-	0.8	-
Investment guide	1	-	-
	0.8	-	-
Death Benefits	1	-	-
	0.8	-	-
Governance of fund	1	-	-
	0.8	-	-
Not sure	2	4	2
	1.6	3.3	1.6
Other	1	9	7
	0.8	7.3	5.4
None	2	1	3
	1.6	0.8	2.3
Total of table	570	549	546
	456	446.3	423.3

## Q2.12 What personal information is available via the Internet / Intranet?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	125 100	123 100	129 100
<b>PERSONAL INFORMATION AVAILABLE ON INTERNET/INTRANET</b>			
Annual member benefit statement	74	72	71
	59.2	58.5	55
Daily updated member benefit statement	56	-	-
	44.8	-	-
Monthly updated member benefit statement	61	74	77
	48.8	60.2	59.7
Beneficiary nominations	47	42	39
	37.6	34.1	30.2
Personal particulars	71	65	75
	56.8	52.8	58.1
Transaction history	60	53	55
	48	43.1	42.6
Other investment choices	-	-	2
	-	-	1.6
Investment statement/ portfolio	-	-	2
	-	-	1.6
Information of own pension fund	-	-	2
	-	-	1.6
Proportion of member's assets in each investment portfolio	58	-	-
	46.4	-	-
Investment fees	25	-	-
	20	-	-
Insured benefit costs	21	-	-
	16.8	-	-
Admin costs	18	-	-
	14.4	-	-
Projected retirement value	3	-	-
	2.4	-	-
Tax calculation	1	-	-
	0.8	-	-
Not sure	2	2	3
	1.6	1.6	2.3
Other	2	9	3
	1.6	7.3	2.3
None	13	19	25
	10.4	15.4	19.4
Total of table	512	336	354
	409.6	273.2	274.4

## Q2.13 What member training and support is provided via the Internet / Intranet?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	125 100	123 100	129 100
<b>TRAINING AND SUPPORT PROVIDED</b>			
Modeller or calculator to calculate retirement needs and/ or basic investment alternatives	40	35	38
	32	28.5	29.5
Competition based education simulations	4	-	-
	3.2	-	-
Knowledge self-assessment tool	11	-	-
	8.8	-	-
Investment training material and articles	10	18	22
	8	14.6	17.1
Relevant articles	23	30	28
	18.4	24.4	21.7
Performance of investment portfolios	34	-	-
	27.2	-	-
None	67	67	67
	53.6	54.5	51.9
Not sure	3	4	6
	2.4	3.3	4.7
Total of table	192	154	161
	153.6	125.2	124.8

**Q2.14** What transactions can be performed on the Internet / Intranet either by members or HR Personnel/Principal Officer?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	125	123	129
	100	100	100
<b>TRANSACTIONS PERFORMED ON INTERNET/INTRANET</b>			
Members: Updating personal information (direct by member or via HR office)	47	53	49
	37.6	43.1	38
Members: Investment switches (direct by member or via HR office)	32	35	35
	25.6	28.5	27.1
Members: Risk benefit selections (direct by member or via HR office)	11	15	13
	8.8	12.2	10.1
Members: Submit withdrawal claims	20	-	-
	16	-	-
Members: Spouse/family member can submit death claims	14	-	-
	11.2	-	-
Members: Submit documentation e.g. disability, medical	11	-	-
	8.8	-	-
Participating Employer: Monthly member payroll data provided by the employer	32	23	19
	25.6	18.7	14.7
Employer: Extract Reports, value of benefits paid	20	-	-
	16	-	-
Employer: Extract Reports, payments made as per schedule	20	-	-
	16	-	-
Employer: Extract Reports, Full audit log	11	-	-
	8.8	-	-
Nominations for trustees	1	-	-
	0.8	-	-
Other		3	-
		2.4	-
Don't know	1	3	7
	0.8	2.4	5.4
None	56	60	64
	44.8	48.8	49.6
Total of table	276	192	187
	220.8	156.1	145

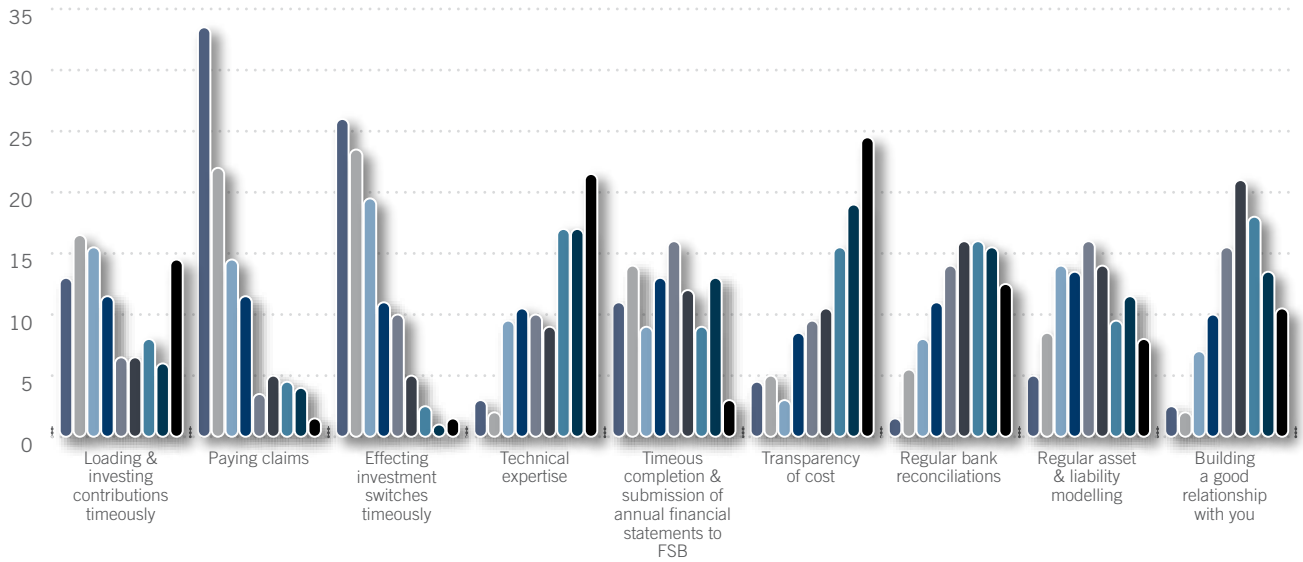
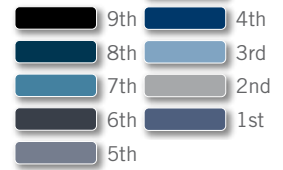
**Q2.15** To what extent would the fund consider paying for more financial education to be provided to members?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>EXTENT FUND WOULD CONSIDER PAYING MORE FOR FINANCIAL EDUCATION</b>			
Would definitely consider it	46	38	50
	23	19	25
Might consider it	63	74	67
	31.5	37	33.5
Unlikely to consider it	63	71	66
	31.5	35.5	33
Would definitely not consider it	27	17	15
	13.5	8.5	7.5
Don't know	1		2
	0.5		1
<b>SUMMARY</b>			
Would/might consider	109	112	117
	54.5	56	58.5
Unlikely/would not consider	90	88	81
	45	44	40.5
Total of table	200	200	200
	100	100	100

**Q2.16** Which of the following does the fund offer?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FUND OFFERS</b>			
Home loans to members direct (i.e. the fund makes a direct loan to the member)	41	34	37
	20.5	17	18.5
Housing sureties (i.e. the fund merely provides collateral in respect of a loan made by a financial institution)	86	90	95
	43	45	47.5
Neither	80	81	72
	40	40.5	36
Total of table	207	205	204
	103.5	102.5	102

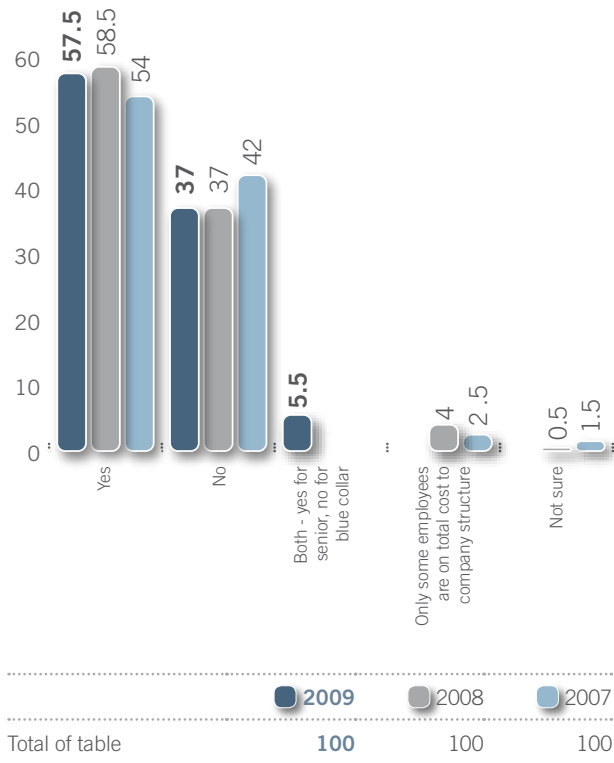
**Q2.17** When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance?



Note: 1 is most important, 2 is second most important etc.

# Section 3: Remuneration

**Q3.1** Is the employer's remuneration package structured on a total cost to company basis?



**Q3.2** Is the employer contemplating the total cost to company approach?

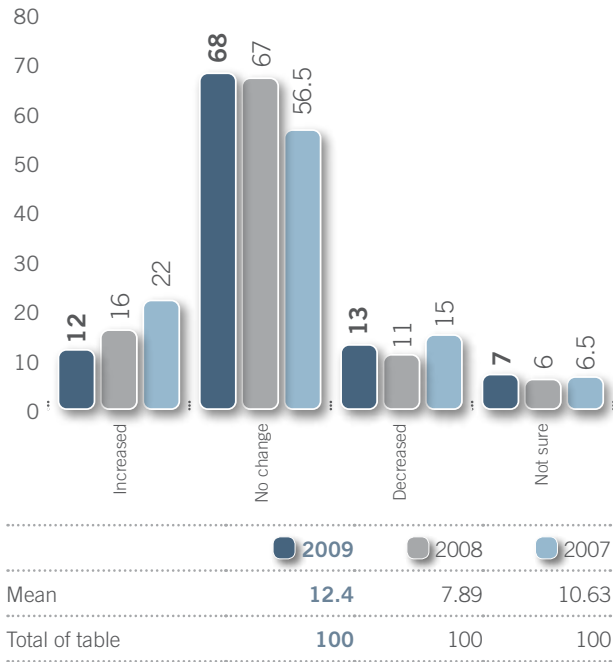
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>EMPLOYER'S REMUNERATION PACKAGE NOT STRUCTURED ON A TOTAL COST TO COMPANY</b>	<b>85</b>	<b>74</b>	<b>84</b>
<b>IF EMPLOYER CONTEMPLATING TOTAL COST TO COMPANY APPROACH</b>			
Yes, it plans to implement within the next 2 years	9	7	9
Yes, but it has no firm plans for implementation	11	7	9
No, not that I know of	62	58	62
<b>Total of table</b>	<b>72.9</b>	<b>78.4</b>	<b>73.8</b>
Not sure	3	2	4
<b>Total of table</b>	<b>3.5</b>	<b>2.7</b>	<b>4.8</b>
<b>SUMMARY</b>			
Any yes	20	-	-
<b>Total of table</b>	<b>23.5</b>	<b>-</b>	<b>-</b>
<b>Total of table</b>	<b>85</b>	<b>74</b>	<b>84</b>
<b>Total of table</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Q3.3** What percentage of the total remuneration is pensionable remuneration?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	<b>200</b>	<b>200</b>
	<b>100</b>	<b>100</b>	<b>100</b>
<b>PERCENTAGE OF TOTAL - PENSIONABLE REMUNERATION</b>			
Less than 70% (70)	16	29	31
	8	14.5	15.5
70,1% to 80% (75)	56	49	50
	28	24.5	25
80,1% to 90% (85)	39	34	27
	19.5	17	13.5
90,1% to 100% (95)	63	73	76
	31.5	36.5	38
Individual's choice	-	-	2
	-	-	1
Varies/differs for senior staff and blue collar	15	7	2
	7.5	3.5	1
2 Choices - total cost to company and basic salary	1	-	-
	0.5	-	-
Not sure	10	8	13
	5	4	6.5
Mean	84.02	83.95	83.89
Total of table	200	200	201
	100	100	100.5

# Section 4: AIDS Strategies

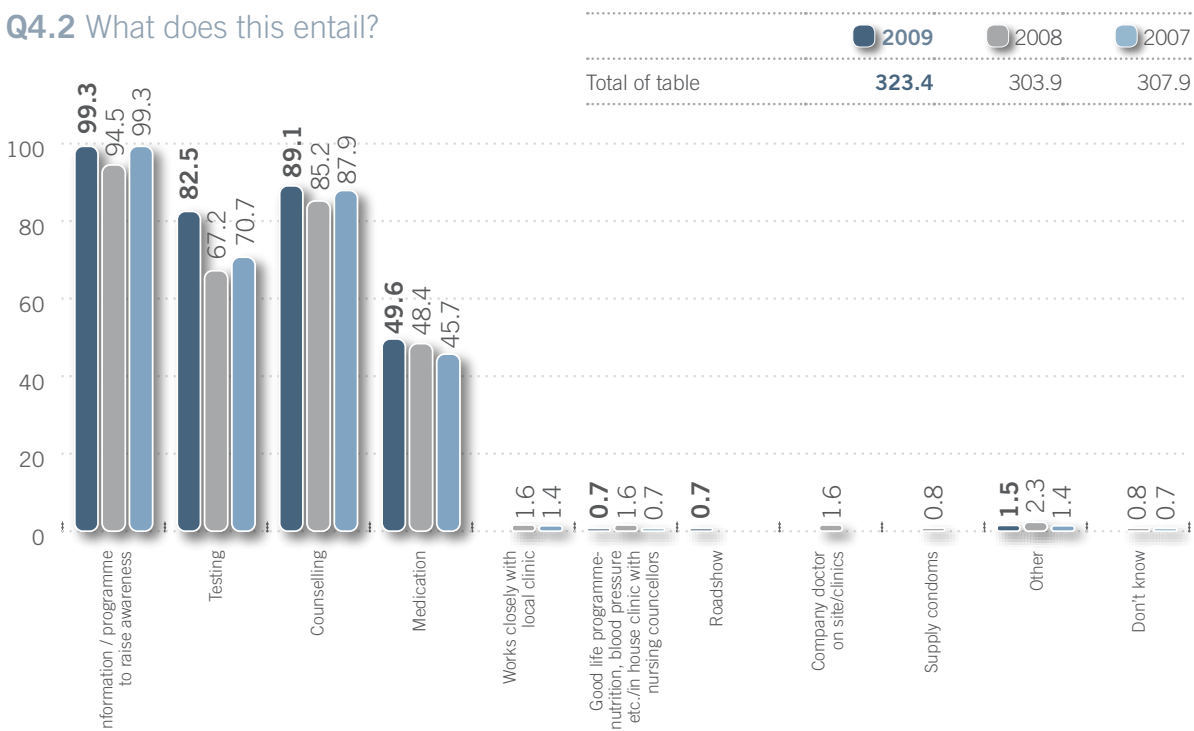
**Q4.1** Has the employer implemented an AIDS management programme for its employees?



**Q4.3** Has the cost of risk benefits provided by the fund and/or any associated separate group scheme increased, decreased or remained the same during the last 2 years as a result of AIDS?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>			
	200	200	200
	100	100	100
<b>COST OF RISK BENEFITS DUE TO AIDS HAS ....</b>			
Increased	24	32	44
	12	16	22
No change	136	134	113
	68	67	56.5
Decreased	26	22	30
	13	11	15
Not sure	14	12	13
	7	6	6.5
Total of table	200	200	200
	100	100	100

**Q4.2** What does this entail?





**Q4.4** By what percentage has the cost of risk increased over the past 2 years?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENT WHO SAID THAT COST OF RISK BENEFITS DUE TO AIDS HAS INCREASED	24	32	44
	100	100	100
<b>PERCENTAGE INCREASED</b>			
Up to 4% (2.5)	9	16	20
	37.5	50	45.5
5% to 9% (7.0)	7	5	7
	29.2	15.6	15.9
10% to 19% (15.0)	5	5	9
	20.8	15.6	20.5
20% to 29% (25.0)	1	-	3
	4.2	-	6.8
30% to 49% (40.0)	-	-	1
	-	-	2.3
50% to 74% (63.0)	2	1	-
	8.3	3.1	-
75% to 99% (87.0)	-	-	1
	-	-	2.3
Not sure	-	5	3
	-	15.6	6.8
Mean	12.4	7.89	10.63
Total of table	24	32	44
	100	100	100

**Q4.4** By what percentage has the cost of risk decreased over the past 2 years?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENT WHO SAID THAT COST OF RISK BENEFITS DUE TO AIDS HAS DECREASED	26	22	30
	100	100	100
<b>PERCENTAGE DECREASED</b>			
Up to 4% (2.5)	13	12	14
	50	54.5	46.7
5% to 9% (7.0)	3	5	9
	11.5	22.7	30
10% to 19% (15.0)	5	3	3
	19.2	13.6	10
20% to 29% (25.0)	-	1	-
	-	4.5	-
30% to 49% (40.0)	1	-	3
	3.8	-	10
50% to 74% (63.0)	1	-	1
	3.8	-	3.3
75% to 99% (87.0)	-	1	-
	-	4.5	-
Not sure	3	-	-
	11.5	-	-
Mean	10.07	10.09	10.87
Total of table	26	22	30
	100	100	100

## Section 5: Contributions

**Q5.1** What is the total annual contribution category of the fund (i.e. member's plus employer's contributions). Is it...

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>TOTAL ANNUAL CONTRIBUTION</b>			
Less than R1 million	15	29	32
	7.5	14.5	16
R1 million to R5 million	61	77	75
	30.5	38.5	37.5
More than R5 million	115	84	85
	57.5	42	42.5
Not sure	9	10	8
	4.5	5	4
Total of table	200	200	200
	100	100	100

**Q5.2** Does the administrator itemise separately for the cost of administration and all the other costs and disbursements of the fund?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>COST OF ADMINISTRATION ITEMISED</b>			
Yes, fund is billed separately for each item	115	101	110
	57.5	50.5	55
No, but additional expenses not specified in the administration agreement are billed separately	35	39	28
	17.5	19.5	14
No, the administration fee typically includes all other expenses	46	55	58
	23	27.5	29
Other	1		
	0.5		
Not sure	3	5	4
	1.5	2.5	2
Total of table	200	200	200
	100	100	100

**Q5.3** How is the cost of administration of the fund calculated (including administration and other costs and disbursements, but EXCLUDING cost of risk and auditing and VAT)?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>COST OF ADMINISTRATION OF FUND CALCULATED</b>			
As a % of the member's salary	<b>117</b>	123	130
	<b>58.5</b>	61.5	65
As a % of the total asset value of the fund	<b>24</b>	16	16
	<b>12</b>	8	8
As a fixed cost per member per month	<b>42</b>	49	35
	<b>21</b>	24.5	17.5
Varies	-	1	2
	-	0.5	1
Company pays not member	-	6	2
	-	3	1
Fixed % of company contribution	-	-	1
	-	-	0.5
Fixed amount per member + additional percentage based on contribution	-	-	1
	-	-	0.5
Agreed fee/fixe	<b>3</b>	-	-
	<b>1.5</b>	-	-
% of contributions	<b>7</b>	5	6
	<b>3.5</b>	2.5	3
% of payroll	<b>2</b>	1	1
	<b>1</b>	0.5	0.5
Other	<b>3</b>	2	3
	<b>1.5</b>	1	1.5
Don't know	<b>6</b>	1	3
	<b>3</b>	0.5	1.5
Total of table	<b>204</b>	204	200
	<b>102</b>	102	100

**Q5.3a** What % of each member's salary goes towards fund administration?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>RESP STATING AS A % OF THE MEMBER'S SALARY</b>	<b>117</b>	123	130
	<b>100</b>	100	100
<b>PERCENTAGE OF SALARY</b>			
0,01% to 0,50% (0.25)	<b>31</b>	36	49
	<b>26.5</b>	29.3	37.7
0,51% to 1,00% (0.75)	<b>35</b>	39	41
	<b>29.9</b>	31.7	31.5
1,01% to 1,50% (1.25)	<b>12</b>	16	11
	<b>10.3</b>	13	8.5
1,51% to 2,00% (1.75)	<b>6</b>	8	7
	<b>5.1</b>	6.5	5.4
2,01% to 2,50% (2.25)	<b>9</b>	1	-
	<b>7.7</b>	0.8	-
2,51% to 3,00% (2.75)	<b>2</b>	5	4
	<b>1.7</b>	4.1	3.1
3,01% to 3,50% (3.25)	<b>4</b>	1	1
	<b>3.4</b>	0.8	0.8
3,51% to 4,00% (3.75)	<b>2</b>	2	2
	<b>1.7</b>	1.6	1.5
4,01% or more (4.25)	<b>8</b>	7	6
	<b>6.8</b>	5.7	4.6
Not sure	<b>8</b>	8	8
	<b>6.8</b>	6.5	6.2
Nothing	-	-	1
	-	-	0.8
Mean	<b>1.28</b>	1.12	0.96
Total of table	<b>117</b>	123	130
	<b>100</b>	100	100

**Q5.3b** What % of the asset value of the fund goes towards the cost of administration?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP STATING AS A % OF THE TOTAL ASSET VALUE OF THE FUND	24	16	16
	100	100	100
<b>PERCENTAGE OF THE FUND</b>			
0,01% to 0,50% (0.25)	6	8	2
	25	50	12.5
0,51% to 1,00% (0.75)	9	1	2
	37.5	6.3	12.5
1,01% to 1,50% (1.25)	5	-	4
	20.8	-	25
1,51% to 2,00% (1.75)	-	2	1
	-	12.5	6.3
2,01% to 2,50% (2.25)	-	1	1
	-	6.3	6.3
2,51% to 3,00% (2.75)	-	-	1
	-	-	6.3
3,01% to 3,50% (3.25)	-	1	1
	-	6.3	6.3
4,01% or more (4.25)	1	1	1
	4.2	6.3	6.3
Not sure	3	2	3
	12.5	12.5	18.8
Mean	0.89	1.14	1.63
Total of table	24	16	16*
	100	100	100

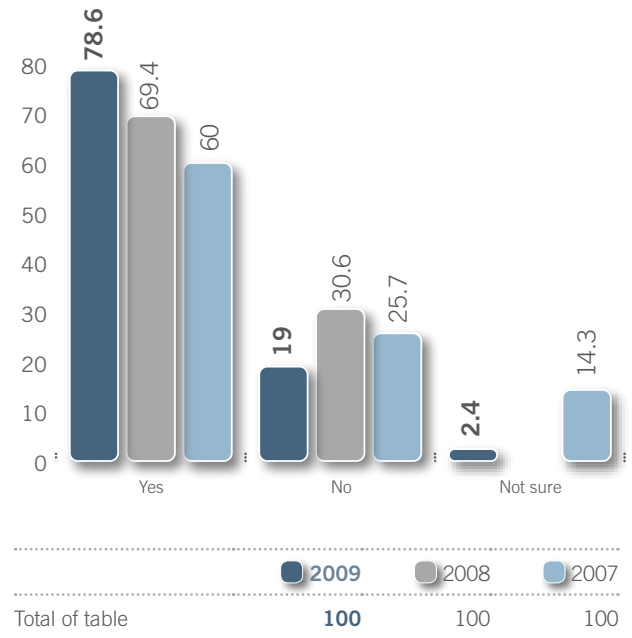
**Q5.3c** What are the fund's administration costs per member per month? - Standard Benefit Options

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP STATING AS A FIXED COST PER MEMBER PER MONTH	42	49	35
	100	100	100
<b>STANDARD BENEFIT OPTIONS</b>			
<R10 (R7)	2	4	2
	4.8	8.2	5.7
R10 to R14 (R12)	4	4	2
	9.5	8.2	5.7
R15 to R24 (R20)	6	6	4
	14.3	12.2	11.4
R25 to R29 (R27)	5	2	-
	11.9	4.1	-
R30 to R34 (R32)	3	2	2
	7.1	4.1	5.7
R35 to R39 (R37)	5	4	2
	11.9	8.2	5.7
R40 to R44 (R42)	1	1	2
	2.4	2	5.7
R45 to R49 (R47)	1	-	2
	2.4	-	5.7
R50 to R54 (R52)	1	2	-
	2.4	4.1	-
R55 to R59 (R57)	1	3	1
	2.4	6.1	2.9
R60 or more (R65)	5	4	-
	11.9	8.2	-
Not sure	6	17	18
	14.3	34.7	51.4
None/not applicable	2	-	-
	4.8	-	-
Mean	32.97	32.47	28.88
Total of table	42	49	35
	100	100	100

**Q5.3c** What are the fund's administration costs per member per month? - Member Choice Options

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP STATING AS A FIXED COST PER MEMBER PER MONTH	42	49	35
	100	100	100
<b>MEMBER CHOICE OPTIONS</b>			
<R10 (R7)	-	1	1
		2	2.9
R10 to R14 (R12)	-	1	1
		2	2.9
R15 to R24 (R20)	2	2	1
	4.8	4.1	2.9
R25 to R29 (R27)	-	1	1
		2	2.9
R30 to R34 (R32)	-	2	1
		4.1	2.9
R35 to R39 (R37)	1	2	1
	2.4	4.1	2.9
R40 to R44 (R42)	1	2	-
	2.4	4.1	-
R50 to R54 (R52)	1	-	-
	2.4	-	-
R55 to R59 (R57)	1	1	-
	2.4	2	-
R60 or more (R65)	2	1	2
	4.8	2	5.7
Not sure	5	36	4
	11.9	73.5	11.4
None/not applicable	29	-	23
	69	-	65.7
Mean	44.75	33.08	33.13
Total of table	42	49	35
	100	100	100

**Q5.3d** Do all of your members currently pay the same fixed contribution to the expenses of the fund regardless of their salary level?



