

STAND-ALONE FUNDS

Shaping the future of the retirement fund industry



Employee Benefits

BENCHMARK | SURVEY

2010

2010 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.

2010 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%

Forward

We are pleased to present you with the research findings of our 30th annual BENCHMARK Survey.

At Sanlam Employee Benefits we understand that the retirement fund landscape is constantly changing, through economic effects, legislation or regulation. Over time, the needs of members and pensioners also change in response to the external environment. The Sanlam Employee Benefits team has recognised that members and pensioners are key stakeholders in the retirement fund industry.

We believe that we have a social responsibility as a good corporate citizen to improve the low savings level within South Africa. It is our aim to provide information to all retirement fund industry stakeholders at no cost. Our intent is that the information be used to effectively communicate with fund trustees and members on how to devise savings strategies in order for members to reach their retirement goals.

In this report we review some of the changes which have affected stand-alone retirement funds over the past financial year.

After more than eight months of hard work our dedicated team has completed this extensive report which I envisage will become a trusted reference as you design the most appropriate benefit structure for your retirement fund members.

Paul Myeza

CHIEF EXECUTIVE OFFICER
SANLAM EMPLOYEE BENEFITS



Introduction

At Sanlam Employee Benefits (SEB) we strive to understand the decision-making process of trustees and consumers.

The financial services industry is constantly affected by change through governance and compliance requirements. It is the intent of SEB to remain at the forefront of research into the retirement space. We choose to make our research available to all stakeholders in the industry at no cost to them. Our rigorous research process provides us with insights into the retirement fund industry. The results of the research are not prescriptive. Rather, this document is intended to serve as a guide to inform employee benefit designs.

The economic recession and the consequent disappearance of some of the major investment and insurance companies globally, have certainly had some impact on fund management. An overwhelming sixty two percent of funds have started to communicate with members on legislative changes and legal updates, where previously this was not the case.

This year the BENCHMARK Survey has evolved to focus on decisions taken by active members and pensioners' experiences in retirement. We have completed four separate studies amongst the following respondent groups:



- 200 principal officers
- 100 participating employers in umbrella funds
- 750 active members
- 250 pensioners

The member and pensioner samples have been split to include a 75:25 ratio between members on employer sponsored schemes and individuals who have only contributed to a retirement annuity.

The BENCHMARK Survey is a quantitative study, supported by extensive data mining on our internal administrative system to correlate some of our research findings with actual member experiences. Communication with members remains a contentious issue, with Trustees perceiving that more than two thirds of members have a low level of understanding of the financial advice and information provided to them.

It is against this backdrop that the BENCHMARK Survey team continually explores the challenges faced by Trustees and members alike. Our dedicated team of actuaries, research practitioners, an economist and an attorney has committed many hours of hard work to designing questionnaires, analyzing 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 the research results.

A copy of the detailed research reports on each of the other studies can be downloaded from our website on <http://www.sanlambenchmark.co.za>.

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Behavioural effects

Impact of the Crisis on long term retirement security

Elias Masilela and Viresh Maharaj

Introduction

This article looks at some effects of the economic crises on economic players, in particular the consumer.

In light of the dismal saving record in South Africa, and growing need for long term savings to finance both a social and economic backlog, this subject needs to be elevated in policy debate going forward. There is a growing fear that the savings trend has been affected - structurally.

Impact of crisis on trust

A number of risks were identified at the outset of the crisis and more as it unfolded. Some of these have already been realised and constitute a wide range of effects, namely:

- Economic slowdown;
- A vicious cycle, originating from a financial crisis to a multi-faceted crisis; as well as
- Collapsing asset prices.

These developments resulted in governments experiencing widening deficits as tax bases collapsed and social interventions were necessitated as well as company performance swinging from profits to losses leading to closures across the globe. Ultimately, households experienced income collapses and rising dependency as unemployment grew. These developments resulted in the crisis briskly transforming itself from a financial one to a social crisis. In turn, it is this transformation that is a deep concern for the retirement industry with a particular focus on the negative impact that has been felt by households and individuals.

A number of long term developments have taken place following the crisis, where:

- The structural gap between developing and developed economies has narrowed meaning that it is no longer the case that developed economies are the benchmark for global best practice;
- Unemployment is as much a concern to developing countries as it is to developed economies;
- The same applies to fiscal imbalances. The concern of growing fiscal imbalances amongst OECD economies, in particular amongst the PIGS¹ group of economies in Europe, is becoming a real concern;
- The developed world is increasingly looking to the emerging world for insights into sustainable implementation of policies as well as regulation.

