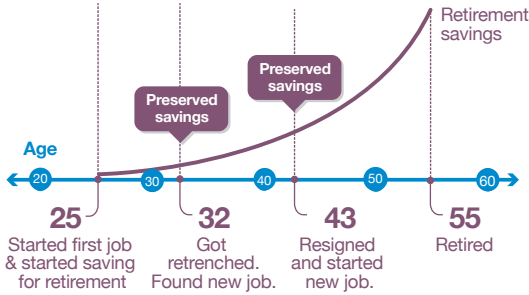




The Power of Preservation

Why you should reinvest all your retirement money when changing jobs

Scenario 1: Thembi preserved her savings & retired comfortably



R 496 317

Total capital contribution over 30 years

R 1 017 226

Interest earned in retirement fund

R 0

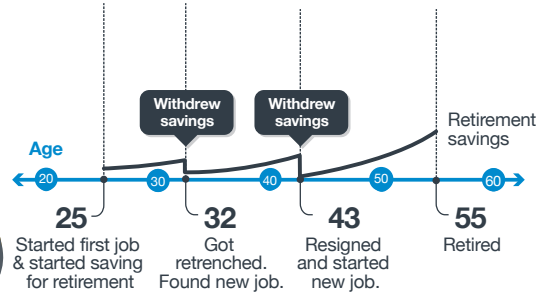
Total withdrawals over 30 years

R 1 513 543

Total retirement savings after 30 years

Almost 3x the savings, simply by preserving

Scenario 2: Thembi cashed in her savings & retired short on cash



R 496 317

Total capital contribution over 30 years

R 203 484

Interest earned in retirement fund

R 261 972

Total withdrawals over 30 years

R 527 079

Total retirement savings after 30 years

Assumptions: 9% p.a. interest earned on retirement savings; starting salary of R5000 p.m.; salary increases by 7.5% p.a. on average over career; contributes 8% of gross salary to retirement savings.

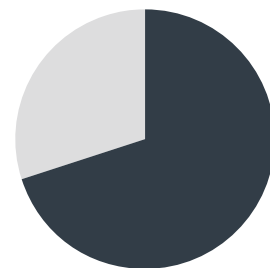
77% of members took some or all of their benefits in cash when withdrawing from a retirement fund. Of these:



45% did not understand the impact on their savings



39% regret withdrawing their savings early



70%

of retirement fund trustees believe not preserving is one of the biggest mistakes a member can make