**Q5.4b** Does your fund operate a contingency reserve account?

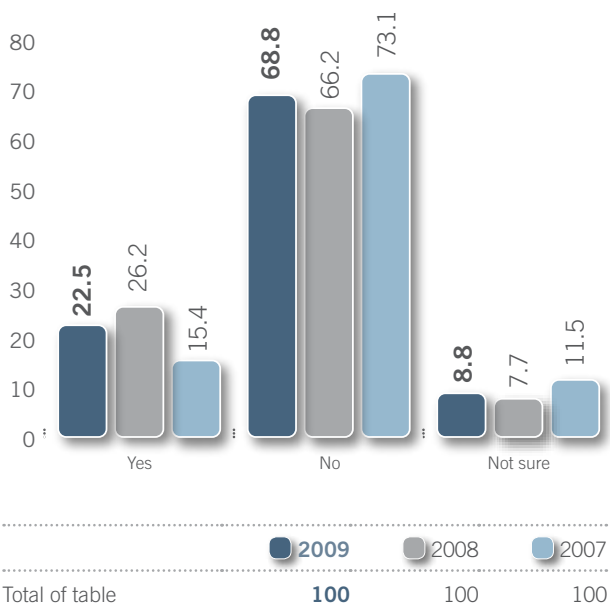
	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FUND OPERATES A CONTINGENCY RESERVE ACCOUNT</b>			
Yes	80	65	78
	40	32.5	39
No	98	108	103
	49	54	51.5
Not sure	22	27	19
	11	13.5	9.5
Total of table	200	200	200
	100	100	100

### Q5.4c How does your fund operate this contingency reserve account?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP STATING FUND OPERATES A CONTINGENCY RESERVE ACCOUNT	80	65	78
	100	100	100
<b>CONTINGENCY RESERVE ACCOUNT OPERATES</b>			
Monthly deduction from employer contributions	21	24	18
	26.3	36.9	23.1
Monthly deduction from employee contributions	14	5	3
	17.5	7.7	3.8
Monthly deduction from both employee and employer contributions	-	7	13
	-	10.8	16.7
Part of the administration fee	21	9	18
	26.3	13.8	23.1
Comes out of fund's reserves/surplus	-	15	21
	-	23.1	26.9
Lump sum determined by actuary	-	4	3
	-	6.2	3.8
Non contributing fund/ paid by fund	-	-	2
	-	-	2.6
From time to time there is an amount allocated	2	-	-
	2.5	-	-
Part of employers surplus	9	-	-
	11.3	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP STATING FUND OPERATES A CONTINGENCY RESERVE ACCOUNT	80	65	78
	100	100	100
<b>CONTINGENCY RESERVE ACCOUNT OPERATES</b>			
Cost set aside as % of contributions	1	-	-
	1.3	-	-
Actuary allocated 0.5 % of fund	1	-	-
	1.3	-	-
Annual agreed amount	1	-	-
	1.3	-	-
Free reserve account (not surplus)	2	-	-
	2.5	-	-
Once off payment by employer & then topped up as needed	1	-	-
	1.3	-	-
Fixed % for insured benefits and admin	1	-	-
	1.3	-	-
Other	6	2	3
	7.5	3.1	3.8
Don't know	1	3	0
	1.3	4.6	0
Total of table	81	69	81
	101.3	106.2	103.8

### Q5.4d Is this contingency reserve account funded by a levy expressed as a percentage of the payroll?



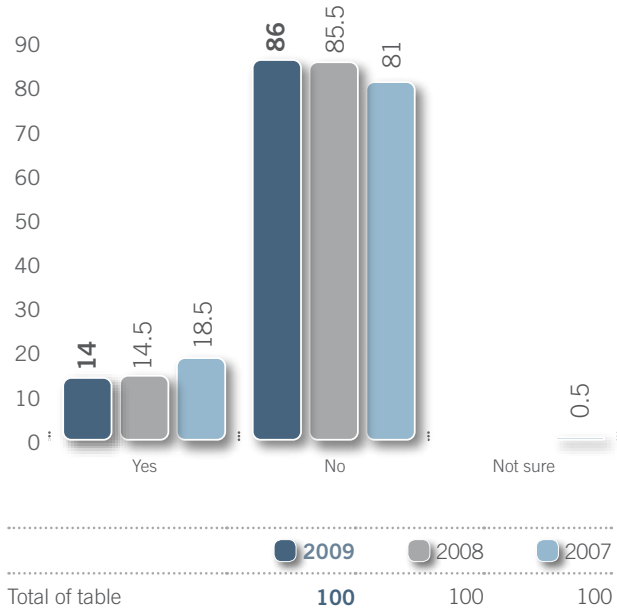
### Q5.4e What percentage do you levy at present?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESP WITH A CONTINGENCY RESERVE ACCOUNT FUNDED BY A LEVY EXPRESSED AS A % OF THE PAYROLL	18	17	12
	100	100	100
<b>PERCENTAGE LEVY AT PRESENT</b>			
Up to 0,05% (0.03)	10	5	5
	55.6	29.4	41.7
0,051% to 0,1% (0.075)	5	8	4
	27.8	47.1	33.3
0,151% and higher (0.175)	-	2	3
	-	11.8	25
Nil have enough reserves	-	1	-
	-	5.9	-
Depends on fund performance	1	-	-
	5.6	-	-
Don't know	2	1	-
	11.1	5.9	-
Mean	0.05	0.07	0.08
Total of table	18	17	12*
	100	100	100

**Q5.5** Does the fund offer flexible death benefits (i.e. member can choose the level of cover within certain limits set by the fund)?

*In this instance members receive a basic level of life cover (core cover) and can then choose additional (flexible) cover to suit their needs.*

*Savings due to members not choosing the maximum cover will be applied to their retirement provision.*



**Q5.6a** What percentage of salaries is applied to the cost of core benefits and flexible risk benefits respectively? - Total Risk Benefits

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUND THAT OFFERS FLEXIBLE DEATH BENEFITS</b>	<b>28</b>	29	37
	<b>100</b>	100	100
<b>TOTAL RISK BENEFITS</b>			
0& (0)	-	-	1
	-	-	2.7
0,01% to 0,50% (0.25)	2	2	-
	<b>7.1</b>	6.9	-
0,51% to 1,00% (0.75)	2	3	3
	<b>7.1</b>	10.3	8.1
1,01% to 1,50% (1.25)	2	4	2
	<b>7.1</b>	13.8	5.4
1,51% to 2,00% (1.75)	2	2	4
	<b>7.1</b>	6.9	10.8
2,01% to 2,50% (2.25)	4	2	2
	<b>14.3</b>	6.9	5.4
2,51% to 3,00% (2.75)	1	4	5
	<b>3.6</b>	13.8	13.5
3,01% to 3,50% (3.25)	3	1	3
	<b>10.7</b>	3.4	8.1
3,51% to 4,00% (3.75)	-	1	2
	-	3.4	5.4
4,01% or more (4.25)	7	3	7
	<b>25</b>	10.3	18.9
Other	1	-	-
	<b>3.6</b>	-	-
Not sure	4	7	8
	<b>14.3</b>	24.1	21.6
Mean	<b>2.58</b>	2.11	2.66
<b>Total of table</b>	<b>28</b>	29	37
	<b>100</b>	100	100

**Q5.6a** What percentage of salaries is applied to the cost of core benefits and flexible risk benefits respectively? - Core Benefits

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	28	29	37
	100	100	100
<b>CORE BENEFITS</b>			
0% (0)	1	1	1
	3.6	3.4	2.7
0,01% to 0,50% (0.25)	4	4	4
	14.3	13.8	10.8
0,51% to 1,00% (0.75)	2	3	3
	7.1	10.3	8.1
1,01% to 1,50% (1.25)	3	1	3
	10.7	3.4	8.1
1,51% to 2,00% (1.75)	3	3	3
	10.7	10.3	8.1
2,01% to 2,50% (2.25)	6	2	4
	21.4	6.9	10.8
2,51% to 3,00% (2.75)	-	1	-
	-	3.4	-
3,01% to 3,50% (3.25)	1	1	2
	3.6	3.4	5.4
3,51% to 4,00% (3.75)	-	-	1
	-	-	2.7
4,01% or more (4.25)	2	3	-
	7.1	10.3	-
Other	1	-	-
	3.6	-	-
Not sure	4	10	16
	14.3	34.5	43.2
Not applicable	1	-	-
	3.6	-	-
Mean	1.67	1.74	1.5
Total of table	28	29	37
	100	100	100

**Q5.6a** What percentage of salaries is applied to the cost of core benefits and flexible risk benefits respectively? - Flexible Risk Benefits

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	28	29	37
	100	100	100
<b>FLEXIBLE RISK BENEFITS</b>			
0% (0)	3	1	3
	10.7	3.4	8.1
0,01% to 0,50% (0.25)	5	3	5
	17.9	10.3	13.5
0,51% to 1,00% (0.75)	3	2	-
	10.7	6.9	-
1,01% to 1,50% (1.25)	2	3	2
	7.1	10.3	5.4
1,51% to 2,00% (1.75)	3	2	2
	10.7	6.9	5.4
2,01% to 2,50% (2.25)	2	-	2
	7.1	-	5.4
2,51% to 3,00% (2.75)	-	3	-
	-	10.3	-
3,01% to 3,50% (3.25)	-	-	1
	-	-	2.7
3,51% to 4,00% (3.75)	1	3	1
	3.6	10.3	2.7
4,01% or more (4.25)	-	-	1
	-	-	2.7
Other	2	-	-
	7.1	-	-
Not sure	5	12	20
	17.9	-	-
Not applicable	2	-	-
	7.1	41.4	54.1
Mean	1.03	1.71	1.35
Total of table	28	29	37
	100	100	100



**Q5.7** What percentage of salaries is applied to the cost of death benefits/life cover under the fund and under a separate scheme?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUNDS THAT DO NOT OFFER FLEXIBLE DEATH BENEFITS	172	171	163
	100	100	100
<b>UNDER THE FUND</b>			
0% (0)	3	3	3
	1.7	1.8	1.8
0,01% to 0,50% (0.25)	4	11	4
	2.3	6.4	2.5
0,51% to 1,00% (0.75)	16	15	19
	9.3	8.8	11.7
1,01% to 1,50% (1.25)	23	21	30
	13.4	12.3	18.4
1,51% to 2,00% (1.75)	23	29	22
	13.4	17	13.5
2,01% to 2,50% (2.25)	10	12	14
	5.8	7	8.6
2,51% to 3,00% (2.75)	7	6	8
	4.1	3.5	4.9
3,01% to 3,50% (3.25)	5	10	7
	2.9	5.8	4.3
3,51% to 4,00% (3.75)	4	7	4
	2.3	4.1	2.5
4,01% or more (4.25)	9	2	5
	5.2	1.2	3.1
Not sure	21	22	23
	12.2	12.9	14.1
No benefit under the fund	3	33	24
	1.7	19.3	14.7
Only under a separate scheme	39	-	-
	22.7	-	-
Combined death and disability at 3% to 3.2%	4	-	-
	2.3	-	-
Death and disability combined at 2.2%	1	-	-
	0.6	-	-
Mean	1.86	1.74	1.76
Total of table	172	171	163
	100	100	100

**Q5.7** What percentage of salaries is applied to the cost of death benefits/life cover under the fund and under a separate scheme?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUNDS THAT DO NOT OFFER FLEXIBLE DEATH BENEFITS	172	171	163
	100	100	100
<b>UNDER A SEPARATE SCHEME</b>			
0% (0)	-	1	12
	-	0.6	7.4
0,01% to 0,50% (0.25)	2	7	2
	1.2	4.1	1.2
0,51% to 1,00% (0.75)	8	7	12
	4.7	4.1	7.4
1,01% to 1,50% (1.25)	9	10	5
	5.2	5.8	3.1
1,51% to 2,00% (1.75)	9	6	9
	5.2	3.5	5.5
2,01% to 2,50% (2.25)	3	3	5
	1.7	1.8	3.1
2,51% to 3,00% (2.75)	2	1	2
	1.2	0.6	1.2
3,01% to 3,50% (3.25)	3	2	-
	1.7	1.2	-
3,51% to 4,00% (3.75)	-	1	1
	-	0.6	0.6
4,01% or more (4.25)	2	1	5
	1.2	0.6	3.1
Not under a separate scheme	133	117	98
	77.3	68.4	60.1
Death and disability combined at 1.48%	1	-	-
	0.6	-	-
Not sure	-	15	12
	-	8.8	7.4
Mean	1.68	1.38	1.38
Total of table	172	171	163
	100	100	100

**Q5.8** What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under the fund

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>UNDER THE FUND</b>			
0% (0)	<b>4</b>	9	11
	<b>2</b>	4.5	5.5
0,01% to 0,50% (0.25)	<b>11</b>	17	20
	<b>5.5</b>	8.5	10
0,51% to 1,00% (0.75)	<b>38</b>	37	33
	<b>19</b>	18.5	16.5
1,01% to 1,50% (1.25)	<b>24</b>	28	26
	<b>12</b>	14	13
1,51% to 2,00% (1.75)	<b>11</b>	20	18
	<b>5.5</b>	10	9
2,01% to 2,50% (2.25)	<b>4</b>	5	8
	<b>2</b>	2.5	4
2,51% to 3,00% (2.75)	<b>5</b>	5	3
	<b>2.5</b>	2.5	1.5
3,01% to 3,50% (3.25)	<b>2</b>	1	-
	<b>1</b>	0.5	-
3,51% to 4,00% (3.75)	<b>2</b>	5	4
	<b>1</b>	2.5	2
4,01% or more (4.25)	<b>6</b>	4	4
	<b>3</b>	2	2
Not sure	<b>26</b>	21	26
	<b>13</b>	10.5	13
No benefit	<b>5</b>	48	47
	<b>2.5</b>	24	23.5
Only under a separate scheme	<b>57</b>	-	-
	<b>28.5</b>	-	-
Combined death and disability at 3% to 3.2%	<b>3</b>	-	-
	<b>1.5</b>	-	-
Combined death and disability at 3.51% to 4%	<b>1</b>	-	-
	<b>0.5</b>	-	-
Combined death and disability at 1.27%	<b>1</b>	-	-
	<b>0.5</b>	-	-
Mean	<b>1.33</b>	1.27	1.2
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

**Q5.8** What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme? Under a separate scheme

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>UNDER A SEPARATE SCHEME</b>			
0% (0)	-	3	17
	-	1.5	8.5
0,01% to 0,50% (0.25)	<b>11</b>	8	10
	<b>5.5</b>	4	5
0,51% to 1,00% (0.75)	<b>19</b>	17	22
	<b>9.5</b>	8.5	11
1,01% to 1,50% (1.25)	<b>16</b>	14	11
	<b>8</b>	7	5.5
1,51% to 2,00% (1.75)	<b>6</b>	4	8
	<b>3</b>	2	4
2,01% to 2,50% (2.25)	<b>2</b>	2	3
	<b>1</b>	1	1.5
2,51% to 3,00% (2.75)	-	-	2
	-	-	1
3,01% to 3,50% (3.25)	<b>1</b>	2	-
	<b>0.5</b>	1	-
3,51% to 4,00% (3.75)	<b>1</b>	1	-
	<b>0.5</b>	0.5	-
4,01% or more (4.25)	-	1	3
	-	0.5	1.5
Not under a separate scheme	<b>143</b>	133	109
	<b>71.5</b>	66.5	54.5
Combined death and disability at 1.26%	<b>1</b>	-	-
	<b>0.5</b>	-	-
Not sure	-	15	15
	-	7.5	7.5
Mean	<b>1.05</b>	1.12	0.94
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

### Q5.9 Which of the following costs are limited to / capped at a certain fixed percentage?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>COSTS</b>			
Death benefits	83	88	90
	41.5	44	45
Disability benefits	81	93	88
	40.5	46.5	44
Administration	57	54	59
	28.5	27	29.5
None	93	85	78
	46.5	42.5	39
Not sure	7	7	13
	3.5	3.5	6.5
Total of table	321	327	328
	160.5	163.5	164

### Q5.10 At what percentage are death benefits capped?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>DEATH BENEFITS CAPPED AT A %</b>	<b>83</b>	88	90
	<b>100</b>	100	100
<b>PERCENTAGE</b>			
0,51% to 1,00% (0.75)	<b>8</b>	13	8
	<b>9.6</b>	14.8	8.9
1,01% to 1,50% (1.25)	<b>2</b>	8	13
	<b>2.4</b>	9.1	14.4
1,51% to 2,00% (1.75)	<b>12</b>	18	16
	<b>14.5</b>	20.5	17.8
2,1% to 2,5% (2.25)	<b>8</b>	7	9
	<b>9.6</b>	8	10
2,6% to 3% (2.75)	<b>5</b>	8	8
	<b>6</b>	9.1	8.9
3,1% to 3,5% (3.25)	<b>3</b>	5	2
	<b>3.6</b>	5.7	2.2
3,6% to 4% (3.75)	<b>5</b>	7	4
	<b>6</b>	8	4.4
4% or more (4.25)	<b>12</b>	4	6
	<b>14.5</b>	4.5	6.7
Death and disability combined at 3.5 to 3.9%	<b>2</b>	-	-
	<b>2.4</b>	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>DEATH BENEFITS CAPPED AT A %</b>	<b>83</b>	88	90
	<b>100</b>	100	100
<b>PERCENTAGE</b>			
Death and disability combined at 4 % or more	<b>1</b>	-	-
	<b>1.2</b>	-	-
Death and disability combined at 2.1 to 2.7%	<b>4</b>	-	-
	<b>4.8</b>	-	-
Death and disability combined at 3%	<b>1</b>	-	-
	<b>1.2</b>	-	-
Varies	<b>2</b>	-	-
	<b>2.4</b>	-	-
No response	<b>4</b>	-	-
	<b>4.8</b>	-	-
Not sure	<b>14</b>	18	24
	<b>16.9</b>	20.5	26.7
Mean	<b>2.56</b>	2.12	2.11
Total of table	<b>83</b>	88	90
	<b>100</b>	100	100

### Q5.11 At what percentage are disability benefits capped?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>DISABILITY BENEFITS CAPPED AT A %</b>	<b>81</b>	93	88
	<b>100</b>	100	100
<b>PERCENTAGE</b>			
0,51% to 1,00% (0.75)	13	18	17
	<b>16</b>	19.4	19.3
1,01% to 1,50% (1.25)	6	10	8
	<b>7.4</b>	10.8	9.1
1,51% to 2,00% (1.75)	10	20	18
	<b>12.3</b>	21.5	20.5
2,1% to 2,5% (2.25)	6	5	7
	<b>7.4</b>	5.4	8
2,6% to 3% (2.75)	3	3	3
	<b>3.7</b>	3.2	3.4
3,1% to 3,5% (3.25)	2	4	2
	<b>2.5</b>	4.3	2.3
3,6% to 4% (3.75)	3	7	3
	<b>3.7</b>	7.5	3.4
4% or more (4.25)	11	8	5
	<b>13.6</b>	8.6	5.7
Death and disability combined at 3.5 to 3.9%	2	-	-
	<b>2.5</b>	-	-
Death and disability combined at 2.1 to 2.7%	4	-	-
	<b>4.9</b>	-	-
Death and disability combined at 4% or more	1	-	-
	<b>1.2</b>	-	-
Death and disability combined at 3 %	1	-	-
	<b>1.2</b>	-	-
Varies	2	-	-
	<b>2.5</b>	-	-
No response	3	-	-
	<b>3.7</b>	-	-
Not sure	14	14	25
	<b>17.3</b>	15.1	28.4
Don't know/rand amount	-	4	-
	-	4.3	-
Mean	<b>2.24</b>	2.05	1.86
Total of table	<b>81</b>	93	88
	<b>100</b>	100	100

### Q5.12 If there is a requirement (typically imposed by the administrator) that the employer contribution, net of all costs and disbursements, may not be less than a certain percentage, what is the percentage of payroll?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>PERCENTAGE OF PAYROLL</b>			
Up to 2%	10	11	10
	<b>5</b>	5.5	5
2% to 3%	4	11	11
	<b>2</b>	5.5	5.5
More than 3%	24	31	26
	<b>12</b>	15.5	13
Not sure	17	21	25
	<b>8.5</b>	10.5	12.5
No requirement	145	126	128
	<b>72.5</b>	63	64
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

### Q5.13 Which of the following does the employer pay?

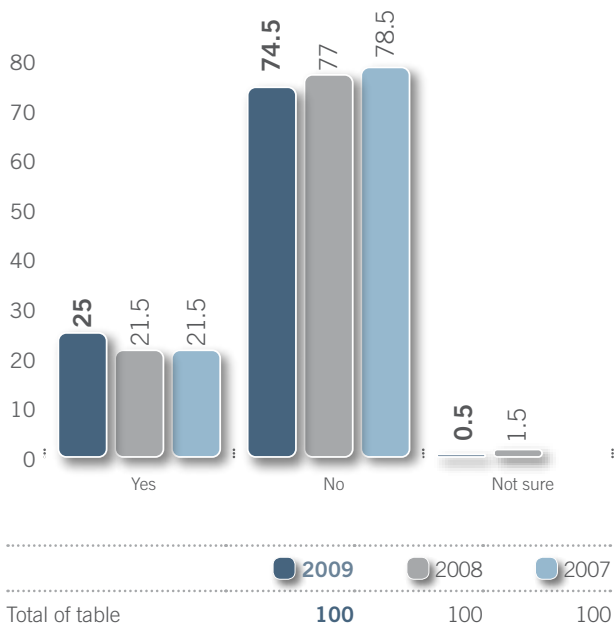
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>EMPLOYER PAYS...</b>			
Fixed contribution only (i.e. total cost to company - no additional costs)	83	89	78
	<b>41.5</b>	44.5	39
Fixed contribution plus the cost of administration	11	9	9
	<b>5.5</b>	4.5	4.5
Fixed contribution plus the cost of risk benefits	8	19	11
	<b>4</b>	9.5	5.5
Fixed contribution plus the cost of administration and the cost of risk benefits	91	80	98
	<b>45.5</b>	40	49
Contribution is on salary sacrifice			1
			0.5
None	1	1	1
	<b>0.5</b>	0.5	0.5
Other	6	2	1
	<b>3</b>	1	0.5
Not sure	3	3	1
		1.5	0.5
Total of table	<b>203</b>	203	200
	<b>101.5</b>	101.5	100

**Q5.14** What on average are the employer's total contributions (excluding any contributions made to a separate scheme), expressed as a percentage of total average annual salary?

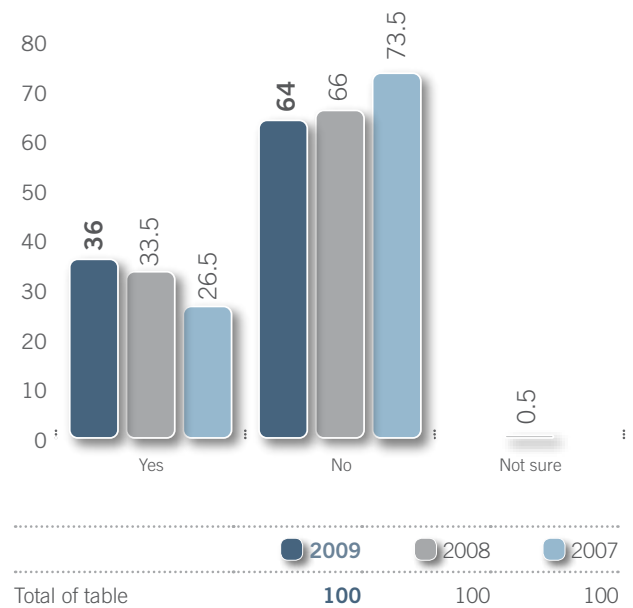
	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>EMPLOYER'S TOTAL CONTRIBUTIONS</b>			
0% (0)	3	5	5
	1.5	2.5	2.5
0,1% to 5% (2.5)	11	13	15
	5.5	6.5	7.5
5,1% to 7,5% (6.25)	31	38	36
	15.5	19	18
7,6% to 10% (8.75)	38	50	52
	19	25	26
10,1% to 11% (10.5)	30	17	31
	15	8.5	15.5
11,1% to 12,5% (11.75)	26	22	15
	13	11	7.5
12,6% to 15% (13.75)	25	17	17
	12.5	8.5	8.5

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>EMPLOYER'S TOTAL CONTRIBUTIONS</b>			
15,1% or more (15.5)	20	26	26
	10	13	13
Other	1	-	-
	0.5	-	-
Not sure	7	12	3
	3.5	6	1.5
Varies	8	-	-
	4	-	-
Mean	9.93	9.47	9.42
Total of table	200	200	200
	100	100	100

**Q5.15** Can members choose the level of contribution by the employer in terms of a remuneration package restructure arrangement (i.e. salary sacrifice, even though it may only be within certain parameters)?



**Q5.16** Can members choose their own contribution levels (even though it may only be within certain parameters and at certain intervals)?



