



Letter from the Principal Officer



Dear members

I would like to take this opportunity to wish you all a happy and successful 2020!

In the words of Ellen Goodman:
“We spend January 1st walking through our lives, room by room, drawing up a list of work to be done, cracks to be patched. Maybe this year, to balance the list, we ought to walk through the rooms of our lives ... not looking for flaws but for potential.”

These words ring especially true when it concerns your retirement savings. We encourage you to look for the “potential” and use every opportunity to learn more about the Fund and how you can grow and maximise your retirement savings.

In this newsletter we focus our attention on your death benefit and the options available to you. Please take the time to read this important information.

As we embark on this New Year, let’s continue to work together towards securing the financial future that you deserve.

Things to look out for during 2020

Member Education Sessions
 We are coming to visit a Local Authority near you!

If you would like us to host a session near you send a note to LARetirementFundCommunication@oldmutual.com

Annual General Meeting
 The 36th Annual General Meeting will take place on 29 May 2020. You will receive your detailed invitation shortly.

Member Trustee Election
 A vacancy for a member trustee will need to be filled by 01 January 2021 as Ms Michelle van Zyl’s term as member trustee will end on 31 December 2020.

Watch this space for more information!

How do I go about getting access to the member app?



SECURE WEBSITE



Go to **Google Play** or **App Store**



Search for **InTouch by Verso**.
Download and **accept**.



Open in the **InTouch App**.
Click on **Log in**.



Select **New User**.
 Fill in your **Surname, ID Number** and **Cell Phone Number**.
Click register.



You will receive an **SMS** with your **User Name** and **Password** on **successful registration**.
 Use these details to **Log in** to the **InTouch by Verso App**.

Alternatively, please visit www.laretirementfund.co.za and click on the secure website app.

Death benefit – applicable to members who joined the Fund after 1 August 2017

Being a member of the Fund means that you have the flexibility to decide on the amount of cover that best suits your needs and budget. You therefore had the option to choose the level of cover you needed when you joined the Fund. If you did not let us know what you wanted at the time, you qualified for the default cover applicable to your age band.

Remember that you may also decide to **increase or decrease your cover with effect from 1 July every year and/or within 3 months of a life event.**

What is the benefit for which I qualify?

The table below illustrates the different age bands, the level of death cover (multiples of annual pensionable salary) available in each age band and the default selection that applied if you did not make a formal selection when you joined the Fund. Qualifying for the default means that your benefit will automatically reduce from 3 times annual pensionable salary to 2 times annual pensionable salary on 1 July following your 50th birthday.

Age	Multiple of Pensionable annual salary
Younger than 30	Choice (multiples of annual pensionable salary) No cover, 1, 2, 3, 4, 5 times
Default	Three times annual pensionable salary
Age 30 - 39	Choice (multiples of annual pensionable salary) No cover, 1, 2, 3, 4, 5 times
Default	Three times annual pensionable salary
Age 40 - 49	Choice (multiples of annual pensionable salary) No cover, 1, 2, 3, 4, 5 or 6 times
Default	Three times annual pensionable salary
Age 50 - 54	Choice (multiples of annual pensionable salary) No cover, 1, 2, 3, 4, 5 times
Default	Twice annual pensionable salary
Age 55 - 75	Choice (multiples of annual pensionable salary) No cover, 1 or 2 times
Default	Twice annual pensionable salary

What is my current level of death cover?

Please check the member information section of the secure website or via the Verso mobile app. This detail also appears on your 30 June 2019 Benefit Statement or you may contact the Fund Support Services Centre for assistance.

What are my options?

A Changing your level of cover on 1 July

Once a year you may change your level of cover by increasing or decreasing your chosen multiple. Your application **to increase** your cover must be received by the administrator **by 31 March** and, if approved by the insurer, the increase will take effect from the 1st of the month following the insurer's approval (earliest 1 July). An application to increase death cover is subject to you providing proof of good health to the insurer. The medical information required will be determined by the insurer and the costs associated with medical tests and/ or examinations will be paid for by the insurer. If you decide **to decrease** your cover, your application must be **received by 31 May**. No medical information is required when requesting a decrease in death cover. You can access the form from the website under risk benefits: Change in insured death benefit option form.