**Q5.17** What contribution (as a percentage of salary and excluding any additional voluntary contributions) is made by members on average?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>CONTRIBUTION MADE BY MEMBERS</b>			
0% (0)	25	29	23
	12.5	14.5	11.5
0,1% to 5% (2.5)	15	25	19
	7.5	12.5	9.5
5,1% to 6% (5.5)	11	20	21
	5.5	10	10.5
6,1% to 7,4% (6.75)	40	35	34
	20	17.5	17
7,5% (7.5)	62	60	79
	31	30	39.5
7,6% to 8% (7.75)	7	9	9
	3.5	4.5	4.5
8,1% or more (8.5)	19	14	11
	9.5	7	5.5
	-	2	-
	-	1	-
Not sure	14	6	4
	7	3	2
Varies	4	-	-
	2	-	-
None	3	-	-
	1.5	-	-
Mean	5.86	5.46	5.86
Total of table	200	200	200
	100	100	100

**Q5.18a** Does the fund allow for members to make additional voluntary contributions via the fund?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FUND ALLOW MEMBERS TO MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS</b>			
Yes	113	120	109
	56.5	60	54.5
No	86	79	86
	43	39.5	43
Not sure	1	1	5
	0.5	0.5	2.5
Total of table	200	200	200
	100	100	100

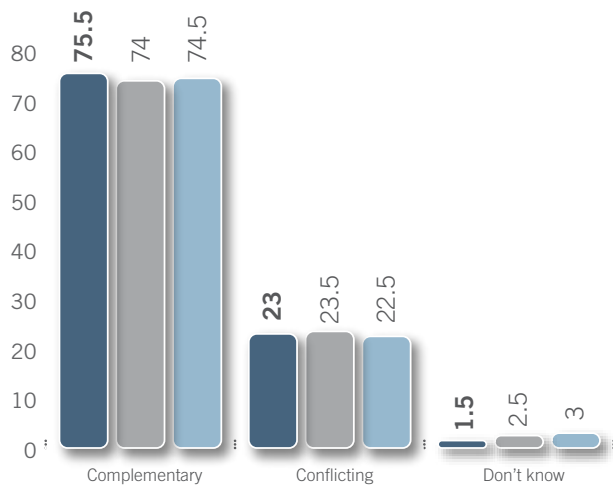
**Q5.18b** What additional voluntary contribution (as a percentage of salary) is made by members on average?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
RESPONDENT WHO SAY FUND ALLOWS MEMBERS TO MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS	113	120	109
	100	100	100
<b>VOLUNTARY CONTRIBUTION - PERCENTAGE OF SALARY</b>			
0% (0)	24	17	12
	21.2	14.2	11
0,1% to 5% (2.5)	54	49	52
	47.8	40.8	47.7
5,1% to 6% (5.5)	1	7	3
	0.9	5.8	2.8
6,1% to 7,4% (6.75)	1	2	2
	0.9	1.7	1.8
7,5% (7.5)	1	1	4
	0.9	0.8	3.7
7,6% to 8% (7.75)	-	2	-
	-	1.7	-
8,1% or more (8.5)	5	4	4
	4.4	3.3	3.7
Not sure	22	27	27
	19.5	22.5	24.8
No % up to a certain amount each year/ad hoc amounts	-	10	5
	-	8.3	4.6
None - currently not being done	-	1	-
	-	0.8	-
Varies	3	-	-
	2.7	-	-
Other	2	-	-
	1.8	-	-
Mean	2.29	2.82	2.91
Total of table	113	120	109
	100	100	100

**Q5.19** In your opinion, are the trustees managing the fund to optimize size and stability of retirement benefits or to optimize stability of withdrawal benefits?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>TRUSTEES MANAGING THE FUND TO...</b>			
Optimize retirement benefits	119	100	92
	59.5	50	46
Optimize withdrawal benefits	7	9	6
	3.5	4.5	3
Both	71	79	97
	35.5	39.5	48.5
Not sure	3	12	5
	1.5	6	2.5
Total of table	200	200	200
	100	100	100

**Q5.20** Do you consider that strategies to optimize retirement benefits and strategies to optimize withdrawal benefits are complementary or conflicting?



	2009	2008	2007
Total of table	100	100	100

**Q5.21** Why do you say that? - Complementary

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>STRATEGIES TO OPTIMIZE RETIREMENT/ WITHDRAWAL BENEFITS ARE COMPLEMENTARY</b>	<b>151</b>	148	149
<b>COMPLEMENTARY</b>	<b>100</b>	100	100
Optimal investment returns/ growth means optimal retirement and withdrawal benefits/ the two go hand in hand/well designed policy can cater for both/both want best returns	<b>88</b>	80	107
Not discriminatory/provide benefits to all/ young and older/accommodates members lifestage/trustees are responsible to all/look after all members interests duty to look after both	<b>20</b>	7	23
Legislation states that we have to give maximum benefits		3	6
Investment is in a conservative investment portfolio/not put members at risk/have a smooth bonus	<b>10</b>	8	3
Member level investment choice	-	5	5
Same investment strategy	-	3.4	3.4
Stable pool and it's growing	-	15	2
Trying to make sure that both employees and company are gaining	-	10.1	1.3
Good people looking after fund/ trustees look at performance of asset managers trustees duty to look after both/good people looking after the fund/looking after all benefits	<b>2</b>	-	-
	<b>1.3</b>	-	-
	<b>1</b>	-	-
	<b>0.7</b>	-	-
	<b>9</b>	-	-
	<b>6</b>	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>STRATEGIES TO OPTIMIZE RETIREMENT/ WITHDRAWAL BENEFITS ARE COMPLEMENTARY</b>	<b>151</b>	148	149
<b>COMPLEMENTARY</b>	<b>100</b>	100	100
Both important but we prioritise long-term benefits/this is a retirement fund/ we want long term investment	<b>19</b>	20	-
In our fund what you pay is what you get regardless/in essence a savings account earning investment returns	<b>12.6</b>	13.5	-
Big fund has larger pool of assets	<b>1</b>	17	-
	<b>0.7</b>	11.5	-
If we don't encourage savings they won't have adequate withdrawal for retirement/want people to understand importance of preservation	<b>5</b>	-	-
Try and keep members instead of transferring when changing employers/people leave too early and lose benefits	<b>3.3</b>	-	-
Look at retiree's tax situation	<b>3</b>	-	-
Others	<b>2</b>	-	-
Don't know	<b>1</b>	6	-
	<b>0.7</b>	4.1	-
	-	1	-
	-	0.7	-
	<b>3</b>	6	10
	<b>2</b>	4.1	6.7
	<b>3</b>	3	-
	<b>2</b>	2	-
Total of table	<b>165</b>	171	156
	<b>109.3</b>	115.5	104.7

### Q5.21 Why do you say that? - Conflicting

	2009 TOTAL	2008 TOTAL	2007 TOTAL
STRATEGIES TO OPTIMIZE RETIREMENT/ WITHDRAWAL BENEFITS ARE CONFLICTING	46	47	45
	100	100	100
<b>CONFLICTING</b>			
Not prudent to focus on short term/ emphasis must be on retirement/look to retirement and not early withdrawal/ we are not a savings account	35	27	25
Need to protect low level staff from spending the money/less benefit from withdrawal/member could be worse off	76.1	57.4	55.6
2 Different investment strategies/ short term versus long term accrual risks/especially when markets are in a down turn	2	6	6
	4.3	12.8	13.3
	8	11	12
	17.4	23.4	26.7
Lots of people want risk instead of long term results/need to leave more money in for retirement	3	5	-
	6.5	10.6	-
Look at total value of members assets in fund	1	-	-
	2.2	-	-
Need to look at the needs of younger members	-	1	-
	-	2.1	-
Others	-	-	2
	-	-	4.4
Total of table	49	50	45
	106.5	106.4	100

### Q5.22 In your opinion, are members more concerned about retirement savings benefits or death/funeral benefits?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>CONCERNED ABOUT</b>			
Retirement savings	118	111	103
	59	55.5	51.5
Death/funeral benefits	25	28	31
	12.5	14	15.5
Both equally	51	53	61
	25.5	26.5	30.5
Not sure	4	7	3
	2	3.5	1.5
Depends on whether white or blue collar	1	1	2
	0.5	0.5	1
Neither - lack of saving culture	1	-	-
	0.5	-	-
Total of table	200	200	200
	100	100	100

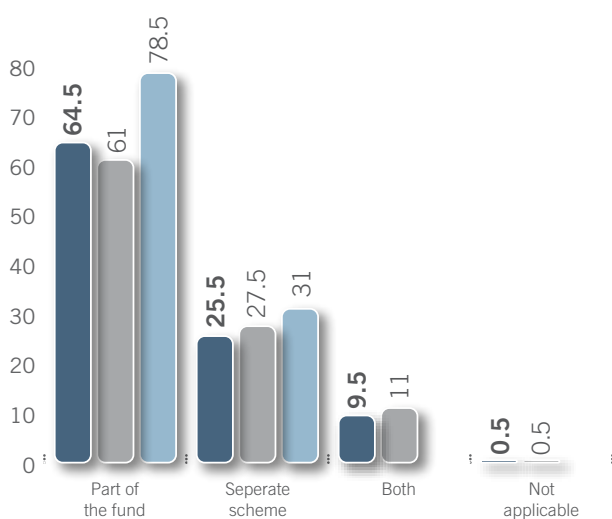


## Section 6: Risk Benefits

**Q6.1a** What benefits are paid to dependants on the death of a member before retirement?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>BENEFITS PAID TO DEPENDANTS</b>			
Lump sum	195	193	198
	97.5	96.5	99
Spouse's pension	31	28	35
	15.5	14	17.5
Children's pension	31	23	26
	15.5	11.5	13
None offered	1	-	-
	0.5	-	-
Not sure	-	3	-
	-	1.5	-
Total of table	258	247	259
	129	123.5	129.5

**Q6.1b** Are risk benefits provided as part of the fund or are they provided through a separate scheme?



	2009	2008	2007
Total of table	100	100	100

**Q6.2** What is the size of the lump sum payable by the fund (not a separate scheme) on death for members with a spouse's pensions?

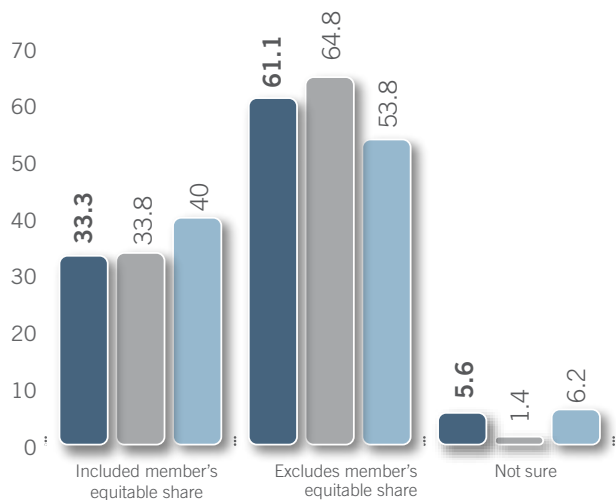
	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	23	18	30
	100	100	100
<b>SIZE OF SUM</b>			
1 x annual salary (1)	-	-	2
	-	-	6.7
2 x annual salary (2.0)	6	6	8
	26.1	33.3	26.7
3 x annual salary (3.0)	4	6	5
	17.4	33.3	16.7
4 x annual salary (4.0)	4	2	3
	17.4	11.1	10
5 x annual salary (5.0)	1	4	2
	4.3	22.2	6.7
More than 5 x annual salary (6.0)	1	-	1
	4.3	-	3.3
Scaled per age band	1	1	2
	4.3	5.6	6.7
Depending on years of service	2	2	0
	8.7	11.1	0
Fixed amount	-	-	1
	-	-	3.3
Members have flexible benefits, so it varies from member to member	3	1	5
	13	5.6	16.7
Depends on members equitable share	1	-	-
	4.3	-	-
Not sure	-	-	1
	-	-	3.3
Mean	3.19	3.22	2.9
Total of table	23	22	30
	100	122.2	100



### Q6.5 Who pays for the benefits provided under separate schemes?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>LUMP SUM BENEFIT PAID ON DEATH OF MEMBER</b>	<b>72</b>	71	65
	<b>100</b>	100	100
<b>WHO PAYS</b>			
It is deducted from the member contribution	12	8	7
	<b>16.7</b>	11.3	10.8
Additional payment by the member	7	16	18
	<b>9.7</b>	22.5	27.7
It is deducted from the employer contribution	27	31	24
	<b>37.5</b>	43.7	36.9
Additional payment by the employer	26	22	24
	<b>36.1</b>	31	36.9
Not sure	2		
	<b>2.8</b>		
<b>SUMMARY</b>			
Any member	18		
	<b>25</b>		
Any employer	53		
	<b>73.6</b>		
Total of table	74	77	73
	<b>102.8</b>	108.5	112.3

### Q6.6 Does the lump sum payable on death include the member's equitable share or does the member receive his/her equitable share in addition to the lump sum?



	2009	2008	2007
Total of table	100	100	100

### Q6.7 How are your flexible death benefits structured?

	2009 TOTAL
<b>RESPONDENTS OFFERING FLEXIBLE DEATH BENEFITS</b>	<b>28</b>
	<b>100</b>
<b>HOW DEATH BENEFITS ARE STRUCTURED</b>	
Directors only - 2 to 5 times annual salary capped	1
	<b>3.6</b>
1-5 times annual salary	3
	<b>10.7</b>
Various choices	4
	<b>14.3</b>
Lump sum, spouses and children are all included	1
	<b>3.6</b>
1-3 times annual salary according to gender and age	1
	<b>3.6</b>
Based on % of salary	1
	<b>3.6</b>
Multiple of annual pensionable salary	2
	<b>7.1</b>
Core cover with flexible options, 2x + 1-6x options	2
	<b>7.1</b>
9 x Annual salary	2
	<b>7.1</b>
Each person can decide how much to allocate to each section	3
	<b>10.7</b>
3 to 7 times annual salary	7
	<b>25</b>
Senior members can pay more	1
	<b>3.6</b>
They can decide on joining the fund or change if they get married or have children	1
	<b>3.6</b>
Allowed to purchase life cover in multiples of 1 year	1
	<b>3.6</b>
1-7 Times annual salary also includes an age sliding scale -34 x 7, 35-44 x 6, 45-55 x 5 55+ x4	2
	<b>7.1</b>
Death and disability 4 x salary at a cost of 3%.	1
Death 6.7 x salary disability 4.3 x salary at a cost of 5%.	
Death 4.3 x salary no disability at a cost of 2%	
	<b>3.6</b>
Sliding scale	1
	<b>3.6</b>
Don't know	1
	<b>3.6</b>
Total of table	35
	<b>125</b>

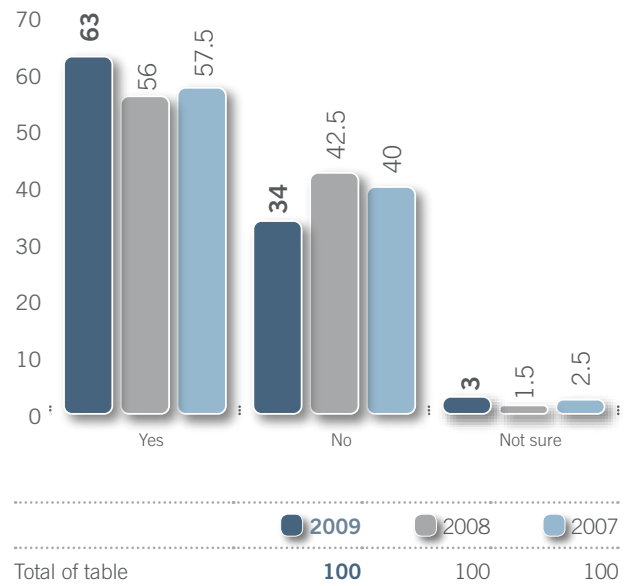
### Q6.8 What is the minimum level of death cover?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFERING FLEXIBLE DEATH BENEFITS	28	29	37
	100	100	100
<b>MINIMUM LEVEL OF DEATH COVER</b>			
1 x annual salary (1)	5	9	16
	17.9	31	43.2
2 x annual salary (2)	7	6	7
	25	20.7	18.9
3 x annual salary (3)	7	8	9
	25	27.6	24.3
4 x annual salary (4)	3	3	2
	10.7	10.3	5.4
5+ x annual salary or more (5)	1		1
	3.6		2.7
Other		3	
		10.3	
Not sure	3		
	10.7		
None	2		2
	7.1		5.4
Mean	2.48	2.19	2
Total of table	28	29	37
	100	100	100

### Q6.9 What additional levels of death cover can members choose?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFERING FLEXIBLE DEATH BENEFITS	28	29	37
	100	100	100
<b>ADDITIONAL LEVELS OF DEATH COVER</b>			
Up to 1 x annual salary (1)	1		1
	3.6		2.7
Up to 2 x annual salary (2)	1	1	5
	3.6	3.4	13.5
Up to 3 x annual salary (3)	3	1	8
	10.7	3.4	21.6
Up to 4 x annual salary (4)	3	2	6
	10.7	6.9	16.2
Up to 5 x annual salary (5)	7	4	8
	25	13.8	21.6
Over 5 x annual salary (6)	9	9	7
	32.1	31	18.9
As much as they want	2	3	
	7.1	10.3	
Other		1	2
		3.4	5.4
Not sure	3	4	2
	10.7	13.8	5.4
None	2	4	2
	7.1	13.8	5.4
Mean	4.71	5.12	4.03
Total of table	31	29	41
	110.7	100	110.8

### Q6.10a In the past year, has the fund had to distribute death benefits to minor orphans?



### Q6.10b What is the fund's policy on this issue?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FUNDS POLICY</b>			
Provide benefits to a legal guardian only	69	75	77
	34.5	37.5	38.5
Provide benefits to a guardian, regardless of legal status	10	10	17
	5	5	8.5
Provide benefits to the minor orphan	10	2	7
	5	1	3.5
Depends on each individual case/ varies/assess each case individually	17	21	14
	8.5	10.5	7
Set up a trust/ payable to a trust fund	95	73	84
	47.5	36.5	42
We administer guardian can claim	-	2	2
	-	1	1
No policy/deal with each case on merit	7	6	1
	3.5	3	0.5
Not done yet	2	-	-
	1	-	-
Other	7	9	4
	3.5	4.5	2
Don't know	2	8	6
	1	4	3
Total of table	219	206	212
	109.5	103	106

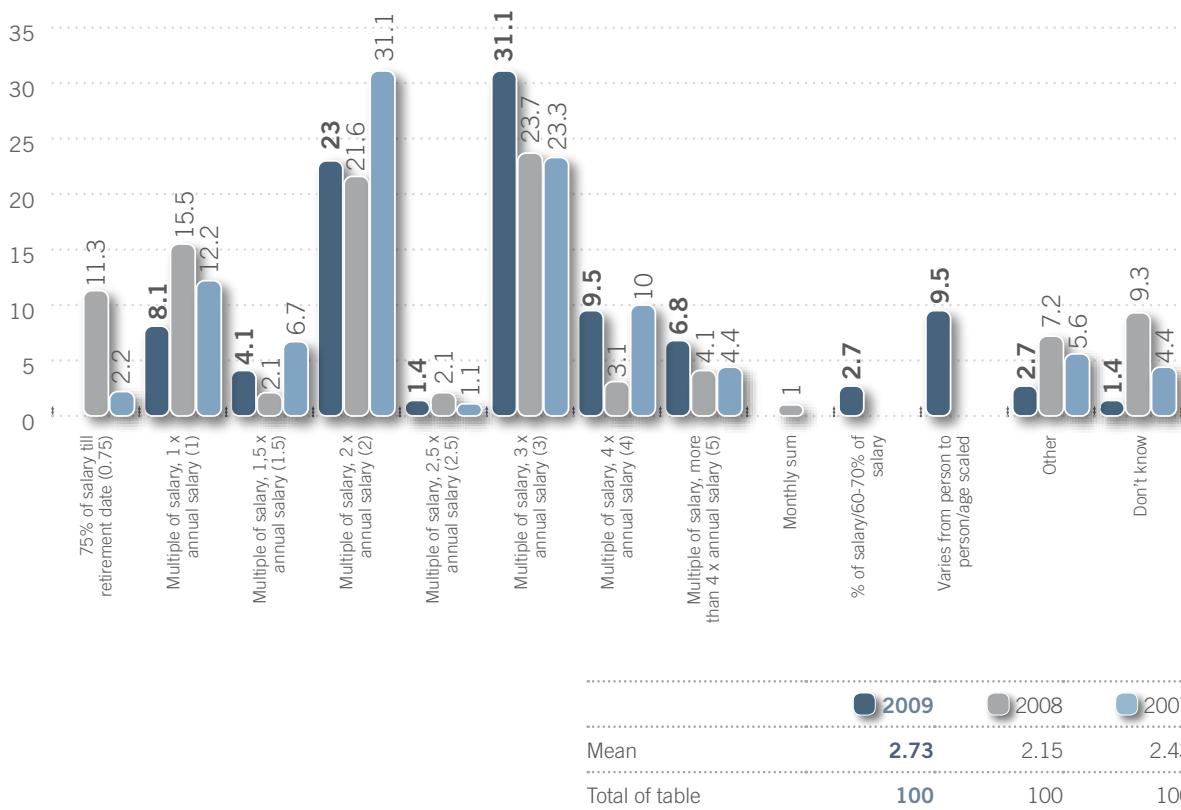
**Q6.11** How does the scheme define -disability-? Is your definition based on functional impairment or occupational disability?

	2009 TOTAL
Base: All Respondents	200
	100
<b>DEFINE -DISABILITY-</b>	
Functional impairment	39
	19.5
Occupational disability	130
	65
Left to medical aid/permanent health insurance	2
	1
Permanent disability	1
	0.5
Both	14
	7
No disability	2
	1
Don't know	12
	6
Total of table	200
	100

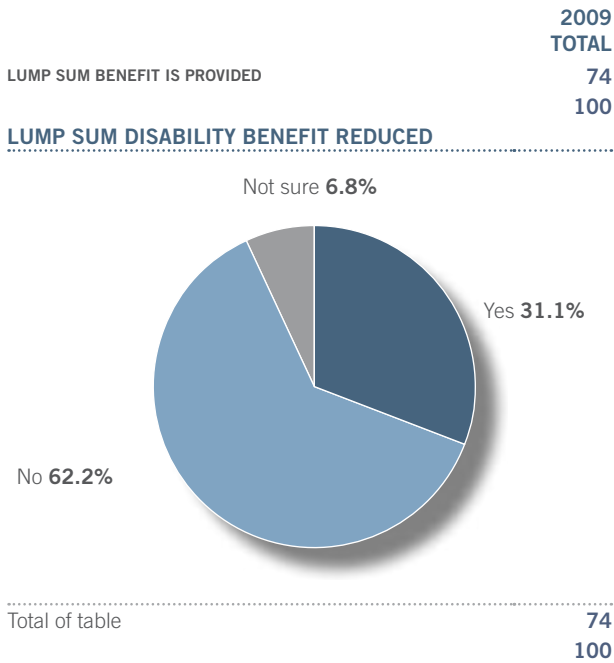
**Q6.12a** Does the fund offer a lump sum disability benefit under the fund or a separate scheme?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>OFFER A LUMP SUM DISABILITY</b>			
Yes, as an acceleration of a death benefit	38	50	57
	19	25	28.5
Yes, as a separate benefit to a death benefit	34	47	33
	17	23.5	16.5
No lump sum benefit is provided	124	102	109
	62	51	54.5
Both	2	-	-
	1	-	-
Not offered	1	-	-
	0.5	-	-
Don't know	1	1	1
	0.5	0.5	0.5
<b>SUMMARY</b>			
Any Yes	74	-	-
	37	-	-
Total of table	200	200	200
	100	100	100

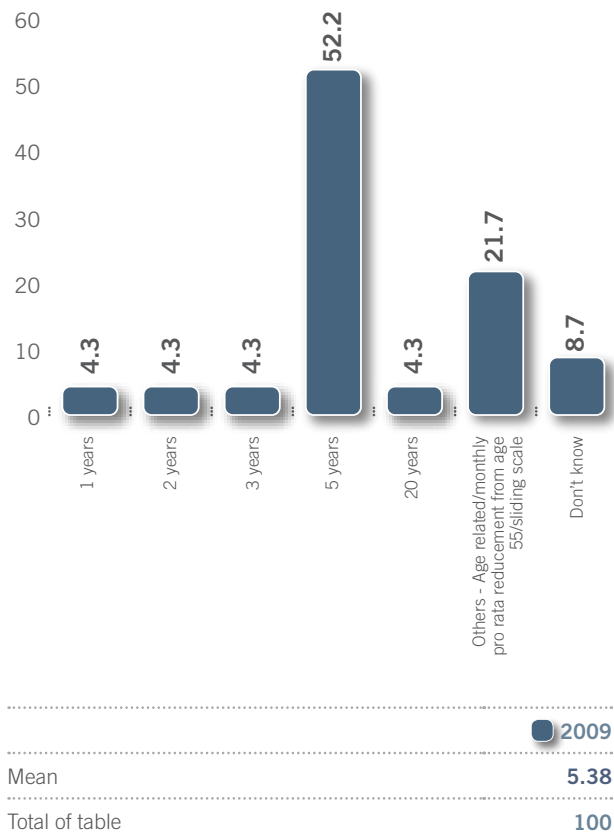
**Q6.12b** Which of the following best describes the lump sum disability benefit?



**Q6.13a** Is the lump sum disability benefit reduced before the member reaches normal retirement age?



**Q6.13b** By how many years is the lump sum disability benefit reduced?



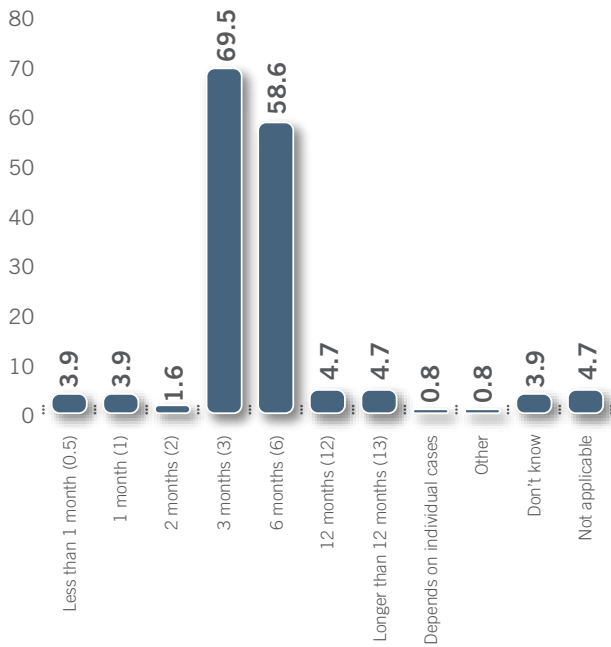
**Q6.14a** What disability benefits does the fund provide under a separate scheme? - Permanent Disability

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	<b>100</b>	<b>100</b>	<b>100</b>
<b>PERMANENT DISABILITY</b>			
Lump sum & income	12	10	8
	6	5	4
Lump sum only	15	20	11
	7.5	10	5.5
Monthly income only	99	83	79
	49.5	41.5	39.5
Temporary income followed by lump sum	2	3	2
	1	1.5	1
Insurer decides for them not fixed - depending on medical record	1	-	-
	0.5	-	-
None	67	84	97
	33.5	42	48.5
Don't know	4	-	3
	2	-	1.5
Total of table	200	200	200
	<b>100</b>	<b>100</b>	<b>100</b>

**Q6.14b** What disability benefits does the fund provide under a separate scheme? - Temporary Disability

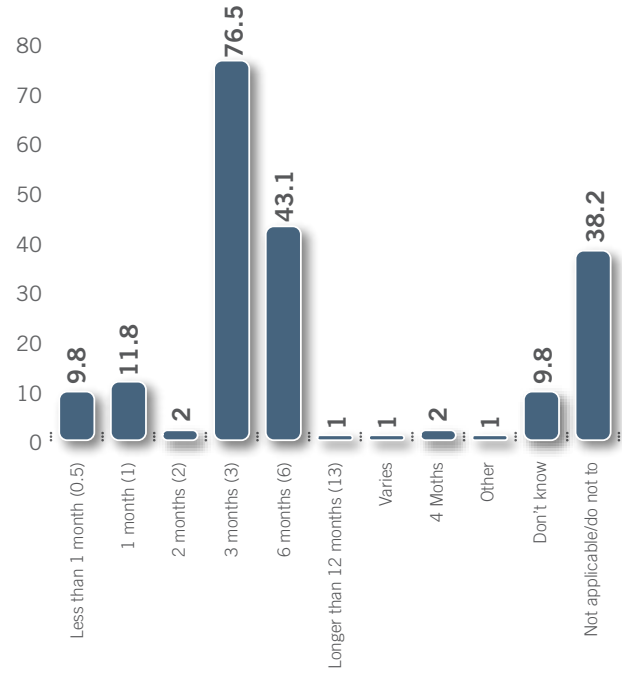
	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	<b>100</b>	<b>100</b>	<b>100</b>
<b>TEMPORARY DISABILITY</b>			
Lump sum & income	4	5	2
	2	2.5	1
Lump sum only	5	1	5
	2.5	0.5	2.5
Monthly income only	88	78	69
	44	39	34.5
Temporary income followed by lump sum	5	7	3
	2.5	3.5	1.5
Insurer decides for them not fixed - depending on medical record	1	-	-
	0.5	-	-
None	92	109	115
	46	54.5	57.5
Don't know	5	-	6
	2.5	-	3
Total of table	200	200	200
	<b>100</b>	<b>100</b>	<b>100</b>

**Q6.15a** What is the length of the initial waiting period in the case of permanent disability?



	<b>2009</b>
Mean	<b>4.67</b>
Total of table	<b>157</b>

**Q6.15b** What is the length of the initial waiting period in the case of temporary disability?



	<b>2009</b>
Mean	<b>3.62</b>
Total of table	<b>196.1</b>

**Q6.16** What permanent disability income benefits expressed as a percentage of annual salary does the scheme offer?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>% PERMANENT DISABILITY INCOME BENEFITS</b>			
Less than 50%		1	4
		0.5	2
50% to 59% (54)	<b>1</b>	2	5
	<b>0.5</b>	1	2.5
60% to 74% (67)	<b>11</b>	15	16
	<b>5.5</b>	7.5	8
75% (75)	<b>134</b>	121	116
	<b>67</b>	60.5	58
100% for first two years and 75% thereafter (LOA scales) (100)	<b>11</b>	12	10
	<b>5.5</b>	6	5
Other combination averaging over 75% (75)	<b>4</b>	2	3
	<b>2</b>	1	1.5
Other combination averaging under 75%(75)	<b>1</b>	3	1
	<b>0.5</b>	1.5	0.5
Maximum 100% for 6 months only	-	-	1
	-	-	0.5

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>% PERMANENT DISABILITY INCOME BENEFITS</b>			
Lump sum only	-	2	1
	-	1	0.5
Depends on level of disability	<b>2</b>	-	-
	<b>1</b>	-	-
Others	<b>2</b>	-	-
	<b>1</b>	-	-
Not sure	<b>11</b>	15	18
	<b>5.5</b>	7.5	9
Not applicable	<b>26</b>	29	29
	<b>13</b>	14.5	14.5
Mean	<b>76.02</b>		
Total of table	<b>203</b>	202	204
	<b>101.5</b>	101	102

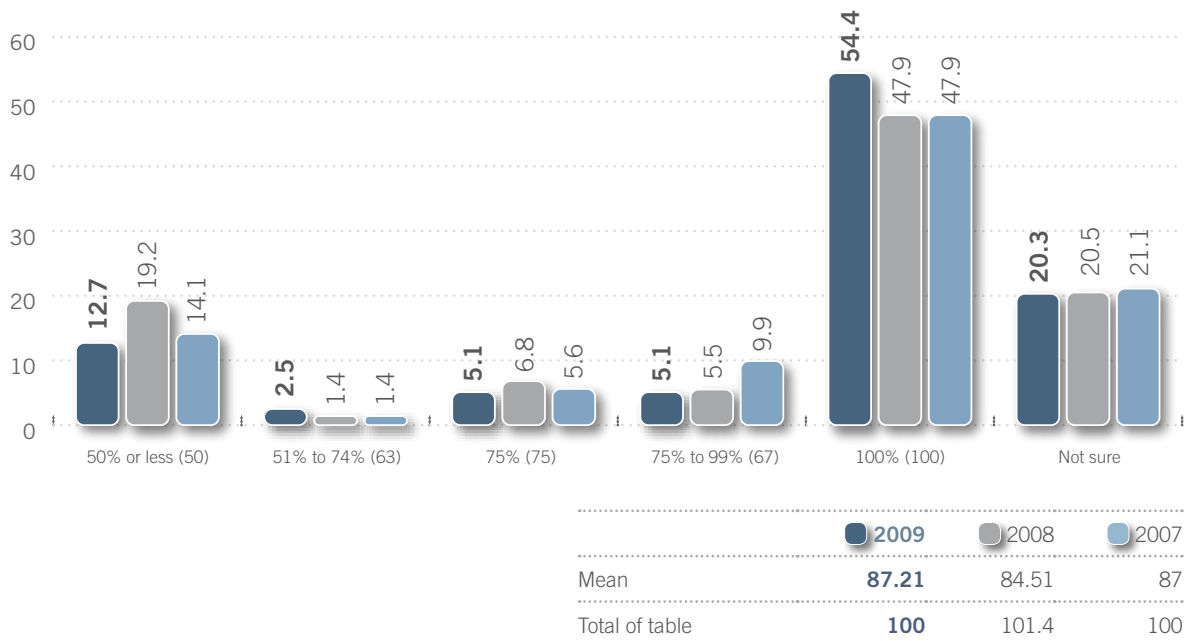
**Q6.17** How are increases in permanent disability income determined?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>HOW DETERMINED</b>			
There are no increases	29	40	36
	14.5	20	18
Fixed percentage according to the rules	39	29	43
	19.5	14.5	21.5
Ad hoc	9	17	12
	4.5	8.5	6
Ad hoc subject to a minimum	4	4	3
	2	2	1.5
Defined as a percentage of CPI with no maximum	30	27	28
	15	13.5	14
Defined as a percentage of CPI with a fixed maximum (capped)	49	46	43
	24.5	23	21.5
Others	1	2	-
	0.5	1	-
Not sure	23	26	25
	11.5	13	12.5
Not applicable	16	9	11
	8	4.5	5.5
<b>SUMMARY</b>			
Any ad hoc	13	-	-
	6.5	-	-
Any % of CPI	79	-	-
	39.5	-	-
Total of table	200	200	201
	100	100	100.5

**Q6.18** What fixed percentage is used?

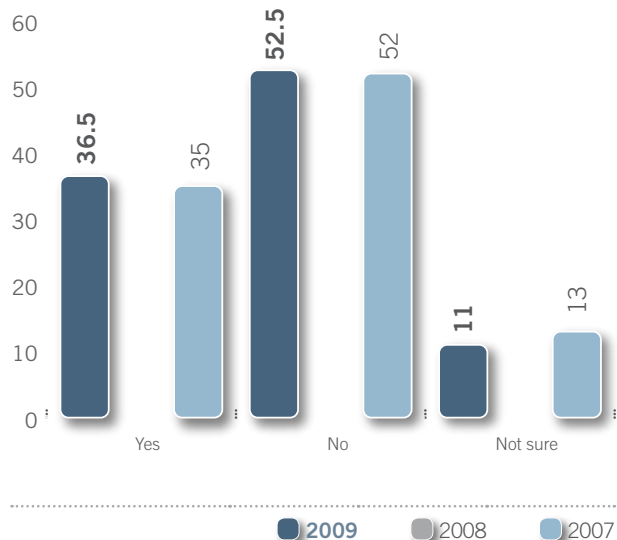
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FIXED PERCENTAGE ACCORDING TO THE RULES</b>	<b>39</b>	29	43
	<b>100</b>	100	100
<b>PERCENTAGE</b>			
Up to 3% p.a. (3.0)	3	2	4
	7.7	6.9	9.3
3,01% to 4% p.a. (3.5)	1	4	1
	2.6	13.8	2.3
4,01% to 5% p.a. (4.5)	13	9	20
	33.3	31	46.5
5,01% to 6% p.a. (5.5)	4	3	1
	10.3	10.3	2.3
6,01% to 7% p.a. (6.5)	2	3	2
	5.1	10.3	4.7
7,01% to 8% p.a. (7.5)	3	2	2
	7.7	6.9	4.7
More than 8% p.a. (8.5)	6	-	3
	15.4	-	7
Not sure	7	6	10
	17.9	20.7	23.3
Mean	5.61	4.85	4.98
Total of table	39	29	43
	100	100	100

**Q6.19** What is the percentage of increase in CPI used?



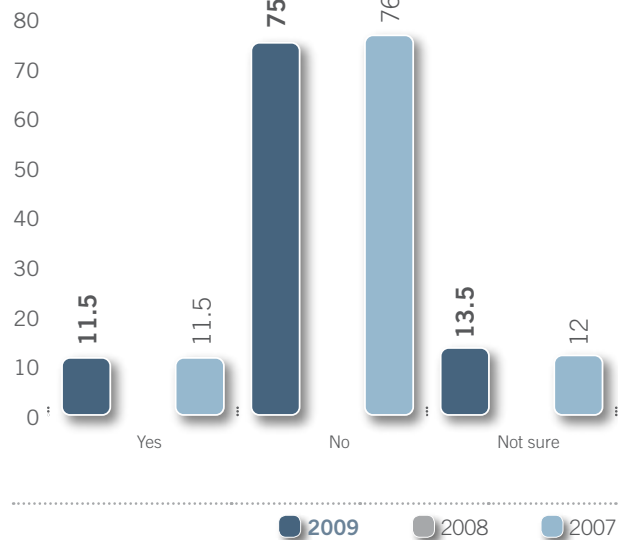


**Q6.20a** Does the fund re-insure a waiver of employer contributions?



Total of table 100 - 100

**Q6.21a** Does the fund re-insure a waiver of employer contributions?



Total of table 100 - 100

**Q.6.20b** What percentage is re-insured?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>TOTAL REINSURING</b>	<b>73</b>	-	70
	<b>100</b>	-	100
<b>PERCENTAGE</b>			
0,1% to 5% (0.25)	8	-	13
	11	-	18.6
5,1% to 7,5% (6.25)	8	-	9
	11	-	12.9
7,6% to 10% (8.75)	14	-	15
	19.2	-	21.4
10,1% to 12,5% (11.25)	12	-	8
	16.4	-	11.4
12,6% to 15% (13.75)	5	-	7
	6.8	-	10
15,1% or more (15.50)	7	-	7
	9.6	-	10
Varies	1	-	-
	1.4	-	-
Not sure	18	-	11
	24.7	-	15.7
Mean	9.01	-	8.23
Total of table	73	-	70
	100	-	100

**Q6.21b** What percentage is re-insured?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>TOTAL REINSURING</b>	<b>23</b>	-	23
	<b>100</b>	-	100
<b>PERCENTAGE</b>			
0,1% to 5% (0.25)	6	-	4
	26.1	-	17.4
5,1% to 7,5% (6.25)	8	-	9
	34.8	-	39.1
7,6% to 10% (8.75)	-	-	1
	-	-	4.3
10,1% to 12,5% (11.25)	-	-	1
	-	-	4.3
15,1% or more (15.50)	5	-	2
	21.7	-	8.7
Varies	1	-	-
	4.3	-	-
Not sure	3	-	6
	13	-	26.1
Mean	6.79	-	6.37
Total of table	23	-	23*
	100	-	100

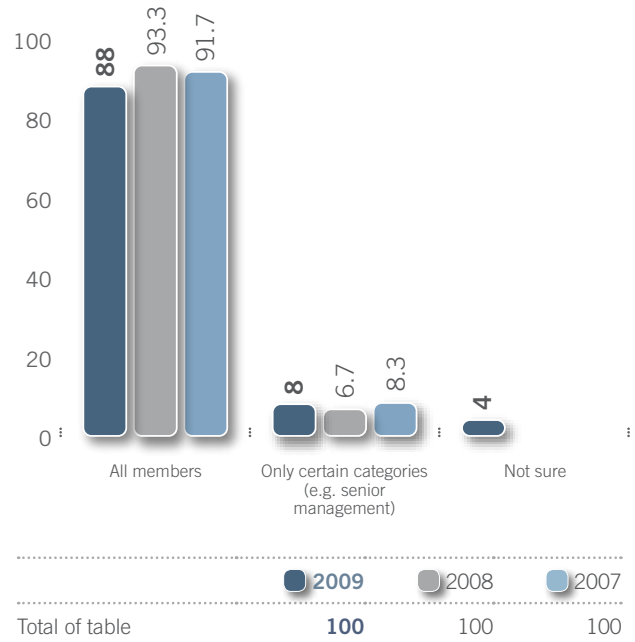
**Q6.22** Which of the following benefits are offered under separate schemes?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>BENEFITS OFFERED</b>			
Critical illness cover	25	15	12
	<b>12.5</b>	7.5	6
Funeral cover	117	113	107
	<b>58.5</b>	56.5	53.5
Personal accident cover	-	-	2
	-	-	1
Spouse insurance	-	1	2
	-	0.5	1
Group accident cover	-	-	1
	-	-	0.5
Not sure	-	-	1
	-	-	0.5
Other	-	4	1
	-	2	0.5
None	78	82	85
	<b>39</b>	41	42.5
Total of table	<b>220</b>	215	211
	<b>110</b>	107.5	105.5

**Q6.23** What on average is the level of critical illness cover offered?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>CRITICAL ILLNESS COVER OFFERED</b>	<b>25</b>	15	12
	<b>100</b>	100	100
<b>LEVEL OF CRITICAL ILLNESS COVER OFFERED</b>			
1 x annual salary	10	7	5
	<b>40</b>	46.7	41.7
2 x annual salary	3	4	2
	<b>12</b>	26.7	16.7
3 x annual salary			1
			8.3
Fixed amount	5	3	1
	<b>20</b>	20	8.3
Varies-trustees and medical aid decide			1
			8.3
Not sure	5		1
	<b>20</b>		8.3
Other	2	1	1
	<b>8</b>	6.7	8.3
Total of table	<b>25</b>	15	12*
	<b>100</b>	100	100

**Q6.24** Who is entitled to critical illness cover?

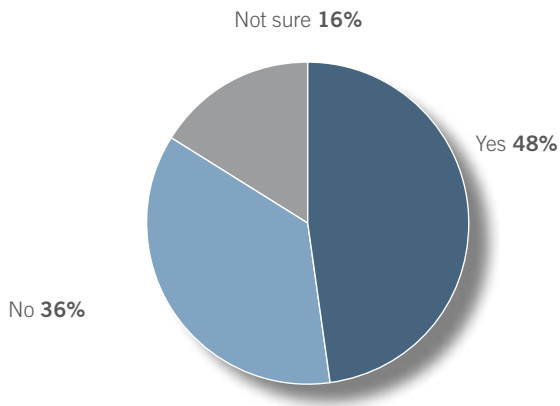


**Q6.25** Who pays for the critical illness cover?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>CRITICAL ILLNESS COVER OFFERED</b>	<b>25</b>	15	12
	<b>100</b>	100	100
<b>PAYS FOR THE CRITICAL ILLNESS COVER</b>			
Deducted from the employer contribution	12	5	3
	<b>48</b>	33.3	25
Additional payment by the employer	3	4	6
	<b>12</b>	26.7	50
Deducted from the member contribution	2	2	1
	<b>8</b>	13.3	8.3
Additional payment by the member	7	3	4
	<b>28</b>	20	33.3
<b>Additional payment by the employer &amp; member</b>	-	1	-
	-	6.7	-
Not sure	1	-	-
	<b>4</b>	-	-
<b>SUMMARY</b>			
Any employer paid	15	9	9
	<b>60</b>	60	75
Any member paid	9	5	5
	<b>36</b>	33.3	41.7
Total of table	<b>25</b>	15	14*
	<b>100</b>	100	116.7

**Q6.26a** Do you have a reinstatement of life cover?

	<b>2009 TOTAL</b>
CRITICAL ILLNESS COVER OFFERED	25
	100
<b>REINSTATEMENT OF LIFE COVER</b>	



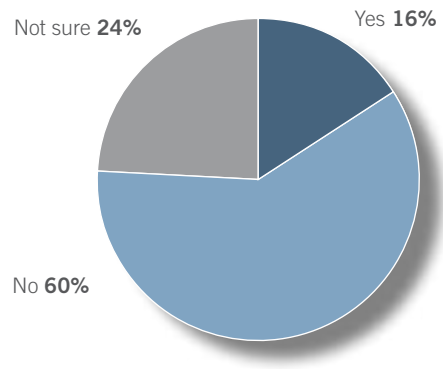
Total of table	<b>25*</b>
	100

**Q6.26b** How quickly is life cover re-instated?

	<b>2009 TOTAL</b>
REINSTATEMENT OF LIFE COVER	12
	100
<b>LIFE COVER RE-INSTATED</b>	
After 1 month (1)	5
	41.7
After 3 months (3)	2
	16.7
After 4 Months (4)	1
	8.3
After 12 months (12)	2
	16.7
Immediately	1
	8.3
Don't know	1
	8.3
Mean	3.9
Total of table	12
	100

**Q6.27a** Can there be multiple claims for the same critical illness?

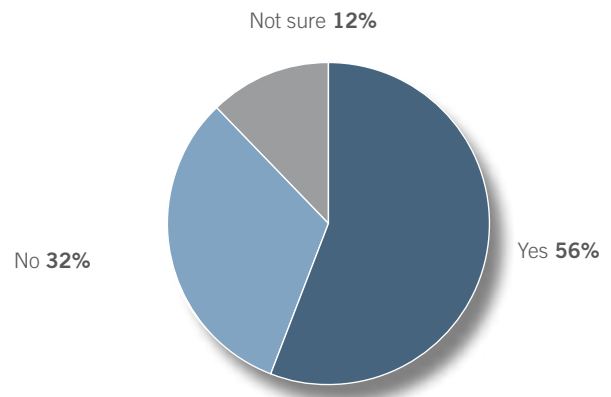
	<b>2009 TOTAL</b>
CRITICAL ILLNESS COVER OFFERED	25
	100
<b>MULTIPLE CLAIMS FOR SAME CRITICAL ILLNESS</b>	



Total of table	<b>25*</b>
	100

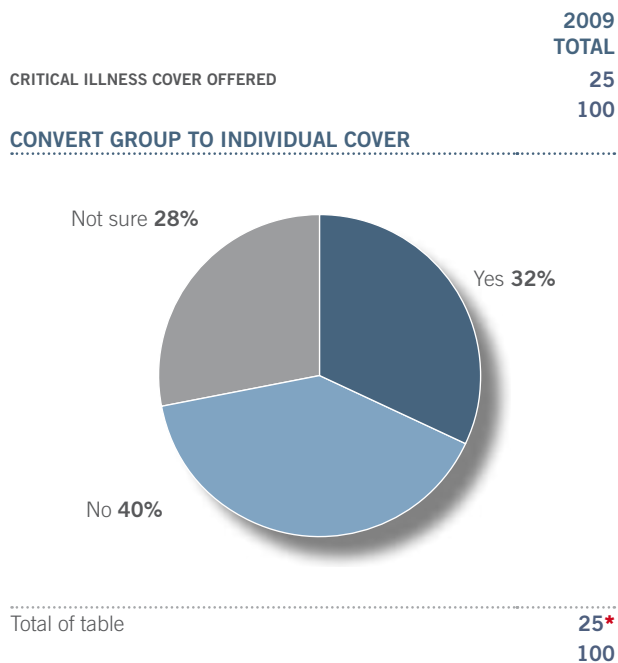
**Q6.27b** Can there be multiple claims for different critical illnesses?

	<b>2009 TOTAL</b>
CRITICAL ILLNESS COVER OFFERED	25
	100
<b>MULTIPLE CLAIMS FOR DIFFERENT CRITICAL ILLNESS</b>	



Total of table	<b>25*</b>
	100

**Q6.28** Is there an option to convert group critical illness cover to individual critical illness cover when the member exits the scheme?



**Q6.29** Who is covered under the funeral benefit?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUNERAL COVER OFFERED</b>	<b>117</b>	113	107
	<b>100</b>	100	100
<b>COVERED UNDER FUNERAL BENEFIT</b>			
Member	116	112	107
	<b>99.1</b>	99.1	100
Spouse	113	109	101
	<b>96.6</b>	96.5	94.4
Children aged 14 to 21	112	108	101
	<b>95.7</b>	95.6	94.4
Children aged 6 to 13	112	108	99
	<b>95.7</b>	95.6	92.5
Children aged 3 to 5	112	108	-
	<b>95.7</b>	95.6	-
Children aged 0 to 2	112	107	-
	<b>95.7</b>	94.7	-
Children aged 0 to 5	-	-	99
	-	-	92.5
Parents and parents-in-law	23	18	19
	<b>19.7</b>	15.9	17.8
Additional spouses	18	18	10
	<b>15.4</b>	15.9	9.3
Member choice because under a separate scheme	-	1	-
	-	0.9	-
<b>SUMMARY</b>			
Any children	112	108	101
	<b>95.7</b>	95.6	94.4
Any extended family	31	107	20
	<b>26.5</b>	94.7	18.7
Total of table	<b>718</b>	689	536
	<b>613.7</b>	609.7	500.9

**Q6.30** Who is entitled to the funeral cover option?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUNERAL COVER OFFERED</b>	<b>117</b>	113	107
	<b>100</b>	100	100
<b>ENTITLED TO FUNERAL COVER OPTION</b>			

Category	2009 (%)	2008 (%)	2007 (%)
All members	97.4	98.2	95.3
Only certain categories (e.g. senior management)	2.6	1.8	4.7

Total of table	<b>117</b>	113	107
	<b>100</b>	100	100

### Q6.31 What is the level of funeral cover provided by the fund?

	2009 TOTAL
<b>FUNERAL COVER OFFERED</b>	<b>117</b>
	<b>100</b>
<b>SCALE OF BENEFITS</b>	
Up to R4,000	1
	0.9
R5,000	29
	24.8
R6,000	1
	0.9
R7,500	14
	12
R8,000	3
	2.6
R10,000	58
	49.6
R15,000	14
	12
R18,000	2
	1.7
More than R18,000	3
	2.6
Mean	9352
Varies	4
	3.4
Other	2
	1.7
Not sure	5
	4.3
Total of table	136
	116.2

### Q6.32 Who pays for the funeral cover benefits?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUNERAL COVER OFFERED</b>	<b>117</b>	113	107
	<b>100</b>	100	100
<b>PAYS FOR FUNERAL COVER BENEFITS...</b>			
Deducted from the employer contribution	48	50	52
	41	44.2	48.6
Additional payment by the employer	32	32	17
	27.4	28.3	15.9
Deducted from the member contribution	13	13	9
	11.1	11.5	8.4
Additional payment by the member	32	26	30
	27.4	23	28
Not sure	2	-	1
	1.7	-	0.9
Free reserve account	1	-	-
	0.9	-	-
They don't pay	-	1	-
	-	0.9	-
Paid from employees surplus within the fund	-	-	1
	-	-	0.9
<b>SUMMARY</b>			
Any employer paid	80	81	68
	68.4	71.7	63.6
Any member paid	45	39	39
	38.5	34.5	36.4
Total of table	128	122	110
	109.4	108	102.8

### Q6.33a How often does the fund rebroke its administration, risk and investment business? - Administration

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>ADMINISTRATION</b>			
Annually	<b>61</b>	52	76
	<b>30.5</b>	26	38
Every 2 years	<b>52</b>	47	21
	<b>26</b>	23.5	10.5
When rates are increased	<b>18</b>	-	-
	<b>9</b>	-	-
At our discretion	<b>16</b>	-	-
	<b>8</b>	-	-
Every 3 years	<b>19</b>	30	25
	<b>9.5</b>	15	12.5
Every 4 years	-	3	5
	-	1.5	2.5
Every 5 years	-	22	29
	-	11	14.5
Longer than every 3 years	<b>8</b>	-	-
	<b>4</b>	-	-
When necessary	-	17	15
	-	8.5	7.5
More often than annually	<b>1</b>	1	-
	<b>0.5</b>	0.5	-
Own segregated portfolio/self administered	<b>1</b>	1	1
	<b>0.5</b>	0.5	0.5
Longer than every 5 years	-	3	2
	-	1.5	1
Other	<b>1</b>	3	5
	<b>0.5</b>	1.5	2.5
Never	<b>18</b>	4	12
	<b>9</b>	2	6
Don't know	<b>5</b>	6	5
	<b>2.5</b>	3	2.5
Not applicable	-	11	4
	-	5.5	2
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