B Changing your level of cover within 3 months of a life event

You may also choose to increase or decrease your cover at any time should you experience a life event. A life event is defined as a marriage, a divorce, the death of a spouse, the birth of a child, promotion at work, and change in the employment contract from permanent and full-time to a fixed-term contract and vice versa. You have **3 months from the date of the life event** in which to apply for a change in your life cover. Please access the form from the website under risk benefits: Life events that require a change in insured death and disability income benefits option form.

C Moving age bands

Moving from the 30-39 age band to the 40-49 age band – you may elect to increase your cover from a maximum multiple of 5 times your annual pensionable salary to 6 times your annual pensionable salary.

Moving from the 40-49 age band to the 50-54 age band – your maximum multiple reduces from 6 to 5 times your

annual pensionable salary. Members who opted for 6 times annual pensionable salary will automatically be moved to 5 times annual pensionable salary from 1 July following the attainment of age 50.

Moving from the 50-54 age band to the 55-75 age band – your maximum multiple reduces from 5 times to 2 times your annual pensionable salary. On the 1st of July following the attainment of age 55 members who selected 5, 4 or 3 times annual pensionable salary will automatically be changed to 2 times annual pensionable salary death cover.

The following is important to remember:

- The maximum amount of cover reduces with age. The reason for this is that cover becomes increasingly more expensive the older we become. The Trustees prefer members to save for retirement rather than paying large premiums for death cover.
- If you are in the 30-39 age band and have chosen the maximum multiple of 5 times your annual pensionable salary and you do not make a selection on moving age bands, you will automatically still qualify for a multiple of 5 times your annual pensionable salary on moving to the 40-49 age band. This is despite the fact that you could have applied to increase your cover multiple to 6 times your annual pensionable salary.
- If you are in the 40-49 age band and have chosen the maximum multiple of 6 times your annual pensionable salary and you do not make a selection on moving age bands, the new maximum multiple of 5 times cover will be applied on moving to the 50-54 age band.
- From the 1st of July following the attainment of age 55, the maximum multiple of cover is 2 times annual pensionable salary.

What are the important trigger ages when the maximum cover changes?

- When you turn 40, you may increase your maximum cover to 6 times your annual pensionable salary.
- When you turn 50, your maximum multiple reduces from 6 to 5 times your annual pensionable salary.
- When you turn 55, your maximum multiple reduces from 5 to 2 times your annual pensionable salary.

Taking care of the ones you love

Although death is a topic we would much rather not think about, it is true: "In this world nothing can be said to be certain, except death and taxes."

There are, however, a few simple things that you can do to ensure that your loved ones do not experience unnecessary delays with the processing of a claim should you pass away.

1. Beneficiary nomination

To pay out a death benefit, the Fund must make sure that all the people who depended on you for financial support, all your dependants, and anyone whom you had a legal responsibility to support are fairly considered and protected.

To do this, the Board of Trustees rely on the details included on your beneficiary nomination form and any additional information provided by your employer, colleagues and family. A complete and up to date beneficiary nomination form



makes the process easier and helps ensure that the claim can be settled as smoothly and quickly as possible.

You can update your beneficiary details by completing the beneficiary nomination form on the Fund's website www.laretirementfund.co.za.

2. Update or create your last will and testament

Many of our members who have died in service have sadly done so without having a valid Will in place. This makes things so much more difficult and stressful for their loved ones as it can take many years for their estate to be wound up and this inevitably leaves their family with access to little or no money in the interim.

You can prevent this by drafting a Will and we can assist you by referring you to skilled individuals. If you are interested, you can contact the Fund Support Services Centre for assistance.