### Q6.33b How often does the fund rebroke its administration, risk and investment business? - Risk

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>RISK</b>			
Annually	<b>101</b>	95	131
	<b>50.5</b>	47.5	65.5
Every 2 years	<b>52</b>	52	20
	<b>26</b>	26	10
When rates are increased	<b>11</b>	-	-
	<b>5.5</b>	-	-
At our discretion	<b>4</b>	-	-
	<b>2</b>	-	-
Every 3 years	<b>12</b>	20	19
	<b>6</b>	10	9.5
Every 4 years	-	2	2
	-	1	1
Every 5 years	-	9	7
	-	4.5	3.5
Longer than every 3 years	-	4	5
	-	2	2.5
More often than annually	<b>1</b>	1	1
	<b>0.5</b>	0.5	0.5
Never	<b>12</b>	2	7
	<b>6</b>	1	3.5
Own segregated portfolio/self administered	<b>1</b>	-	1
	<b>0.5</b>	-	0.5
Longer than every 5 years	-	1	-
	-	0.5	-
Other	-	1	2
	-	0.5	1
Don't know	<b>6</b>	5	4
	<b>3</b>	2.5	2
Not applicable	-	8	1
	-	4	0.5
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

### Q6.33c How often does the fund rebroke its administration, risk and investment business? - Investment

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>INVESTMENT</b>			
Twice a year	-	2	-
	-	1	-
Annually	<b>76</b>	74	101
	<b>38</b>	37	50.5
Every 2 years	<b>47</b>	46	20
	<b>23.5</b>	23	10
When rates are increased	<b>15</b>	-	-
	<b>7.5</b>	-	-
At our discretion	<b>12</b>	-	-
	<b>6</b>	-	-
Every 3 years	<b>15</b>	24	23
	<b>7.5</b>	12	11.5
Every 4 years	-	3	5
	-	1.5	2.5
Every 5 years	-	16	12
	-	8	6
Longer than every 3 years	<b>8</b>	-	-
	<b>4</b>	-	-
When necessary	-	9	13
	-	4.5	6.5
More often than annually	<b>5</b>	2	6
	<b>2.5</b>	1	3
Own segregated portfolio/self administered	<b>2</b>	-	-
	<b>1</b>	-	-
Never	<b>14</b>	6	9
	<b>7</b>	3	4.5
Longer than every 5 years	-	1	-
	-	0.5	-
Other	<b>1</b>	4	6
	<b>0.5</b>	2	3
Don't know	<b>5</b>	6	4
	<b>2.5</b>	3	2
Not applicable	-	7	1
	-	3.5	0.5
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

### Q6.34a What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>
<b>PRICE</b>	
1st most important	<b>120</b>
	<b>60</b>
2nd most important	<b>46</b>
	<b>23</b>
3rd most important	<b>16</b>
	<b>8</b>
4th most important	<b>7</b>
	<b>3.5</b>
5th most important	<b>4</b>
	<b>2</b>
6th most important	<b>1</b>
	<b>0.5</b>
Don't Know	<b>6</b>
	<b>3</b>
Mean	<b>1.62</b>
Total of table	<b>200</b>
	<b>100</b>

### Q6.34b What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>
<b>SIZE OF THE INSURER</b>	
1st most important	<b>14</b>
	<b>7</b>
2nd most important	<b>45</b>
	<b>22.5</b>
3rd most important	<b>57</b>
	<b>28.5</b>
4th most important	<b>37</b>
	<b>18.5</b>
5th most important	<b>38</b>
	<b>19</b>
6th most important	<b>2</b>
	<b>1</b>
Don't Know	<b>7</b>
	<b>3.5</b>
Mean	<b>3.24</b>
Total of table	<b>200</b>
	<b>100</b>

### Q6.34c What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>RELATIONSHIP WITH THE INSURER</b>	
1st most important	7
	3.5
2nd most important	12
	6
3rd most important	32
	16
4th most important	88
	44
5th most important	50
	25
6th most important	4
	2
Don't Know	7
	3.5
Mean	3.9
Total of table	200
	100

### Q6.34d What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>RELATIONSHIP WITH THE BROKER</b>	
1st most important	9
	4.5
2nd most important	17
	8.5
3rd most important	23
	11.5
4th most important	47
	23.5
5th most important	87
	43.5
6th most important	10
	5
Don't Know	7
	3.5
Mean	4.12
Total of table	200
	100

### Q6.34e What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>SERVICE LEVELS OF THE INSURER</b>	
1st most important	34
	17
2nd most important	67
	33.5
3rd most important	66
	33
4th most important	14
	7
5th most important	12
	6
6th most important	1
	0.5
Don't Know	6
	3
Mean	2.52
Total of table	200
	100

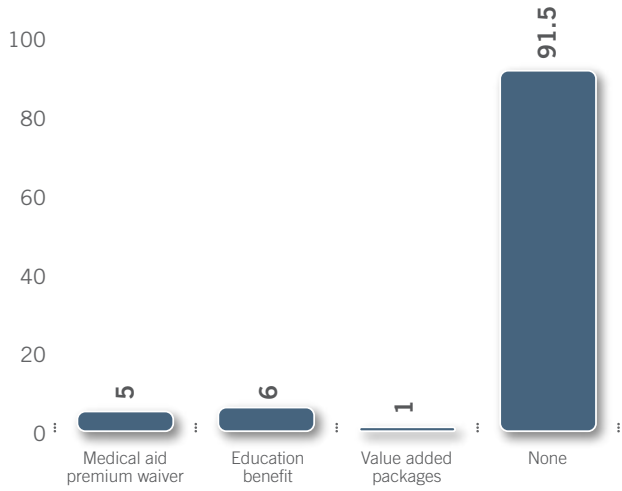
### Q6.34f What are the key determinants when choosing a risk benefit provider?

Please rank them in order of importance where 1 is most important, 2 is second most important etc.

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>OTHER</b>	
1st most important	10
	5
2nd most important	7
	3.5
3rd most important	1
	0.5
6th most important	1
	0.5
None	177
	88.5
Don't Know	4
	2
Mean	1.74
Total of table	200
	100



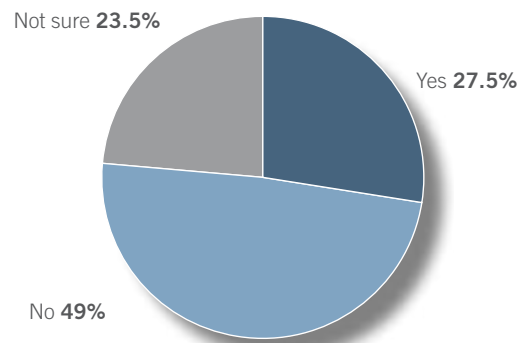
**Q6.35** Which of the following new generation products are offered by the fund?



	2009
Total of table	103.5

**Q6.36** In your experience, do the risk & medical aid providers collaborate to benefit from synergies e.g. ensure the employee benefits are structured tax efficiently or ensure costs are minimised etc.?

BASE: ALL RESPONDENTS  
 2009 TOTAL 200  
 100  
**RISK & MEDICAL AID PROVIDERS COLLABORATE**



Total of table	200
	100

### Q6.37 What are the three principal measures taken by the Trustees to reduce costs?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>THREE PRINCIPAL MEASURES</b>			
Rebroking/ rebroke service/ rebroke risk	<b>87</b>	59	48
	<b>43.5</b>	29.5	24
Capping of benefits	<b>2</b>	2	8
	<b>1</b>	1	4
Capping of risk costs/ capping of risks/ risk fees do not escalate	<b>11</b>	20	9
	<b>5.5</b>	10	4.5
Constant monitoring of costs/ annual review of costs/ movement of costs/fees scrutinised	<b>64</b>	80	101
	<b>32</b>	40	50.5
Benchmarking/check how fund is doing	<b>8</b>	18	33
	<b>4</b>	9	16.5
Prudent investment policies	-	-	2
	-	-	1
Look at structure of fund/ revise benefit structures	<b>8</b>	5	6
	<b>4</b>	2.5	3
Have a good administrator/ good management by administrator	<b>10</b>	19	31
	<b>5</b>	9.5	15.5
Have vigilant trustees/ interested trustees/ educate trustees/ tight control by trustees	<b>2</b>	17	19
	<b>1</b>	8.5	9.5
Negotiations/ negotiations with managers/renegotiate investment/ consultant fee	<b>25</b>	24	28
	<b>12.5</b>	12	14
Aids education/initiative on aids	<b>5</b>	-	-
	<b>2.5</b>	-	-
Improve efficiency	<b>13</b>	-	-
	<b>6.5</b>	-	-
Salary increases/limit salary increases	-	2	12
	-	1	6
Keep cost in line with CPI	-	10	8
	-	5	4
Change to umbrella fund	<b>3</b>	7	3
	<b>1.5</b>	3.5	1.5
Good investment/monitor investment performance	<b>10</b>	11	4
	<b>5</b>	5.5	2
Procurement policy/choose a provider wisely	<b>2</b>	-	-
	<b>1</b>	-	-
Educate members on how to look after themselves/employment practices (fitness education)	<b>4</b>	1	4
	<b>2</b>	0.5	2
Growth in numbers-higher the number lower the cost	-	3	2
	-	1.5	1
Limited products/limit options	<b>1</b>	3	-
	<b>0.5</b>	1.5	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>THREE PRINCIPAL MEASURES</b>			
Don't erode the retirement benefit	<b>1</b>	-	-
	<b>0.5</b>	-	-
Don't allow switching	-	1	-
	-	0.5	-
Have cost effective admin/see admin fees do not escalate	<b>47</b>	32	-
	<b>23.5</b>	16	-
Monitor legislation/keep up to date with changes	-	1	-
	-	0.5	-
Do market comparisons/compare with other administrators	<b>17</b>	17	-
	<b>8.5</b>	8.5	-
Compare audit fees/get quotes for audit fees	<b>7</b>	6	-
	<b>3.5</b>	3	-
Reduce non value activities/ streamline communication/fewer meetings/use e mail/internet/cut down transport costs cut down on transport costs	<b>18</b>	4	-
	<b>9</b>	2	-
Focus on retirement instead of risk	<b>1</b>	2	-
	<b>0.5</b>	1	-
Don't accept increase in fees	<b>2</b>	4	3
	<b>1</b>	2	1.5
Monitor consultants/manage service providers/fund managers/ asset manager	<b>16</b>	-	-
	<b>8</b>	-	-
Good consultant to assist manager	-	1	-
	-	0.5	-
Keeping membership stable as assets not depleted	-	1	-
	-	0.5	-
Outsource	-	1	-
	-	0.5	-
Develop I T programmes	-	-	2
	-	-	1
Look at different options/value added products by insurer	<b>3</b>	-	-
	<b>1.5</b>	-	-
Tax efficient benefit structures in place	<b>2</b>	-	-
	<b>1</b>	-	-
Other	<b>9</b>	14	11
	<b>4.5</b>	7	5.5
None	<b>7</b>	8	14
	<b>3.5</b>	4	7
Don't know/ do not deal with this	<b>14</b>	18	22
	<b>7</b>	9	11
Total of table	<b>399</b>	391	370
	<b>199.5</b>	195.5	185

## Section 7: Withdrawals

**Q7.1** When a member's employment with the participating employer terminates (i.e. on withdrawal), which of the following apply?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>MEMBER'S EMPLOYMENT TERMINATES</b>			
The member must either take his/her benefit in cash or transfer it to another fund	<b>191</b>	191	187
	<b>95.5</b>	95.5	93.5
The member may select a deferred/paid up pension and leave the benefit in the fund	<b>38</b>	41	34
	<b>19</b>	20.5	17
The member may select to transfer his/her benefit to a preservation fund identified in the rules of the fund	<b>111</b>	115	121
	<b>55.5</b>	57.5	60.5
Not sure	-	-	1
	-	-	0.5
Total of table	<b>340</b>	347	343
	<b>170</b>	173.5	171.5

**Q7.2** On withdrawal, which of the following situations apply in the fund?

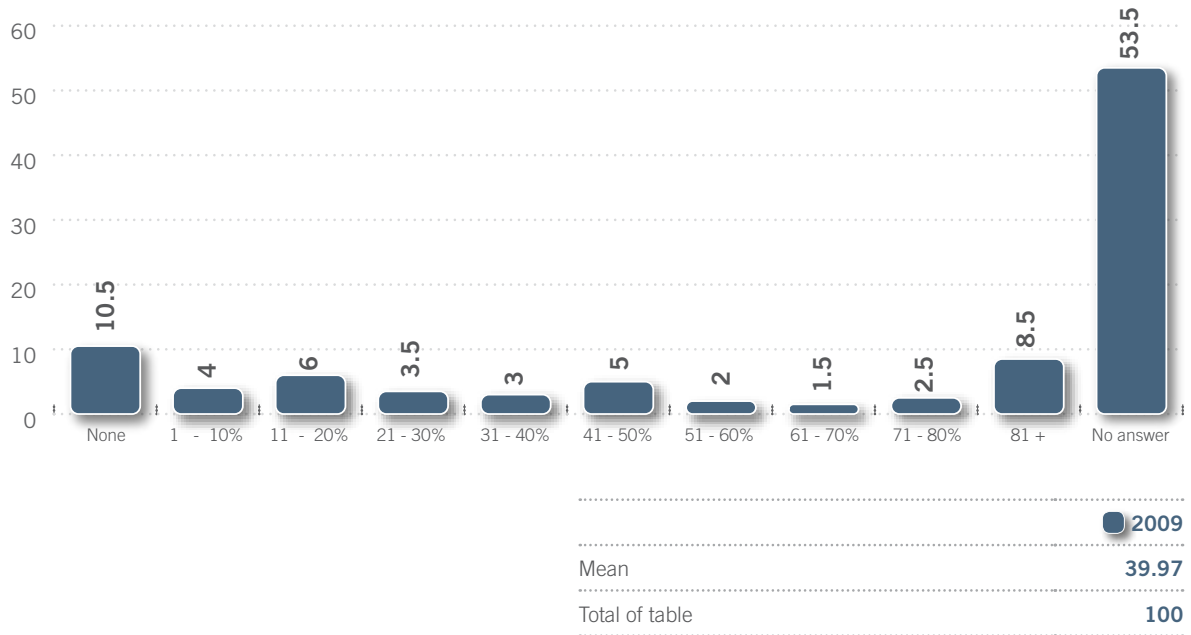
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>SITUATIONS</b>			
The fund and/ or the employer provides the member with the information recommended in PF86	<b>122</b>	96	118
	<b>61</b>	48	59
The fund, in terms of a written strategy, arranges for an adviser to counsel and advise the member	<b>92</b>	75	71
	<b>46</b>	37.5	35.5
None of the above	<b>27</b>	45	35
	<b>13.5</b>	22.5	17.5
Not sure	<b>6</b>	7	10
	<b>3</b>	3.5	5
Total of table	<b>247</b>	223	234
	<b>123.5</b>	111.5	117

**Q7.3** Is a conversion / continuation option offered on death and disability cover and/or on funeral cover, either under the Fund or separate scheme?

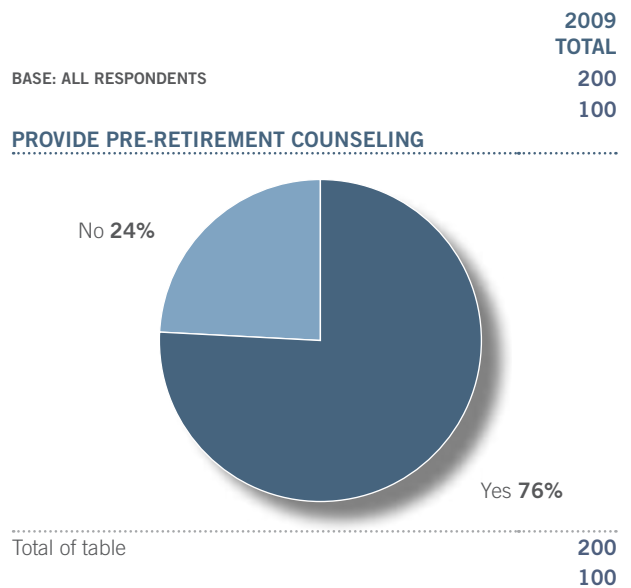
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>OPTIONS OFFERED ON DEATH AND DISABILITY AND/OR FUNERAL COVER</b>			
On both death and disability cover	<b>55</b>	58	52
	<b>27.5</b>	29	26
On death cover only	<b>21</b>	18	22
	<b>10.5</b>	9	11
On disability cover only	<b>3</b>	7	7
	<b>1.5</b>	3.5	3.5
On funeral cover	<b>6</b>	-	-
	<b>3</b>	-	-
Neither	<b>105</b>	102	97
	<b>52.5</b>	51	48.5
Not sure	<b>15</b>	15	22
	<b>7.5</b>	7.5	11
Total of table	<b>205</b>	200	200
	<b>102.5</b>	100	100

# Section 8: Retirement

**Q8.3a** Approximately what proportion of your members purchases each of the following products? - Guaranteed fixed annuity



**Q8.1a** Does the fund provide any form of pre-retirement counseling?



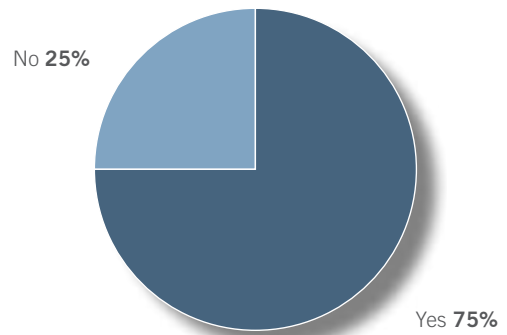
**Q8.1b** How long before the normal retirement date is the counseling provided?

	2009 TOTAL
<b>FUND PROVIDE PRE-RETIREMENT COUNCELLING</b>	<b>152</b>
	<b>100</b>
<b>HOW LONG BEFORE</b>	
More than 10 years (15)	2
	1.3
10 Years	29
	19.1
8 years	1
	0.7
5 Years	49
	32.2
3 Years	22
	14.5
2 years	2
	1.3
1 Years	22
	14.5
Less than 1 year	4
	2.6
At retirement	16
	10.5
Member has free choice/on request	6
	3.9
Other	3
	2
Mean	4.54
Total of table	156
	102.6

**Q8.2** Is the Employer or are the Trustees concerned about how members utilise their retirement benefits?

	2009 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>

**EMPLOYER/TRUSTEES CONCERNED HOW MEMBERS UTILISE THEIR RETIREMENT BENEFITS**

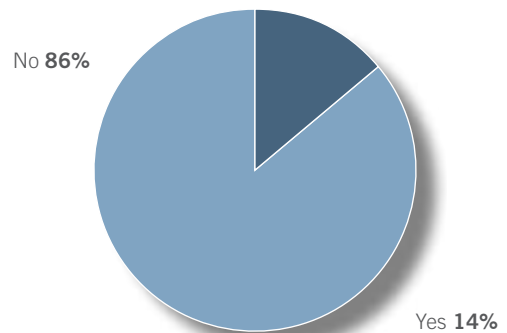


Total of table	200
	100

**Q8.3a** Does the Employer or do the Trustees want to have further involvement with members after retirement?

	2009 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>

**EMPLOYER/TRUSTEES FURTHER INVOLVEMENT WITH MEMBERS AFTER RETIREMENT**



Total of table	200
	100

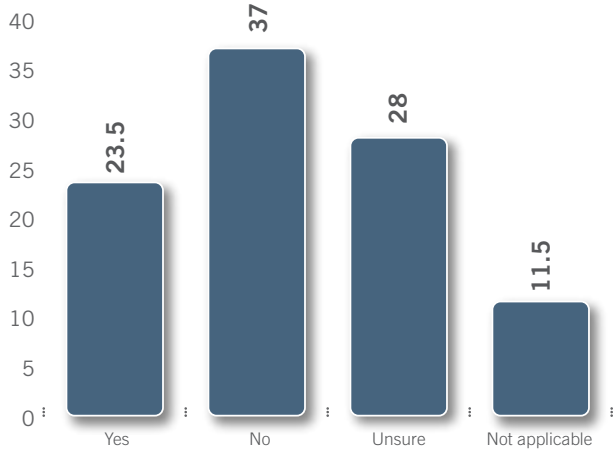
## Q8.3b Why is that?

	2009 TOTAL
EMPLOYER OR TRUSTEES WANT TO HAVE FURTHER INVOLVEMENT WITH MEMBERS AFTER RETIREMENT	28
	100
<b>REASONS FOR YES</b>	
Right thing to do	4
	14.3
In order to assist them if they have problems	7
	25
People don't plan for the future	2
	7.1
They can remain pensioners in the fund	1
	3.6
Feel paternalistic/have had a long term relationship with them	8
	28.6
Members still retain medical aid and group life after retirement	2
	7.1
Send them booklets & meet from time to time	1
	3.6
Have them for functions	1
	3.6
Always have done this	1
	3.6
To ensure benefits are properly handled	1
	3.6
In case of changes in legislation	1
	3.6
Pensioners look at benefits after retirement	1
	3.6
Total of table	30*
	107.1

## Q8.3b Why is that?

	2009 TOTAL
EMPLOYER OR TRUSTEES DO NOT WANT TO HAVE FURTHER INVOLVEMENT WITH MEMBERS AFTER RETIREMENT	172
	100
<b>REASONS FOR NO</b>	
Provident fund is a lump fund-no need for further involvement	1
	0.6
Pre retirement counselling is available/do a lot beforehand	17
	9.9
Professionals, members retire and get on with retirement	8
	4.7
By law can't get involved	1
	0.6
No longer our responsibility/on their own/left the fund rest up to them	116
	67.4
Less pressure on trustees	4
	2.3
Less pressure on admin	7
	4.1
Not equipped to offer financial advice	5
	2.9
Geographically impossible/relocate so hard to keep in touch	15
	8.7
Would cost too much	2
	1.2
Not a defined benefit scheme/this is a defined contribution scheme	11
	6.4
Company too large	5
	2.9
Have not had to deal with the situation so far	2
	1.2
Total of table	194
	112.8

**Q8.4** Considering the legislation relating to commutation of small annuities - does the fund allow small annuities to be commuted in full?

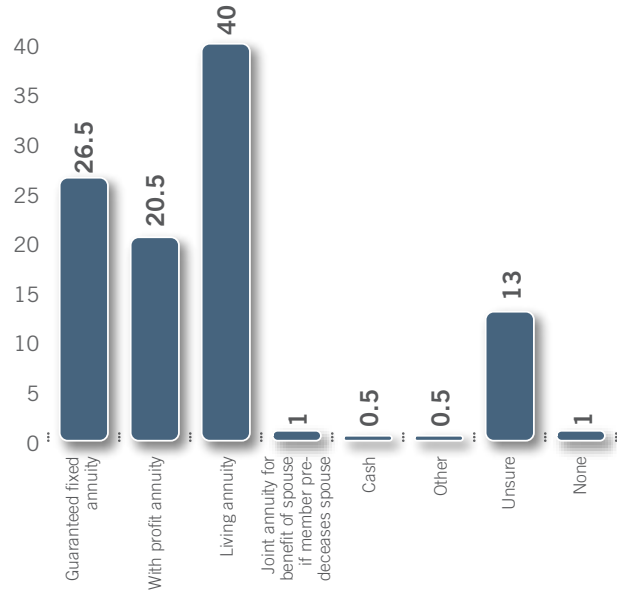


Total of table	100
----------------	-----

**Q8.5** Do pensioners ever come back to the Fund/ company to complain after they have retired from the fund?

	2009 TOTAL
<b>PENSION FUNDS AND HYBRIDS ONLY</b>	<b>83</b>
	<b>100</b>
<b>COME BACK TO FUND/COMPANY TO COMPLAIN AFTER RETIRED</b>	
Yes, often	5
Yes, sometimes	13
Yes, but only rarely	17
No	44
Unsure	3
Nobody retired yet	1
<b>SUMMARY</b>	
Any yes	35
Total of table	83

**Q8.6** In your opinion, which annuity would be more appropriate for an “average” member of your fund?



Total of table	100
----------------	-----

**Q8.7** Does the fund currently provide a post-retirement medical aid benefit to members?

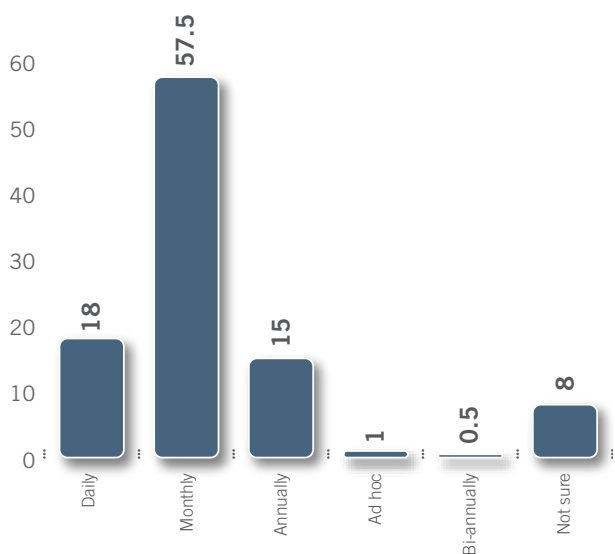
	2009 TOTAL	2008 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	<b>200</b>
	<b>100</b>	<b>100</b>
<b>MEDICAL AID BENEFIT PROVIDED</b>		
Yes, to all members retiring from the fund	10	10
Yes, but only to some members, e.g. those who joined the fund before a certain date	30	30
No	159	159
Not sure	1	1
<b>SUMMARY</b>		
Any yes	40	-
Total of table	200	200

# Section 9: Investment

**Q9.1a** How frequently does the fund credit investment returns to members' accounts?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FREQUENCY</b>			
Daily	37	38	27
	18.5	19	13.5
		1	1
		0.5	0.5
Monthly	116	107	125
	58	53.5	62.5
Annually	31	29	25
	15.5	14.5	12.5
Quarterly	1	1	1
	0.5	0.5	0.5
Ad hoc	2	-	-
	1	-	-
Bi-annually	1	-	1
	0.5	-	0.5
Not sure	16	24	20
	8	12	10
Total of table	204	200	200
	102	100	100

**Q9.1b** Which frequency is most popular?



Total of table	100
----------------	-----

**Q9.2** Does the fund provide for member investment choice?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>FUND PROVIDE FOR MEMBER INVESTMENT CHOICE</b>			
Yes, to all members	92	82	79
	46	41	39.5
Yes, to certain categories of member only	12	9	7
	6	4.5	3.5
No	96	109	112
	48	54.5	56
Not sure	-	-	2
	-	-	1
<b>SUMMARY</b>			
Any yes	104	-	-
	52	-	-
Total of table	200	200	200
	100	100	100

**Q9.3** Does the fund plan to offer flexible investment choice to members in the future?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND DOES NOT OFFER MEMBER INVESTMENT CHOICE	96	109	114
	100	100	100
<b>PLAN TO OFFER FLEXIBLE INVESTMENT CHOICE TO MEMBERS</b>			
Yes, within the next three years	13	13	18
	13.5	11.9	15.8
Considering it	10	13	21
	10.4	11.9	18.4
Definitely not	52	65	54
	54.2	59.6	47.4
Uncertain	21	18	21
	21.9	16.5	18.4
Total of table	96	109	114
	100	100	100



### Q9.4a Which of the following investment vehicles does the fund invest in?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND DOES NOT OFFER MEMBER INVESTMENT CHOICE	96	109	114
	100	100	100
<b>INVESTMENTS</b>			
Life Stage Mandates	11	13	4
	11.5	11.9	3.5
Individual Broker Mandates (LISP Environment)	2	3	7
	2.1	2.8	6.1
Cash Unspecified	51	6	3
	53.1	5.5	2.6
* Cash	-	12	15
	-	11	13.2
* Money Market	-	15	15
	-	13.8	13.2
Smoothed Bonus / Guaranteed	28	17	20
	29.2	15.6	17.5
* Smoothed Bonus (e.g. products which declare bonuses monthly)	-	29	40
	-	26.6	41.6
Structured Products (derivative based)	3	3	5
	3.1	2.8	4.4
Absolute Return Unspecified	-	10	6
	-	9.2	5.3
* CPI plus 5% or less	-	8	5
	-	7.3	4.4
* CPI plus more than 5%	-	4	8
	-	3.7	7
Absolute Return (CPI Type - Segregated)	9	-	-
	9.4	-	-
Absolute Return (CPI Type - Pooled)	7	-	-
	7.3	-	-
Absolute Return (other type)	6	-	-
	6.3	-	-
Conservative Market Linked	9	10	10
	9.4	9.2	8.8
* Single Managers (Segregated or Pooled)	-	9	5
	-	8.3	4.4
* Single Managers (Segregated)	4	-	-
	4.2	-	-
* Single Managers (Pooled)	5	-	-
	5.2	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND DOES NOT OFFER MEMBER INVESTMENT CHOICE	96	109	114
	100	100	100
<b>INVESTMENTS</b>			
* Multi-Manager	14	11	17
	14.6	10.1	14.9
* Unit Trust Mandates	-	6	1
	-	5.5	0.9
Moderate Market Linked	3	14	9
	3.1	12.8	7.9
* Single Managers (Segregated or Pooled)	-	16	12
	-	14.7	10.5
* Single Managers (Segregated)	6	-	-
	6.3	-	-
* Single Managers (Pooled)	9	-	-
	9.4	-	-
* Multi-Manager	24	22	29
	25	20.2	25.4
* Unit Trust Mandates	-	2	6
	-	1.8	5.3
Aggressive Market Linked	1	7	10
	1	6.4	8.8
* Single Managers (Segregated or Pooled)	-	10	5
	-	9.2	4.4
* Single Managers (Segregated)	3	-	-
	3.1	-	-
* Single Managers (Pooled)	4	-	-
	4.2	-	-
* Multi-Managers	13	6	10
	13.5	5.5	8.8
* Unit Trust Mandates	-	3	2
	-	2.8	1.8
Others	5	5	-
	5.2	0.46	-
* None	-	3	-
	-	2.8	-
Don't know	9	8	13
	9.4	7.3	11.4
Total of table	226	252	257
	235.4	231.2	225.4

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
LIFE STAGE MANDATES	11	13	4
	100	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>			
100%	2	1	1
	18.2	7.7	25
90 to 99	1	-	1
	9.1	-	25
80 to 89	1	1	-
	9.1	7.7	-
70-79	-	1	-
	-	7.7	-
40-49	-	1	-
	-	7.7	-
20 to 29	1	-	1
	9.1	-	25
1-9	-	2	-
	-	15.4	-
Not sure	6	7	1
	54.5	53.8	25
Mean	78.4	51.17	75.33
Total of table	11	13	4*
	100	100	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
INDIVIDUAL BROKER MANDATES (LISP ENVIRONMENT)	2	3	7
	100	100	100
<b>INDIVIDUAL BROKER MANDATES (LISP ENVIRONMENT)</b>			
100%	-	-	3
	-	-	42.9
90 to 99	1	-	-
	50	-	-
50 to 59	-	1	1
	-	33.3	14.3
40 to 49	-	2	-
	-	66.7	-
20 to 29	1	-	-
	50	-	-
Don't know	-	-	3
	-	-	42.9
Mean	57.5	47.67	87.5
Total of table	2	3	7*
	100	100	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
CASH / MONEY MARKET	51
	100
<b>PERCENTAGE OF FUND'S ASSETS</b>	
70 to 79	1
	2
60 to 69	1
	2
50 to 59	1
	2
40 to 49	1
	2
30 to 39	1
	2
20 to 29	8
	15.7
10 to 19	7
	13.7
1 to 9	16
	31.4
Not sure	15
	29.4
Mean	15.53
Total of table	51
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
SMOOTHED BONUS / GUARANTEED	28
	100
<b>PERCENTAGE OF FUND'S ASSETS</b>	
100%	5
	17.9
90 to 99	2
	7.1
80 to 89	2
	7.1
70 to 79	1
	3.6
60 to 69	2
	7.1
40 to 49	2
	7.1
30 to 39	1
	3.6
20 to 29	4
	14.3
1 to 9	1
	3.6
Not sure	8
	28.6
Mean	63.8
Total of table	28*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
STRUCTURED PRODUCTS (DERIVATIVE BASED)	3	3	5
	100	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>			
30 to 39	-	1	-
	-	33.3	-
20 to 29	-	1	2
	-	33.3	40
10 to 19	1	-	-
	33.3	-	-
Not sure	2	1	3
	66.7	33.3	60
Mean	10	28	23.5
Total of table	3	3	5*
	100	100	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
ABSOLUTE RETURN (CPI TYPE - SEGREGATED)	9
	100
<b>ABSOLUTE RETURN (CPI TYPE - SEGREGATED)</b>	
90 to 99	1
	11.1
50 to 59	1
	11.1
30 to 39	1
	11.1
20 to 29	2
	22.2
10 to 19	1
	11.1
1 to 9	1
	11.1
Not sure	2
	22.2
Mean	36.57
Total of table	9*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
ABSOLUTE RETURN (CPI TYPE - POOLED)	7
	100
<b>ABSOLUTE RETURN (CPI TYPE - POOLED)</b>	
90 to 99	1
	14.3
70 to 79	1
	14.3
40 to 49	1
	14.3
30 to 39	1
	14.3
10 to 19	1
	14.3
1 to 9	1
	14.3
Not sure	1
	14.3
Mean	43.83
Total of table	7*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>ABSOLUTE RETURN (OTHER TYPE)</b>	<b>6</b>
	<b>100</b>
<b>ABSOLUTE RETURN (OTHER TYPE)</b>	<b>1</b>
100%	<b>16.7</b>
30 to 39	<b>1</b>
10 to 19	<b>2</b>
Not sure	<b>33.3</b>
	<b>2</b>
	<b>33.3</b>
Mean	<b>40.5</b>
Total of table	<b>6*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>CONSERVATIVE MARKET LINKED</b>	<b>9</b>
	<b>100</b>
<b>PERCENTAGE OF FUND'S ASSETS</b>	<b>1</b>
100%	<b>11.1</b>
50 to 59	<b>1</b>
40 to 49	<b>2</b>
20 to 29	<b>22.2</b>
10 to 19	<b>-</b>
Not sure	<b>-</b>
	<b>-</b>
	<b>-</b>
	<b>-</b>
	<b>5</b>
	<b>55.6</b>
Mean	<b>59.75</b>
Total of table	<b>9*</b>
	<b>100</b>

**Q9.13b** And, what percentage of the fund's assets are invested in each? - Conservative Linked Unspecified

	<b>2008 TOTAL</b>	<b>2007 TOTAL</b>
<b>CONSERVATIVE MARKET LINKED</b>	10	10
	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>	<b>-</b>	<b>-</b>
100%	<b>-</b>	<b>-</b>
50 to 59	<b>1</b>	<b>-</b>
40 to 49	<b>10</b>	<b>-</b>
20 to 29	<b>1</b>	<b>1</b>
10 to 19	<b>10</b>	<b>10</b>
Not sure	<b>3</b>	<b>-</b>
	<b>30</b>	<b>-</b>
	<b>1</b>	<b>2</b>
	<b>10</b>	<b>20</b>
Not sure	<b>4</b>	<b>7</b>
	<b>40</b>	<b>70</b>
Mean	<b>27.17</b>	<b>20.67</b>
Total of table	<b>10</b>	<b>10*</b>
	<b>100</b>	<b>100</b>

**Q9.13b** And, what percentage of the fund's assets are invested in each? - Conservative Linked - Single Managers (Segregated or Pooled)

	2008 TOTAL	2007 TOTAL
CONSERVATIVE LINKED - SINGLE MANAGERS (SEGREGATED OR POOLED)	9	5
	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>		
60-69	1	-
	11.1	-
50-59	-	2
	-	40
40-49	-	1
	-	20
20-29	2	-
	22.2	-
1-9	3	-
	33.3	-
Don't know	3	2
	33.3	40
Mean	21.67	46.67
Total of table	9	5*
	100	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
CONSERVATIVE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)	4
	100
<b>CONSERVATIVE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)</b>	
100%	1
	25
40 to 49	2
	50
Not sure	1
	25
Mean	62
Total of table	4*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
CONSERVATIVE MARKET LINKED/SINGLE MANAGERS (POOLED)	5
	100
<b>CONSERVATIVE MARKET LINKED/SINGLE MANAGERS (POOLED)</b>	
100%	1
	20
10 to 19	1
	20
1 to 9	1
	20
Not sure	2
	40
Mean	38.67
Total of table	5*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	2009 TOTAL
CONSERVATIVE MARKET LINKED/MULTI-MANAGERS	14
	100
<b>CONSERVATIVE MARKET LINKED/MULTI-MANAGERS</b>	
100%	1
	7.1
90 to 99	1
	7.1
80 to 89	-
	-
60 to 69	-
	-
50 to 59	1
	7.1
40 to 49	1
	7.1
30 to 39	2
	14.3
20 to 29	3
	21.4
10 to 19	-
	-
1 to 9	-
	-
Not sure	5
	35.7
Mean	45.56
Total of table	14*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>MODERATE MARKET LINKED</b>	<b>3</b>
	<b>100</b>
<b>MODERATE MARKET LINKED</b>	
100% .....	-
70-79 .....	-
50 to 59 .....	<b>1</b>
	<b>33.3</b>
40-49 .....	-
20-29 .....	-
10-19 .....	-
1-9 .....	-
Not sure .....	<b>2</b>
	<b>66.7</b>
Mean .....	<b>50</b>
Total of table .....	<b>3*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>MODERATE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)</b>	<b>6</b>
	<b>100</b>
<b>MODERATE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)</b>	
80 to 89 .....	<b>1</b>
	<b>16.7</b>
50 to 59 .....	<b>1</b>
	<b>16.7</b>
40 to 49 .....	<b>1</b>
	<b>16.7</b>
30 to 39 .....	<b>1</b>
	<b>16.7</b>
20 to 29 .....	<b>1</b>
	<b>16.7</b>
1 to 9 .....	<b>1</b>
	<b>16.7</b>
Mean .....	<b>38.5</b>
Total of table .....	<b>6*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>MODERATE MARKET LINKED/SINGLE MANAGERS (POOLED)</b>	<b>9</b>
	<b>100</b>
<b>MODERATE MARKET LINKED/SINGLE MANAGERS (POOLED)</b>	
100% .....	1
60 to 69 .....	11.1
50 to 59 .....	1
	11.1
20 to 29 .....	3
	33.3
Not sure .....	2
	22.2
Mean .....	2
Total of table .....	22.2
	51
	9*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
<b>MODERATE MARKET LINKED/MULTI-MANAGERS</b>	<b>24</b>
	<b>100</b>
<b>MODERATE MARKET LINKED/MULTI-MANAGERS</b>	
100% .....	24
90 to 99 .....	25
70 to 79 .....	2
	8.3
60 to 69 .....	1
	4.2
40 to 49 .....	2
	8.3
30 to 39 .....	1
	4.2
20 to 29 .....	3
	12.5
10 to 19 .....	2
	8.3
1 to 9 .....	1
	4.2
Not sure .....	1
	4.2
Mean .....	5
Total of table .....	20.8
	63.42
	24*
	100

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
AGGRESSIVE MARKET LINKED	1
	<b>100</b>
<b>AGGRESSIVE MARKET LINKED</b>	
Not sure	1
	<b>100</b>
Total of table	<b>1*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
AGGRESSIVE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)	3
	<b>100</b>
<b>AGGRESSIVE MARKET LINKED/SINGLE MANAGERS (SEGREGATED)</b>	
60 to 69	1
	<b>33.3</b>
10 to 19	1
	<b>33.3</b>
Not sure	1
	<b>33.3</b>
Mean	<b>36</b>
Total of table	<b>3*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
AGGRESSIVE MARKET LINKED/SINGLE MANAGERS (POOLED)	4
	<b>100</b>
<b>AGGRESSIVE MARKET LINKED/SINGLE MANAGERS (POOLED)</b>	
40 to 49	2
	<b>50</b>
20 to 29	1
	<b>25</b>
Not sure	1
	<b>25</b>
Mean	<b>33.33</b>
Total of table	<b>4*</b>
	<b>100</b>

**Q9.4b** What percentage of the fund's assets are invested in each of the following?

	<b>2009 TOTAL</b>
AGGRESSIVE MARKET LINKED/MULTI-MANAGERS	13
	<b>100</b>
<b>PERCENTAGE OF FUND'S ASSETS</b>	
100%	-
	-
90 to 99	1
	<b>7.7</b>
90 to 99	1
	<b>7.7</b>
80 to 89	1
	<b>7.7</b>
70 to 79	1
	<b>7.7</b>
60-69	-
	-
50-59	-
	-
40-49	1
	<b>7.7</b>
30 to 39	1
	<b>7.7</b>
20 to 29	2
	<b>15.4</b>
10 to 19	1
	<b>7.7</b>
1 to 9	5
	<b>38.5</b>
Not sure	40.63
	<b>13</b>
Mean	<b>100</b>
Total of table	<b>13*</b>
	<b>100</b>

**Q9.13b** And, what percentage of the fund's assets are invested in each? - Aggressive Linked - Multi-Managers

	2008 TOTAL	2007 TOTAL
AGGRESSIVE LINKED - MULTI-MANAGERS	6	10
	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>		
100%	1	-
	16.7	-
90 to 99	-	-
	-	-
90 to 99	-	-
	-	-
80 to 89	-	-
	-	-
70 to 79	-	1
	-	10
60-69	1	-
	16.7	-
50-59	-	-
	-	-
40-49	-	-
	-	-
30 to 39	-	1
	-	10
20 to 29	1	3
	16.7	30
10 to 19	1	2
	16.7	20
1 to 9	-	-
	-	-
Not sure	2	3
	33.3	30
Mean	49.75	28.29
Total of table	6	10*
	100	100

**Q9.13b** And, what percentage of the fund's assets are invested in each? - Aggressive Linked - Unit Trust Mandates

	2008 TOTAL	2007 TOTAL
AGGRESSIVE LINKED - UNIT TRUST MANDATES	3	2
	100	100
<b>PERCENTAGE OF FUND'S ASSETS</b>		
90-99		1
		33.3
Don't know	2	2
	66.7	100
Mean	90	
Total of table	3	2*
	100	100

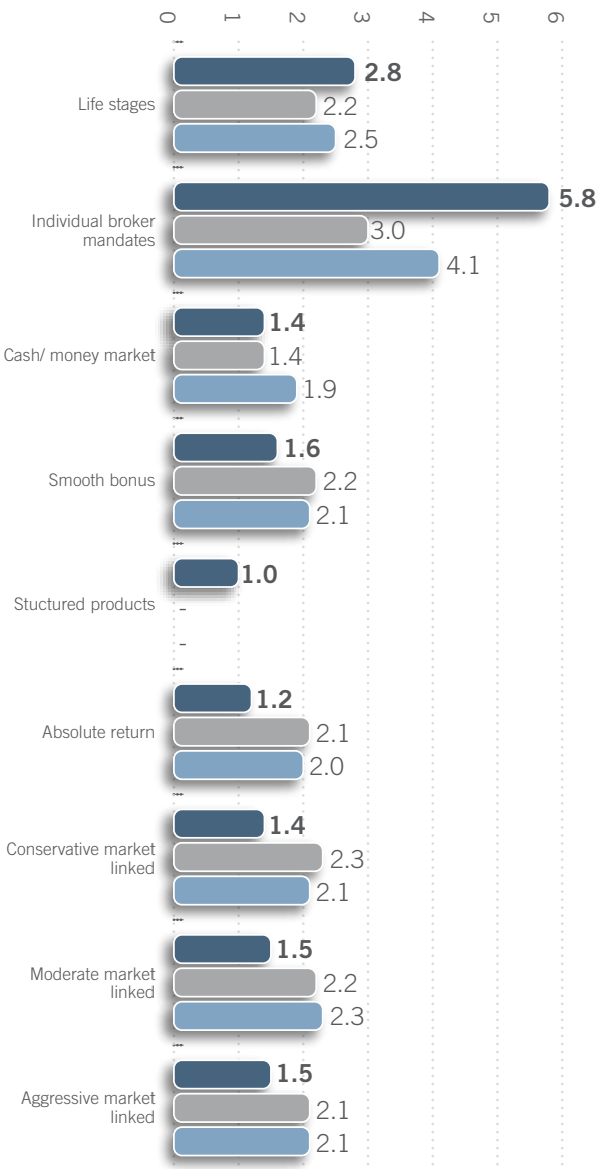


### Q9.5a Which of the following investment alternatives does the fund provide in each of the investment types?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>INVESTMENTS ALTERNATIVES</b>			
Life Stage Mandates	61	49	46
	58.7	53.8	53.5
Individual Broker Mandates (LISP Environment)	6	13	13
	5.8	14.3	15.1
Cash /Money market	73	77	84
	70.2	84.6	97.7
Smoothed Bonus / Guaranteed	29	13	14
	27.9	14.3	16.3
* Smoothed Bonus (e.g. products which declare bonuses monthly)	-	39	38
	-	42.9	44.2
Structured Products (derivative based)	8	4	9
	7.7	4.4	10.5
Absolute Return Unspecified	-	5	11
	-	5.5	12.8
* CPI plus 5% or less	-	15	20
	-	16.5	23.3
* CPI plus more than 5%	-	13	11
	-	14.3	12.8
Absolute Return (CPI Type - Segregated)	8	-	-
	7.7	-	-
Absolute Return (CPI Type - Pooled)	11	-	-
	10.6	-	-
Absolute Return (other type)	5	-	-
	4.8	-	-
Conservative Market Linked	13	17	16
	12.5	18.7	18.6
* Single Managers (Segregated or Pooled)	-	17	22
	-	18.7	25.6
* Single Managers (Segregated)	9	-	-
	8.7	-	-
* Single Managers (Pooled)	5	-	-
	4.8	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>INVESTMENTS ALTERNATIVES</b>			
* Multi-Manager	52	38	29
	50	41.8	33.7
* Unit Trust Mandates	-	7	7
	-	7.7	8.1
Moderate Market Linked	8	16	17
	7.7	17.6	19.8
* Unit Trust Mandates	-	25	24
	-	27.5	27.9
* Single Managers (Segregated)	9	-	-
	8.7	-	-
* Single Managers (Pooled)	8	-	-
	7.7	-	-
* Multi-Manager	54	36	25
	51.9	39.6	29.1
* Unit Trust Mandates	-	8	12
	-	8.8	14
Aggressive Market Linked	8	15	15
	7.7	16.5	17.4
* Single Managers (Segregated or Pooled)	-	27	24
	-	29.7	27.9
* Single Managers (Segregated)	9	-	-
	8.7	-	-
* Single Managers (Pooled)	9	-	-
	8.7	-	-
* Multi-Managers	52	33	30
	50	36.3	34.9
* Unit Trust Mandates	-	5	10
	-	5.5	11.6
Don't know	4	6	2
	3.8	6.6	2.3
Total of table	441	478	479
	424	525.3	557

**Q9.5b** Within each investment type, how many different investment alternatives does the fund offer?



### Q9.6a How satisfied are you with the fund's investment offering?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>SATISFIED WITH FUND'S INVESTMENT OFFERING</b>			
Very satisfied (5)	50	38	41
	48.1	41.8	47.7
Satisfied (4)	44	38	36
	42.3	41.8	41.9
Neutral (3)	7	11	6
	6.7	12.1	7
Dissatisfied (2)	3	2	3
	2.9	2.2	3.5
		2	
		2.2	
Mean	4.36	4.33	4.44
<b>SUMMARY</b>			
Very/satisfied	94	76	77
	90.4	83.5	89.5
Very/dissatisfied	3	2	3
	2.9	2.2	3.5
Total of table	104	91	86
	100	100	100

### Q9.6b Why do you say so?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE VERY SATISFIED/SATISFIED WITH THE FUND'S INVESTMENT OFFERING	94	76	77
	100	100	100
<b>REASONS</b>			
Good variety of choices	47	28	29
	50	36.8	37.7
Good investment returns / good performance	46	16	22
	48.9	21.1	28.6
Members are satisfied with the choices	18	16	12
	19.1	21.1	15.6
Members prefer greater levels of control	7	9	9
	7.4	11.8	11.7
Not too many choices-lessens the risk	1	-	-
	1.1	-	-
Members allowed to switch	1	-	3
	1.1	-	3.9
Fund size not big enough to go for segregated product which would be more cost effective	1	-	-
	1.1	-	-
Life stage mandate option for all age groups	-	4	2
	-	5.3	2.6
Multi managers expertise to ensure good ROI	-	-	1
	-	-	1.3
Can hedge the money	-	-	1
	-	-	1.3
Covers rises and falls in the market	-	2	5
	-	2.6	6.5
Fund is not complicated	-	3	4
	-	3.9	5.2
Based on good service received	-	4	6
	-	5.3	7.8
Well structured	-	1	1
	-	1.3	1.3
Trustees assist with members personal choice/process of consultation	-	3	-
	-	3.9	-
Satisfied but should offer more choice/options limited	-	4	-
	-	5.3	-
Twice yearly option is adequate/long term investors shouldn't switch in and out	-	2	-
	-	2.6	-
So far satisfied/haven't had much experience with it yet	-	1	-
	-	1.3	-
We do research on investments/ make informed choices	-	2	-
	-	2.6	-
Other	-	4	-
	-	5.3	-
Don't know	-	1	-
	-	1.3	-
Total of table	121	100	95
	128.7	131.6	123.4

## Q9.6b Why do you say so?

	2009 TOTAL
THOSE NEUTRAL WITH THE FUND'S INVESTMENT OFFERING	7
	100
<b>REASONS</b>	
Good variety of choices	1
	14.3
Good investment returns / good performance	1
	14.3
Members are satisfied with the choices	1
	14.3
Members prefer greater levels of control	2
	28.6
Could offer a greater scope/poor investment choice	1
	14.3
Poor return on investment	3
	42.9
PF130 still being deliberated	1
	14.3
Total of table	10*
	142.9

## Q9.6b Why do you say so?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE DISSATISFIED/VERY DISSATISFIED WITH THE FUND'S INVESTMENT OFFERING	3	2	3
	100	100	100
<b>REASONS</b>			
Poor return on investment	3	-	-
	100	-	-
Some good choices some bad	-	-	1
	-	-	33.3
Not advised by trustees/administrators of change	-	-	1
	-	-	33.3
Need to offer an aggressive choice for younger members	-	-	1
	-	-	33.3
More options should be offered/no life stage product is offered	-	1	-
	-	50	-
Poor investment choices leave them with poor retirement funds	-	1	-
	-	50	-
Other	1	-	-
	33.3	-	-
Total of table	4	2	3*
	133.3	100	100

## Q9.7 What proportion of the fund's membership relies upon the Trustee choice or Default option?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>PROPORTION OF THE FUNDS MEMBERSHIP</b>			
* 0% to 10% (5)	15	13	11
	14.4	14.3	12.8
* 10,1% to 20% (15)	4	8	6
	3.8	8.8	7
* 20,1% to 30% (25)	4	4	3
	3.8	4.4	3.5
* 30,1% to 40% (35)	2	5	3
	1.9	5.5	3.5
* 40,1% to 50% (45)	2	2	2
	1.9	2.2	2.3
* 50,1% to 60% (55)	8	2	6
	7.7	2.2	7
* 60,1% to 70% (65)	7	10	1
	6.7	11	1.2
* 70,1% to 80% (75)	6	7	6
	5.8	7.7	7
* 80,1% to 90% (85)	26	10	16
	25	11	18.6
* 90,1% to 100% (95)	25	24	26
	24	26.4	30.2
Don't know	5	6	6
	4.8	6.6	7
Mean	63.89	58.41	63.63
Total of table	104	91	86
	100	100	100

### Q9.8a Which one of the following investment profiles constitutes the most important component of the Trustee choice or Default option?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>MOST IMPORTANT</b>			
Life Stage Mandates	49	34	31
	47.1	37.4	36
Individual Broker Mandates (LISP Environment)	1	1	1
	1	1.1	1.2
Cash /Money market	2	1	2
	1.9	1.1	2.3
Smoothed Bonus / Guaranteed Products	7	7	3
	6.7	7.7	3.5
* Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	-	4	6
	-	4.4	7
* Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	-	3	2
	-	3.3	2.3
Absolute Return Unspecified	-	2	-
	-	2.2	-
* CPI plus 5% or less	-	2	1
	-	2.2	1.2
* CPI plus more than 5%	-	3	2
	-	3.3	2.3
Absolute Return (CPI Type - Pooled)	1	-	-
	1	-	-
Absolute Return (other type)	4	-	-
	3.8	-	-
Conservative Market Linked Portfolio	3	-	1
	2.9	-	1.2
* Single Managers (Segregated)	2	-	-
	1.9	-	-
* Single Managers (Pooled)	1	-	-
	1	-	-

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>MOST IMPORTANT</b>			
* Multi-Manager	5	4	3
	4.8	4.4	3.5
* Unit Trust Mandates	-	1	-
	-	1.1	-
Moderate Market Linked	5	5	2
	4.8	5.5	2.3
* Single Managers (Segregated or Pooled)	-	2	6
	-	2.2	7
* Single Managers (Segregated)	1	-	-
	1	-	-
* Multi-Manager	12	7	10
	11.5	7.7	11.6
* Unit Trust Mandates	-	-	1
	-	-	1.2
Aggressive Market Linked	1	2	1
	1	2.2	1.2
* Single Managers (Segregated or Pooled)	-	2	3
	-	2.2	3.5
* Multi-Managers	4	5	1
	3.8	5.5	1.2
Other	-	1	-
	-	1.1	-
Not applicable	2	-	-
	1.9	-	-
Don't know	4	5	8
	3.8	5.5	9.3
Total of table	104	91	86
	100	100	100

### Q9.8b And, which is the second most important component?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>SECOND MOST IMPORTANT</b>			
Life Stage Mandates	4	1	1
	3.8	1.1	1.2
Individual Broker Mandates	-	1	-
	-	1.1	-
Cash Unspecified	-	-	2
	-	-	2.3
* Cash	-	2	1
	-	2.2	1.2
* Money Market	-	4	5
	-	4.4	5.8
Cash /Money market	22	-	-
	21.2	-	-
Smoothed Bonus / Guaranteed	8	1	4
	7.7	1.1	4.7
* Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)	-	1	3
	-	1.1	3.5
* Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)	-	-	2
	-	-	2.3
Structured Products (derivative based)	3	1	3
	2.9	1.2	3.6
Absolute Return Unspecified	-	1	2
	-	1.1	2.3
* CPI plus 5% or less	-	3	3
	-	3.3	3.5
* CPI plus more than 5%	-	2	4
	-	2.2	4.7
Absolute Return (CPI Type - Segregated)	1	-	-
	1	-	-
Absolute Return (CPI Type - Pooled)	2	-	-
	1.9	-	-
Absolute Return (other type)	1	-	-
	1	-	-
Conservative Market Linked	6	6	-
	5.8	6.6	-
* Single Managers (Segregated or Pooled)	-	2	6
	-	2.2	7

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>SECOND MOST IMPORTANT</b>			
* Multi-Manager	6	8	7
	5.8	8.8	8.1
* Unit Trust Mandates	-	1	-
	-	1.1	-
Moderate Market Linked	4	2	-
	3.8	2.2	-
* Single Managers (Segregated or Pooled)	-	3	-
	-	3.3	-
* Single Managers (Segregated)	3	-	-
	2.9	-	-
* Single Managers (Pooled)	2	-	-
	1.9	-	-
* Multi-Manager	9	14	-
	8.7	15.4	-
* Unit Trust Mandates	-	1	4
	-	1.1	4.7
Aggressive Market Linked	1	5	5
	1	5.5	5.8
* Single Managers (Segregated or Pooled)	-	2	3
	-	2.2	3.5
* Single Managers (Segregated)	1	-	-
	1	-	-
* Single Managers (Pooled)	1	-	-
	1	-	-
* Multi-Managers	4	4	4
	3.8	4.4	4.7
* Unit Trust Mandates	-	-	1
	-	-	1.2
Other	-	4	-
	-	4.4	-
Not applicable	13	-	-
	12.5	-	-
None	8	-	-
	7.7	-	-
Don't know	5	23	18
	4.8	25.3	20.9
Total of table	104	91	86
	100	100	100

**Q9.9** Is the basic admin fee (i.e. the pure admin fee) charged as follows...

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>BASIC ADMIN FEE CHARGED AS FOLLOWS...</b>			
All members pay the same administration fee regardless of whether they exercise investment choice or not	93	74	78
	89.4	81.3	90.7
Members who do not exercise investment choice pay a lower administration fee	7	8	3
	6.7	8.8	3.5
Not applicable	2	-	-
	1.9	-	-
Others	2	-	-
	1.9	-	-
Total of table	104	-	-
	100	-	-

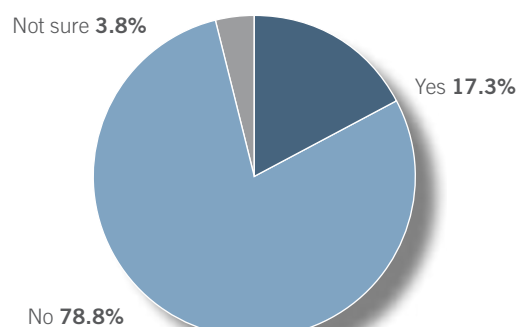
**Q9.10** How frequently is switching allowed?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104	91	86
	100	100	100
<b>FREQUENCY OF SWITCHING</b>			
Daily	26	14	18
	25	15.4	20.9
Weekly	1	1	2
	1	1.1	2.3
Monthly	28	27	34
	26.9	29.7	39.5
Quarterly	4	8	4
	3.8	8.8	4.7
Half-yearly	11	7	8
	10.6	7.7	9.3
Annually	32	29	15
	30.8	31.9	17.4
2x Month	-	1	1
	-	1.1	1.2
Never	2	3	3
	1.9	3.3	3.5
Don't know	-	1	1
	-	1.1	1.2
Total of table	104	91	86
	100	100	100

**Q9.11a** Does the fund include a Shari'ah compliant portfolio on the investment selection for members?

	2009 TOTAL
THOSE OFFER MEMBER INVESTMENT CHOICE	104
	100

**INCLUDE A SHARI'AH COMPLIANT PORTFOLIO ON INVESTMENT SELECTION FOR MEMBERS**

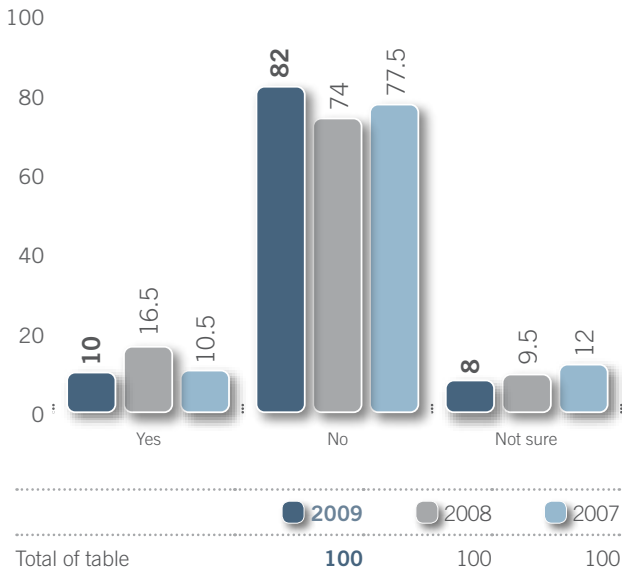


Total of table	104
	100

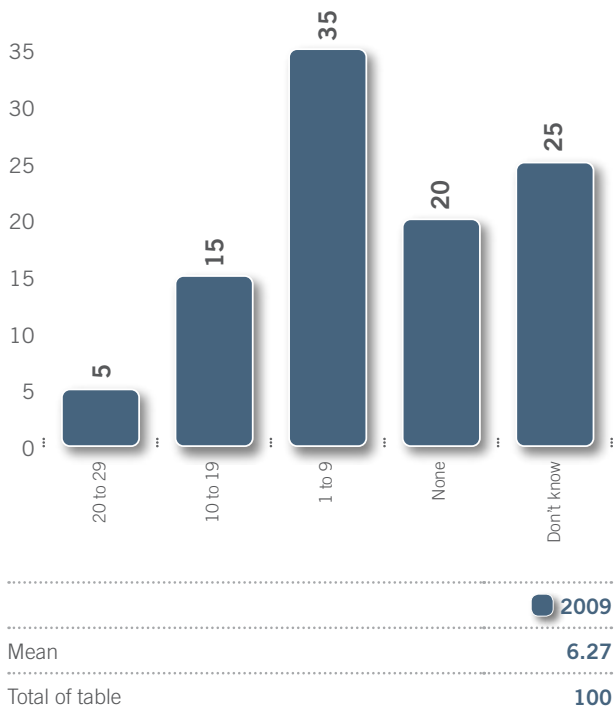
**Q9.11b** Which portfolio is included?

	2009 TOTAL
THOSE WHO INCLUDE A SHARI'AH COMPLIANT PORTFOLIO ON INVESTMENT SELECTION FOR MEMBERS	18
	100
<b>INCLUDED...</b>	
Oasis Crescent portfolios	9
	50
Fraters	1
	5.6
Old Mutual	2
	11.1
Momentum	1
	5.6
Other	1
	5.6
Unsure	5
	27.8
Total of table	19*
	105.6

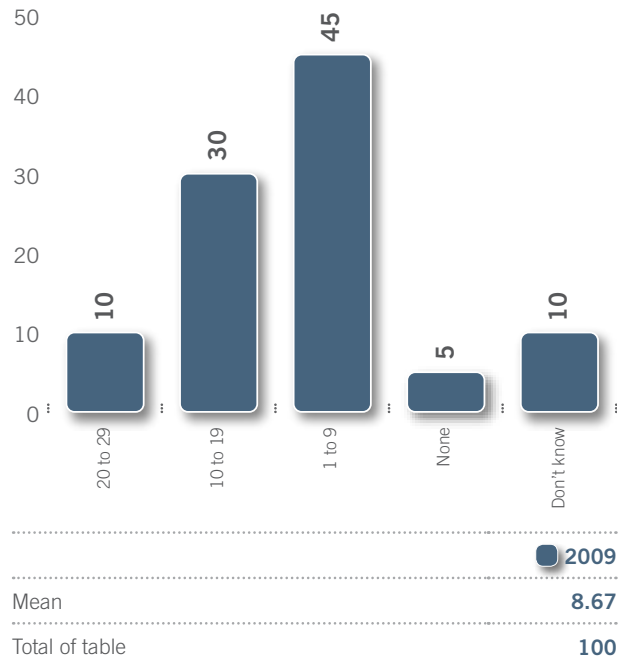
**Q9.12a** Does the fund have a policy to invest a proportion of its fund assets in Socially Responsible Investment Portfolios?



**Q9.12b** Currently how much of the fund's total assets are invested in SRI?



**Q9.12c** How much do you think should be invested in SRI?



**Q9.13** From the fund's perspective, how important are products that provide stable investment returns?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	200	200	200
	100	100	100
<b>PRODUCTS PROVIDING STABLE INVESTMENT</b>			
Very important (4)	124	113	117
	62	56.5	58.5
Important (3)	51	59	53
	25.5	29.5	26.5
Somewhat important(2)	20	20	26
	10	10	13
Not important (1)	3	4	3
	1.5	2	1.5
Not sure	2	4	1
	1	2	0.5
Mean	3.49	3.43	3.43
<b>SUMMARY</b>			
Very/important	175	172	170
	87.5	86	85
Total of table	200	200	200
	100	100	100



**Q9.14** How does the fund rate the following products' ability to provide stable investment returns to fund members? - Cash

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	200	200	200
	100	100	100
<b>CASH</b>			
Very good (5)	55	60	57
	27.5	30	28.5
Good (4)	64	53	47
	32	26.5	23.5
Moderate (3)	50	46	34
	25	23	17
Poor (2)	13	12	23
	6.5	6	11.5
Very poor (1)	3	4	8
	1.5	2	4
Not sure	15	25	31
	7.5	12.5	15.5
Mean	3.84	3.87	3.72
<b>SUMMARY</b>			
Very/good	119	113	104
	59.5	56.5	52
Very/poor	16	16	31
	8	8	15.5
Total of table	200	200	200
	100	100	100

**Q9.14** How does the fund rate the following products' ability to provide stable investment returns to fund members? - Smoothed bonus

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	200	200	200
	100	100	100
<b>SMOOTHED BONUS</b>			
Very good (5)	32	33	45
	16	16.5	22.5
Good (4)	62	83	80
	31	41.5	40
Moderate (3)	56	39	32
	28	19.5	16
Poor (2)	12	5	7
	6	2.5	3.5
Very poor (1)	-	4	4
	-	2	2
Not sure	38	36	32
	19	18	16
Mean	3.7	3.83	3.92
<b>SUMMARY</b>			
Very/good	94	116	125
	47	58	62.5
Very/poor	12	9	11
	6	4.5	5.5
Total of table	200	200	200
	100	100	100

**Q9.14** How does the fund rate the following products' ability to provide stable investment returns to fund members? - Structured Products

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	200	200	200
	100	100	100
<b>STRUCTURED PRODUCTS</b>			
Very good (5)	9	15	23
	4.5	7.5	11.5
Good (4)	55	70	78
	27.5	35	39
Moderate (3)	70	58	50
	35	29	25
Poor (2)	14	4	4
	7	2	2
Very poor (1)	2	1	2
	1	0.5	1
Not sure	50	52	43
	25	26	21.5
Mean	3.37	3.64	3.74
<b>SUMMARY</b>			
Very/good	64	85	101
	32	42.5	50.5
Very/poor	16	5	6
	8	2.5	3
Total of table	200	200	200
	100	100	100

**Q9.14** How does the fund rate the following products' ability to provide stable investment returns to fund members? - Absolute Return

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	200	200	200
	100	100	100
<b>ABSOLUTE RETURN</b>			
Very good (5)	26	20	20
	13	10	10
Good (4)	62	72	70
	31	36	35
Moderate (3)	56	53	60
	28	26.5	30
Poor (2)	13	6	6
	6.5	3	3
Very poor (1)	1	1	1
	0.5	0.5	0.5
Not sure	42	48	43
	21	24	21.5
Mean	3.63	3.68	3.65
<b>SUMMARY</b>			
Very/good	88	92	90
	44	46	45
Very/poor	14	7	7
	7	3.5	3.5
Total of table	200	200	200
	100	100	100

**Q9.15** How important are investment products that provide guarantees to fund members?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>IMPORTANCE</b>			
Very important (4)	78	72	71
	39	36	35.5
Important (3)	49	62	54
	24.5	31	27
Somewhat important (2)	41	38	43
	20.5	19	21.5
Not important (1)	26	20	21
	13	10	10.5
Not sure	6	8	9
	3	4	4.5
Not applicable	-	-	1
	-	-	0.5
Differs for older and younger members	-	-	1
	-	-	0.5
Mean	2.92	2.97	2.93
<b>SUMMARY</b>			
Very/important	127	134	125
	63.5	67	62.5
Total of table	200	200	200
	100	100	100

**Q9.16** How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Cash

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>CASH</b>			
Very good (5)	41	52	58
	20.5	26	29
Good (4)	66	54	36
	33	27	18
Moderate (3)	42	33	36
	21	16.5	18
Poor (2)	5	13	8
	2.5	6.5	4
Very poor (1)	3	3	10
	1.5	1.5	5
Not sure	43	45	52
	21.5	22.5	26
Mean	3.87	3.9	3.84
<b>SUMMARY</b>			
Very/good	107	106	94
	53.5	53	47
Very/poor	8	16	18
	4	8	9
Total of table	200	200	200
	100	100	100

**Q9.16** How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Smoothed Bonus

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>SMOOTHED BONUS</b>			
Very good (5)	20	27	40
	10	13.5	20
Good (4)	67	77	73
	33.5	38.5	36.5
Moderate (3)	49	35	30
	24.5	17.5	15
Poor (2)	6	3	4
	3	1.5	2
Very poor (1)	3	3	5
	1.5	1.5	2.5
Not sure	55	55	48
	27.5	27.5	24
Mean	3.66	3.84	3.91
<b>SUMMARY</b>			
Very/good	87	104	113
	43.5	52	56.5
Very/poor	9	6	9
	4.5	3	4.5
Total of table	200	200	200
	100	100	100

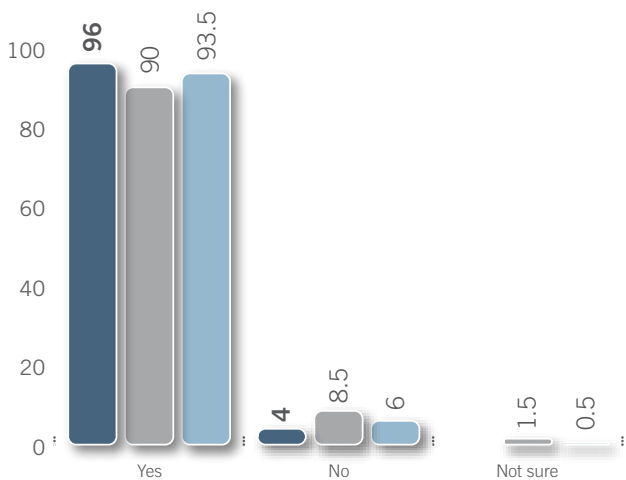
**Q9.16** How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Structured Products

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
<b>STRUCTURED PRODUCTS</b>			
Very good (5)	4	9	17
	2	4.5	8.5
Good (4)	53	57	60
	26.5	28.5	30
Moderate (3)	61	60	50
	30.5	30	25
Poor (2)	12	5	2
	6	2.5	1
Very poor (1)	3	-	-
	1.5	-	-
Not sure	67	69	9
	33.5	34.5	4.5
Mean	3.32	3.53	3.54
<b>SUMMARY</b>			
Very/good	57	66	77
	28.5	33	38.5
Very/poor	15	5	11
	7.5	2.5	5.5
Total of table	200	200	200
	100	100	100

**Q9.16** How does the fund rate the guarantees (if any) provided by the following investment products for purposes of benefit payments? - Absolute Return

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>ABSOLUTE RETURN</b>			
Very good (5)	15	10	19
	7.5	5	9.5
Good (4)	49	61	54
	24.5	30.5	27
Moderate (3)	57	52	50
	28.5	26	25
Poor (2)	12	9	6
	6	4.5	3
Very poor (1)	5		9
	2.5		4.5
Not sure	62	68	62
	31	34	31
Mean	3.41	3.55	3.49
<b>SUMMARY</b>			
Very/good	64	71	73
	32	35.5	36.5
Very/poor	17	9	15
	8.5	4.5	7.5
Total of table	200	200	200
	100	100	100

**Q9.17** Does the fund provide investment feedback to members?



	2009	2008	2007
Total of table	100	100	100

**Q9.18** How often does the fund provide investment feedback to members?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
FUND PROVIDES INVESTMENT FEEDBACK	192	180	187
	100	100	100
<b>PROVIDE INVESTMENT FEEDBACK...</b>			
Daily	7	7	7
	3.6	3.9	3.7
Weekly	1	1	-
	0.5	0.6	-
Monthly	33	27	34
	17.2	15	18.2
Quarterly	72	63	69
	37.5	35	36.9
Half-yearly	30	22	24
	15.6	12.2	12.8
Annually	48	59	53
	25	32.8	28.3
On request	1	1	0
	0.5	0.6	0
Total of table	192	180	187
	100	100	100

### Q9.19 How does the fund provide investment feedback?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUND PROVIDES INVESTMENT FEEDBACK</b>	<b>192</b>	180	187
	<b>100</b>	100	100
<b>HOW ...</b>			
Written notice	137	134	134
	<b>71.4</b>	74.4	71.7
Fax	1	2	1
	<b>0.5</b>	1.1	0.5
E-mail	46	39	29
	<b>24</b>	21.7	15.5
SMS	-	-	2
	-	-	1.1
Place information on the Internet or Intranet	62	50	68
	<b>32.3</b>	27.8	36.4
Feedback sessions	2	7	15
	<b>1</b>	3.9	8
Benefit statements	-	2	2
	-	1.1	1.1
Give you a C D	-	-	1
	-	-	0.5
Roadshow/verbal (i.e. presentation)	60	6	-
	<b>31.3</b>	3.3	-
Information on the notice board	2	-	-
	<b>1</b>	-	-
Meetings with trustees	1	-	-
	<b>0.5</b>	-	-
Workshop	-	1	-
	-	0.6	-
Newsletter	-	3	-
	-	1.7	-
In own language	-	1	-
	-	0.6	-
Other	1	3	2
	<b>0.5</b>	1.7	1.1
Total of table	<b>312</b>	248	254
	<b>162.5</b>	137.8	135.8

### Q9.20 What is covered in the investment feedback?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>FUND PROVIDES INVESTMENT FEEDBACK</b>	<b>192</b>	180	187
	<b>100</b>	100	100
<b>COVERED IN THE INVESTMENT FEEDBACK</b>			
Returns	141	135	142
	<b>73.4</b>	75	75.9
Returns vs. benchmarks	128	95	116
	<b>66.7</b>	52.8	62
Risk analysis	84	55	59
	<b>43.8</b>	30.6	31.6
Rule amendments	-	2	4
	-	1.1	2.1
Communication about the fund/size of fund	2	-	-
	<b>1</b>	-	-
Overview of the stock market/economic overview/commentary	6	10	9
	<b>3.1</b>	5.6	4.8
Investment management update/changes/allocation	-	6	4
	-	3.3	2.1
New legislation/changes in legislation	-	3	-
	-	1.7	-
Admin costs	-	2	-
	-	1.1	-
Advice to keep money in the scheme and not spend it	1	-	-
	<b>0.5</b>	-	-
Asset component of portfolio	3	-	-
	<b>1.6</b>	-	-
Guidelines	2	-	-
	<b>1</b>	-	-
Info on asset managers	1	-	-
	<b>0.5</b>	-	-
Translation of key investment words into 6 languages	1	-	-
	<b>0.5</b>	-	-
Projected benefits	2	-	-
	<b>1</b>	-	-
Where the investment is	1	-	-
	<b>0.5</b>	-	-
Impact of global economy on retirement pension	2	-	-
	<b>1</b>	-	-
Current vs target exposure	1	-	-
	<b>0.5</b>	-	-
Peer performance	2	-	-
	<b>1</b>	-	-
Member choice decision-when it was taken away	1	-	-
	<b>0.5</b>	-	-
Ratios	1	-	-
	<b>0.5</b>	-	-
Success of trading	1	-	-
	<b>0.5</b>	-	-
Other information	7	10	7
	<b>3.6</b>	5.6	3.7
Don't know	1	1	-
	<b>0.5</b>	0.6	-
Total of table	<b>388</b>	319	341
	<b>202.1</b>	177.2	182.4

**Q9.21** Which of the following Governance Instruments (properly negotiated and reduced to writing) are used?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
<b>GOVERNANCE INSTRUMENTS USED</b>			
Investment Policy Statement (IPS)	159	123	134
	79.5	61.5	67
Mandates for each investment product / portfolio	104	79	88
	52	39.5	44
Investment performance review	137	122	133
	68.5	61	66.5
None	-	1	6
	-	0.5	3
Don't know	5	3	2
	2.5	1.5	1
Total of table	405	328	363
	202.5	164	181.5

**Q9.22** How often is the Investment Policy reviewed?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
INVESTMENT POLICY STATEMENT (IPS)	159	123	134
	100	100	100
<b>REVIEWED</b>			
Monthly	1	-	-
	0.6	-	-
Quarterly	27	29	23
	17	23.6	17.2
Tri-annually	8	6	4
	5	4.9	3
Twice a year/more than twice a year	5	4	10
	3.1	3.3	7.5
Annually	113	76	87
	71.1	61.8	64.9
Ad hoc	1	1	1
	0.6	0.8	0.7
Every 2 years	2	1	2
	1.3	0.8	1.5
Not reviewed	-	-	1
	-	-	0.7
Other	1	-	-
	0.6	-	-
Not sure	1	6	6
	0.6	4.9	4.5
Total of table	159	123	134
	100	100	100

**Q9.23** How often are performance and compliance with mandates reviewed?

	2009 TOTAL	2008 TOTAL	2007 TOTAL
MANDATES FOR EACH INVESTMENT PRODUCT/PORTFOLIO OR INVESTMENT PERFORMANCE REVIEW	148	149	152
	100	100	100
<b>PERFORMANCE AND COMPLIANCE REVIEWED</b>			
Monthly	10	8	9
	6.8	5.4	5.9
More often than monthly	-	1	-
	-	0.7	-
Every 2 months	-	1	-
	-	0.7	-
Quarterly	60	66	72
	40.5	44.3	47.4
Tri annually	2	-	-
	1.4	-	-
Half-yearly	13	17	16
	8.8	11.4	10.5

	2009 TOTAL	2008 TOTAL	2007 TOTAL
MANDATES FOR EACH INVESTMENT PRODUCT/PORTFOLIO OR INVESTMENT PERFORMANCE REVIEW	148	149	152
	100	100	100
<b>PERFORMANCE AND COMPLIANCE REVIEWED</b>			
Annually	54	40	39
	36.5	26.8	25.7
Ongoing	1	-	-
	0.7	-	-
Not reviewed	1	1	2
	0.7	0.7	1.3
Other	1	3	1
	0.7	2	0.7
Not sure	6	12	13
	4.1	8.1	8.6
Total of table	148	149	152
	100	100	100

**Q9.24a** What benchmark do you use in your IPS/ Mandates to assess your investment manager's performance?

	<b>2009 TOTAL</b>
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>
<b>BENCHMARK</b>	
Peer performance in a published survey	<b>107</b>
	<b>53.5</b>
Published Index e.g. FTSE/JSE All Share Index	<b>71</b>
	<b>35.5</b>
Inflation	<b>69</b>
	<b>34.5</b>
Weighted combination of indices	<b>59</b>
	<b>29.5</b>
Returns	<b>2</b>
	<b>1</b>
Agreed upon/specified benchmarks/target %/mandates	<b>8</b>
	<b>4</b>
Don't evaluate	<b>1</b>
	<b>0.5</b>
Other	<b>10</b>
	<b>5</b>
Don't use a benchmark in our IPS/Mandate	<b>14</b>
	<b>7</b>
Don't know	<b>9</b>
	<b>4.5</b>
Total of table	<b>350</b>
	<b>175</b>

**Q9.24b** Which benchmark is most important when deciding whether or not to retain your investment manager?

	<b>2009 TOTAL</b>
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>
<b>BENCHMARK - MOST IMPORTANT</b>	
Peer performance in a published survey	<b>75</b>
	<b>37.5</b>
Published Index e.g. FTSE/JSE All Share Index	<b>20</b>
	<b>10</b>
Inflation	<b>33</b>
	<b>16.5</b>
Weighted combination of indices	<b>28</b>
	<b>14</b>
Agreed upon/specified benchmarks/target %/mandates	<b>6</b>
	<b>3</b>
Other	<b>6</b>
	<b>3</b>
Don't use a benchmark in our IPS/Mandate	<b>14</b>
	<b>7</b>
Don't know	<b>18</b>
	<b>9</b>
Total of table	<b>200</b>
	<b>100</b>

**Q9.25** What gross investment returns did the fund achieved in the last financial year?

	<b>2009 TOTAL</b>	<b>2008 TOTAL</b>	<b>2007 TOTAL</b>
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	200	200
	<b>100</b>	100	100
0%	<b>4</b>	-	-
	<b>2</b>	-	-
0.1 to 2.5 %	<b>13</b>	-	-
	<b>6.5</b>	-	-
2.6 to 5.0 %	<b>23</b>	-	-
	<b>11.5</b>	-	-
up to 5.0 %	-	4	8
	-	2	4
5.1 - 7.5 %	<b>12</b>	3	3
	<b>6</b>	1.5	1.5
7.6 - 10.0 %	<b>11</b>	3	10
	<b>5.5</b>	1.5	5
10.1 - 12.5 %	<b>4</b>	7	6
	<b>2</b>	3.5	3
12.6 - 15.0 %	<b>15</b>	18	13
	<b>7.5</b>	9	6.5
15.1 - 17.5 %	<b>5</b>	9	8
	<b>2.5</b>	4.5	4
17.6 - 20.0 %	<b>5</b>	26	16
	<b>2.5</b>	13	8
20.1 - 25.0 %	<b>4</b>	39	32
	<b>2</b>	19.5	16
25.1 - 30.0 %	<b>9</b>	41	29
	<b>4.5</b>	20.5	14.5
30.1 - 35.0 %	<b>1</b>	7	15
	<b>0.5</b>	3.5	7.5
35.1 - 40.0 %	-	2	7
	-	1	3.5
40.1 - 50.0 %	-	-	3
	-	-	1.5
None	-	-	1
	-	-	0.5
Mean %	<b>6.73</b>	21.33	21.73
Negative return	<b>59</b>	-	-
	<b>29.5</b>	-	-
Don't know	<b>33</b>	41	48
	<b>16.5</b>	20.5	24
Refused	<b>2</b>	-	-
	<b>1</b>	-	-
Total of table	<b>200</b>	200	200
	<b>100</b>	100	100

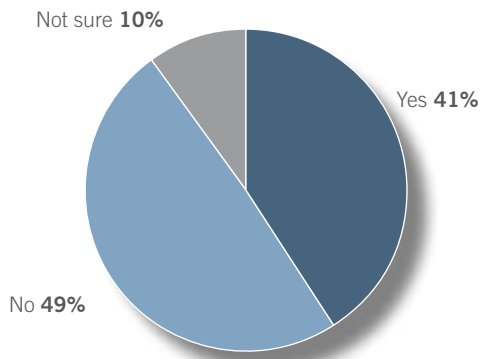
**Q9.26** Do you expect investment returns in 2009 to be.....

	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
<b>EXPECTATION OF INVESTMENT RETURNS IN 2009</b>		
Better than previous year	41	14
	20.5	7
The same or similar to previous year	52	27
	26	13.5
Poorer than previous year, but still positive	63	139
	31.5	69.5
Poorer than previous year, and negative	35	13
	17.5	6.5
Don't know	9	7
	4.5	3.5
Total of table	200	200
	100	100

**Q9.27a** The Minister of Finance has indicated that the offshore exposure for retirement funds would increase from 15% to 20%.

*In light of this have you applied to the SA Reserve Bank for an exemption in respect of offshore investment?*

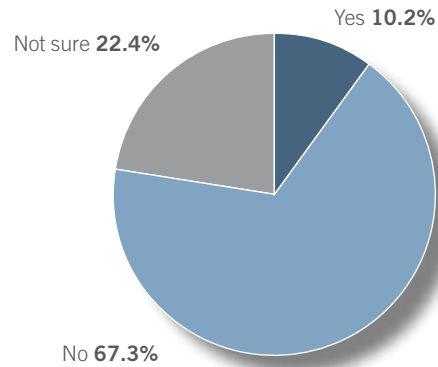
	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>APPLIED TO THE SA RESEVE BANK FOR EXEMPTION OF OFFSHORE INVESTMENT</b>	



Total of table	200
	100

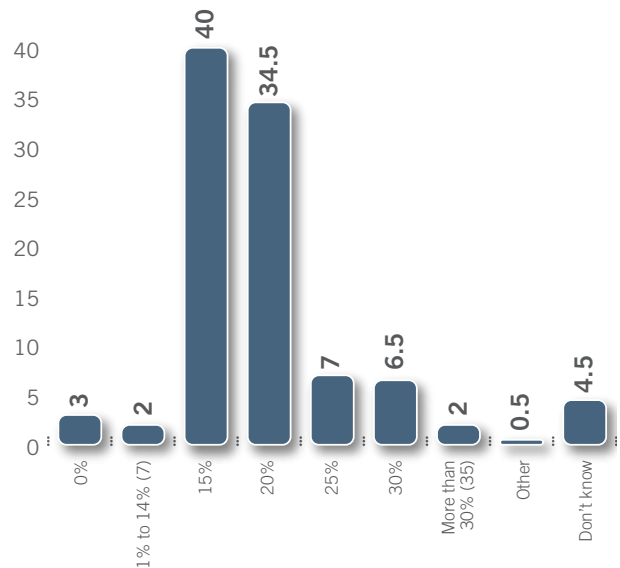
**Q.27b** Are you planning to apply?

	2009 TOTAL
THOSE WHO DID NOT APPLIED TO THE SA RESEVE BANK FOR EXEMPTION OF OFFSHORE INVESTMENT	98
	100
<b>PLANNING TO APPLY</b>	



Total of table	98
	100

**Q9.28** What do you believe is an ideal allocation for offshore investment?

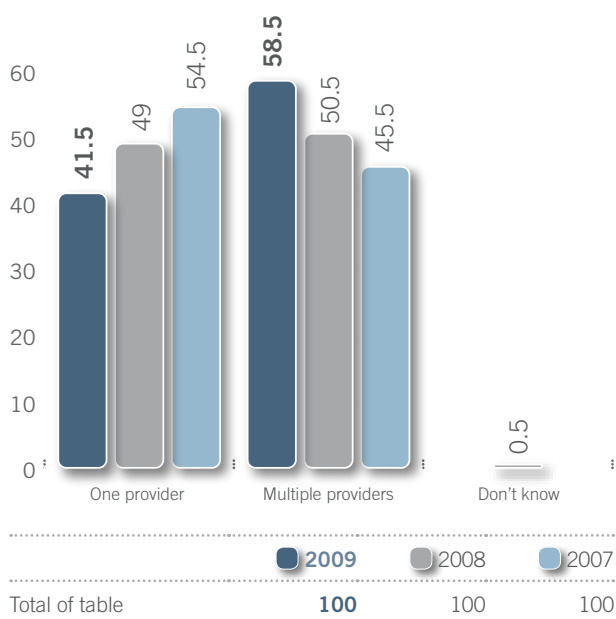


	2009
Mean	18.36
Total of table	100

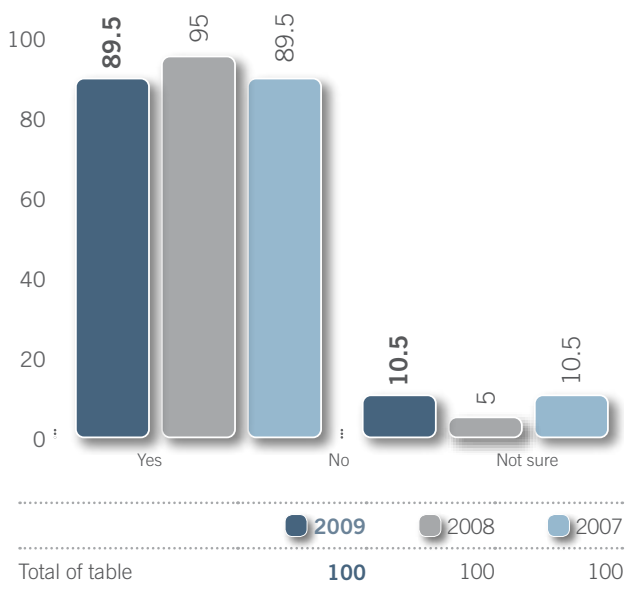


# Section 10: Special Topics

**Q10.1** In sourcing fund management expertise, does your fund use the same provider for administration, benefit consulting, investments etc. or do you source these from different providers?



**Q10.2** Does the fund have one -principal- consultant who takes a leading role in advising on fund management issues and co-ordination of different specialist providers?



**Q10.3** And which company is this?

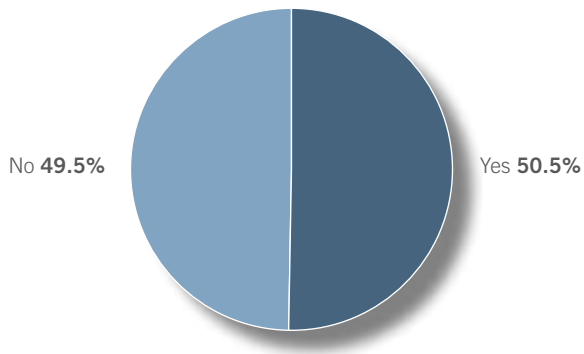
	2009 TOTAL	2008 TOTAL	2007 TOTAL
<b>RESPONDENTS SAYING FUND HAS ONE -PRINCIPAL- CONSULTANT WHO TAKES A LEADING ROLE IN ADVISING ON FUND MANAGEMENT ISSUES</b>	<b>179</b>	190	179
	<b>100</b>	100	100
<b>COMPANY</b>			
Alexander Forbes	57	58	50
	<b>31.8</b>	30.5	27.9
5th Quadrant	9	-	-
	<b>5</b>	-	-
JMA /Jacques Malan & Associates	5	-	2
	<b>2.8</b>	-	1.1
Liberty Corporate Benefits	14	9	13
	<b>7.8</b>	4.7	7.3
Metropolitan	1	5	3
	<b>0.6</b>	2.6	1.7
Momentum/Lekana	10	8	12
	<b>5.6</b>	4.2	6.7
NBC	13	5	8
	<b>7.3</b>	2.6	4.5
Old Mutual Actuaries and Consultants	7	16	11
	<b>3.9</b>	8.4	6.1
Sanlam	-	9	13
	-	4.7	7.3
Simeka (Sanlam)	9	4	11
	<b>5</b>	2.1	6.1
In house	-	-	3
	-	-	1.7
ABSA	12	-	-
	<b>6.7</b>	-	-
NMG	6	-	-
	<b>3.4</b>	-	-
AON	6	-	-
	<b>3.4</b>	-	-
Investment Solutions	2	-	-
	<b>1.1</b>	-	-
Other	28	75	53
	<b>15.6</b>	39.5	29.6
Refused	-	1	-
	-	0.5	-
<b>Total of table</b>	<b>179</b>	190	179
	<b>100</b>	100	100

**Q10.4a** Does the fund make use of an independent investment consultant?

BASE: ALL RESPONDENTS

2009 TOTAL 200

MAKE USE OF INDEPENDENT INVESTMENT CONSULTANT 100



Total of table 200

100

**Q10.4b** Who provides this service?

	2009 TOTAL
THOSE WHO MADE USED OF INDEPENDENT INVESTMENT CONSULTANT	101
100	
<b>PROVIDES SERVICE</b>	
5th Quadrant	17
16.8	
Liberty Corporate Benefits	8
7.9	
JMA / Jacques Malan & Associates	5
5	
Old Mutual Actuaries and Consultants	6
5.9	
Simeka	2
2	
Hollard	1
1	
Momentum	1
1	
Investec	1
1	
Oasis	1
1	
Investment Solutions	11
10.9	
Coris	2
2	
Allan Grey	5
5	
Alexander Forbes	2
2	
Other	38
37.6	
Don't know	1
1	
Total of table	101
100	

**Q10.5** Thinking about the NSSS if it is implemented do you feel that...

	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
<b>IF NSSS IS IMPLEMENTED...</b>		
It should be compulsory for everyone earning above a certain income threshold	16	16
	8	8
It should be compulsory for everyone earning below a certain threshold	46	70
	23	35
Members should have the option to opt out of the NSSS if they wish	112	98
	56	49
Everybody should be made to join	16	10
	8	5
Should be allowed to opt out if they belong to a well governed fund	1	-
	0.5	-
Others	1	2
	0.5	1
Not sure	11	13
	5.5	6.5
Total of table	203	209
	101.5	104.5

**Q10.6a** Have you experienced any physical impact of the NSSS on your fund membership?

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>EXPERIENCE ANY PHYSICAL IMPACT OF THE NSSS</b>	
Total of table	200
	100

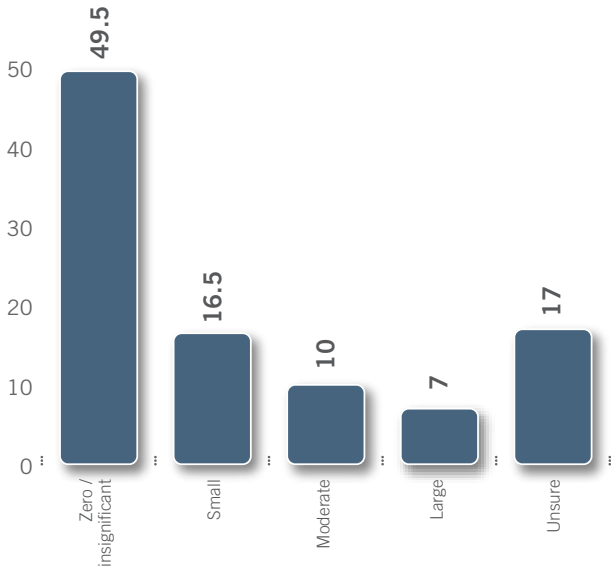
**Q10.6b** How has it impacted your fund membership?

	2009 TOTAL
THOSE WHO EXPERIENCED ANY PHYSICAL IMPACT OF THE NSSS ON THEIR MEMBERSHIP FUND	200
	100
<b>IMPACTED ...</b>	
People want their money out/want to resign to get money out	15
Negatively	75
	1
150 Staff went on strike	5
	1
Members worried, unhappy, uncertain	5
	3
Hesitant to contribute	15
	1
	5
Total of table	21*
	105

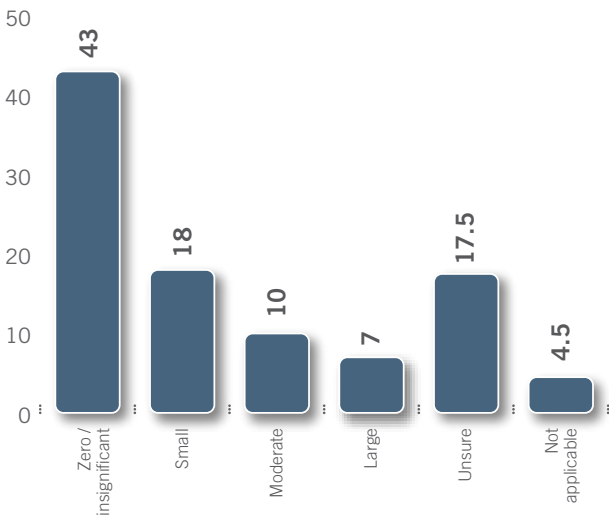
**Q10.7** How did you learn about the NSSS in 2008?

	2009 TOTAL
BASE: ALL RESPONDENTS	200
	100
<b>LEARN ABOUT NSSS IN 2008 FROM...</b>	
Consultant	112
	56
Government	23
	11.5
Industry	24
	12
Media	129
	64.5
Publications	54
	27
Fund administrator	3
	1.5
Did not know about it	1
	0.5
Seminars	2
	1
Hot topics - Alexander Forbes/Jaques Malan	2
	1
Other	7
	3.5
Total of table	357
	178.5

**Q10.8** Thinking about the investment portfolios which your fund holds locally and internationally, what was your exposure to the -toxic asset- from the sub-prime crisis?

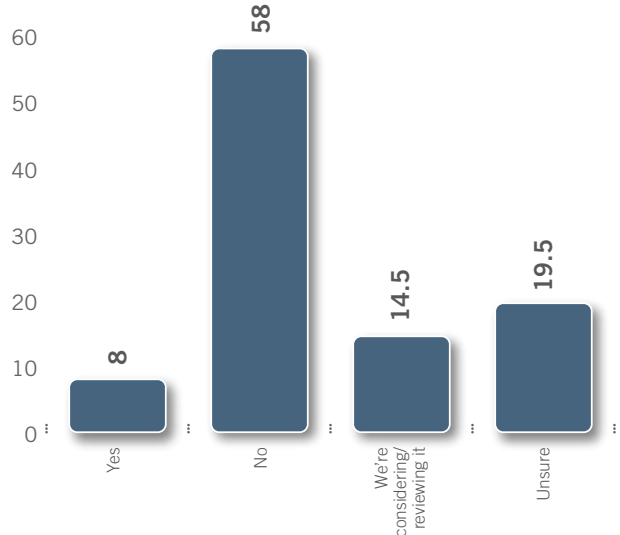


**LOCAL ASSETS** 2009  
Total of table 100



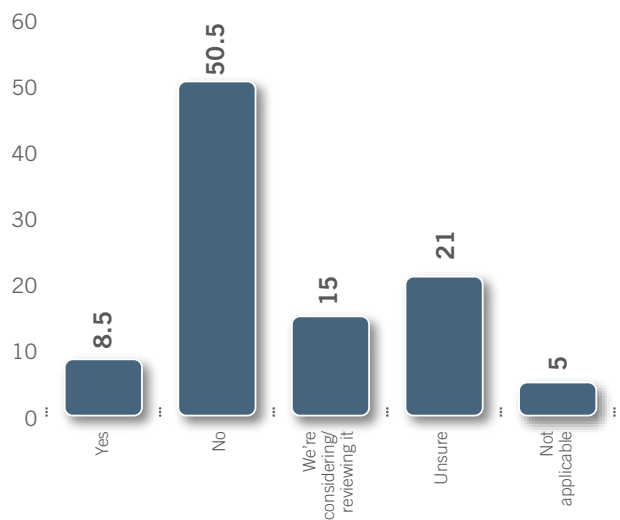
**INTERNATIONAL ASSETS** 2009  
Total of table 100

**Q10.9** Will you change the credit exposure conditions in your investment mandates as a result of the sub-prime crisis?



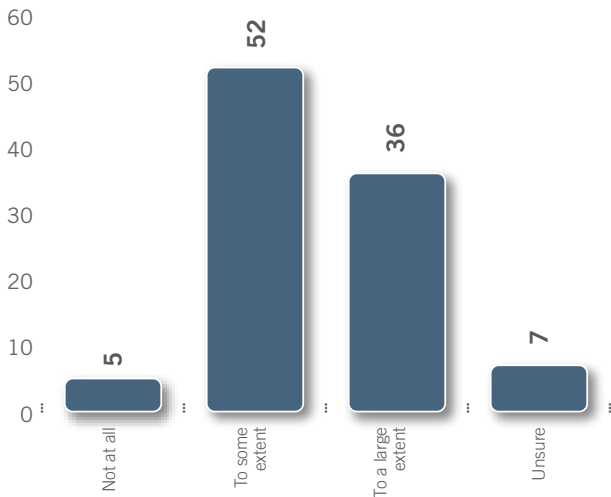
**LOCAL ASSETS** 2009  
Total of table 100

**Q10.8** Thinking about the investment portfolios which your fund holds locally and internationally, what was your exposure to the toxic asset” from the sub-prime crisis?”



**INTERNATIONAL ASSETS** 2009  
Total of table 100

**Q10.10** To what extent do you believe that investment returns will be negatively impacted in 2009 as a result (directly or indirectly) of the sub-prime crisis?



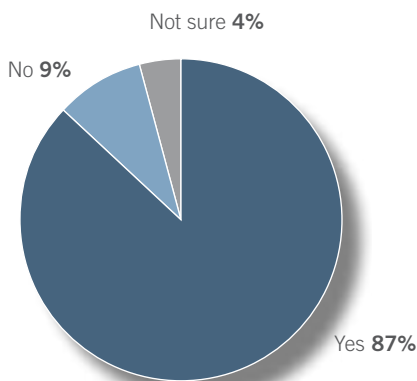
	2009
Total of table	100

**Q10.11** Do you believe the local banking industry is stable and secure relative to the US/Global banking industry?

BASE: ALL RESPONDENTS

2009 TOTAL 200 100

**LOCAL BANKING INDUSTRY SECURE TO US/GLOBAL BANKING INDUSTRY**



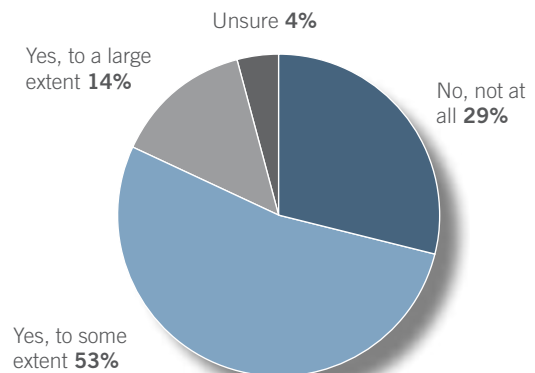
Total of table	200
	100

**Q10.12** Has your company been negatively impacted by the sub-prime crisis (either directly or indirectly)?

BASE: ALL RESPONDENTS

2009 TOTAL 200 100

**COMPANY NEGATIVELY IMPACTED BY THE SUB-PRIME CRISIS**



**SUMMARY**

Any yes	134
	67
Total of table	200
	100

**Q10.13** How did your investment consultant react to the impact of the credit crisis?

BASE: ALL RESPONDENTS

2009 TOTAL 200 100

**INVESTMENT CONSULTANTS REACTION TO THE IMPACT OF THE CREDIT CRISIS**

Knee-jerk reaction	9
	4.5
Pro-active reaction	76
Communicated to members	87
	43.5
Provided counselling to members	9
	4.5
Did nothing - negative	6
	3
Nothing to react on/did not react	22
	11
Other	5
	2.5
Don't know	5
	2.5
Total of table	219
	109.5

**Q10.14** How do you feel about your investment consultant's reaction?

	2009 TOTAL		2009 TOTAL
<b>BASE: ALL RESPONDENTS</b>	<b>200</b>	<b>BASE: ALL RESPONDENTS</b>	<b>200</b>
	<b>100</b>		<b>100</b>
<b>FEELINGS ABOUT INVESTMENT CONSULTANT'S REACTION</b>		<b>FEELINGS ABOUT INVESTMENT CONSULTANT'S REACTION</b>	
Total Positive/neutral	151	Understand that there is nothing he can do	9
	75.5		4.5
No reaction/did not apply/no necessity	10	Total Negative	28
	5		14
Positive/happy with reaction	91	Not confident in him/jittery	3
	45.5		1.5
Neutral	9	Communication a bit late	2
	4.5		1
Professionally handled	17	Surprised that he was not concerned	2
	8.5		1
Open disclosure	9	Lack of communication	10
	4.5		5
Reassuring/told us no reason for concern/not to panic/market will recover	25	Were not pro active	5
	12.5		2.5
They were pro active	12	Pathetic/disgusted/bad	7
	6		3.5
Informative/kept abreast of salient information	16	Bit sceptical about what they are telling us	2
	8		1
We are a young new company, excusable	1	Gave us wrong advice	2
	0.5		1
Happy as fund did not do too badly	5	Others negative	1
	2.5		0.5
He was very knowledgeable	2	Don't know	2
	1		1
Info enabled us to be pro active/restructure investment profile	6	Total of table	430
	3		215
They are on top of issues/spot on with what he is trying to do/efficient	3		
	1.5		



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