These experiences have led to the evolution of a very interesting new world order - thanks to the economic crisis.

However, what has not been determined, thus far, are the underlying behavioural impacts of the crisis. How deep and how long-term these will be and whether or not they will result in structural changes to the financial sector as well as the economy at large. What is clear though is that every economic player, ranging from government to regulators to service providers as well as consumers, has been affected in one way or another. It has already been established that subsets amongst the latter two groups have been affected significantly differently depending on their preparedness to deal with the crisis. The differential preparedness is defined by the level of savings ahead of the crisis, which had an important differentiating effect amongst players in this category.

¹ Portugal, Ireland, Greece and Spain

Those with higher savings had the fortunate ability to dip into reserves, which significantly mitigated the negative impact of the crisis. Whereas, those experiencing high levels of indebtedness, suffered most. This has been observed at the level of individuals, institutions as well as countries.

We have seen key policies being elevated, not only in South Africa, but globally due to the systemic effects of the crisis. These include, amongst others;

- The role of the economy and in particular the relationship between savings, investment and growth;
- The importance of labour markets in business cycles; as well as
- The impact of waning trust towards the financial sector.

The impact of declining trust can easily be seen as the deepest behavioural impact on financial societies. Trust is the basis for every contract and business relationship therefore if the issues of diminishing trust are not resolved then it may spell a long term structural impairment of the financial sector. However, it has been common belief that trust has not been a major concern in the South African context. This, nonetheless, does not mean the economy is immune to the negative global impact of this phenomenon.

A recent study undertaken for the FSA found that consumer confidence towards the financial sector in the UK has historically been lower than towards other sectors. In a 2005 report by the Chartered Insurance Institute (CII) in the United Kingdom, it is revealed that 43% of consumers were found not to be confident that financial products will provide for their long-term future. This compares to 90% of people being satisfied or very satisfied with the way doctors do their jobs. That means only 10% are not confident of their medical providers.

What tilts the scale against the financial sector has been found to be two critically unique factors, namely the long term nature of the future promises made in this sector, as well as the professional, transparent and honest manner with which products are sold at the outset of a contract.

They argue that resolution of this debate will be a critical part of "... shap[ing] the future of trust in insurance and financial services in the UK."

According to the CII, trust is defined as a willingness to take on a certain level of risk because of a positive belief in the intentions and behaviour of another person or institution.

Their proposed response to the problem is an acknowledgement that "there is no silver bullet, and it will take time to build trust. Any revival is likely to depend as much on the detailed day-to-day actions of participants as on any single policy or institutional measure."

In that regard, they identify five key responses that are found essential to success, namely:

- Professionalism
- Transparency
- Regulation
- Corporate responsibility
- Outcomes

The last response is the most critical out of these five because it provides the most practical and tangible means for the consumer to be able to gauge delivery. In the same CII report, an important statement is made to the effect that, "For citizens, what counts the most is the bottom line. Many say they won't begin to trust the sector until their own personal finances recover – debt, homes, and jobs. How do we encourage a savings culture and a proper understanding of risk?"

UK's public commentary

- We have lost trust in the entire financial system, from the regulator to the bankers, for taking too many risks, failing to foresee or prevent the crisis, and continuing to dole out handsome bonuses throughout.
- We have lost trust in politicians, for their role in backing the economic model that failed, and for the cushy expense claims which were brought to light in the midst of it all.
- We have lost trust in the police, after high profile incidents of incompetence and gratuitous violence, from de Menezes to the G20 protests in the City
- And we've lost trust in the media, as we saw scandals rock not only commercial networks but also the publicly-owned BBC, from phone in scandals to prank calls.

Source: CII, 2010

The sentiments displayed by the UK consumer are not unique, or isolated within that economy. They are reflective of a much deeper problem that is observed across the globe.

If we contrast this with recent findings in the South African context, the picture is slightly more positive. There are a few more bright lights with the Ernst & Young financial confidence index recording an increase in the first quarter of 2010.

This is supported by the Merchantec CEO Confidence Index released in June 2010, which points to a continuing recovery in the economy. The index recorded its third consecutive quarterly gain from a 2009 second quarter low of 48.13. The report notes that, "The South African financial services sector did not have an impact on the economic crisis as was the case with the rest of the world." This is reflective of the generally more positive sentiment in the South African financial sector, which is a direct function of a strong banking sector and sound regulation.

In the recent BENCHMARK members and pensioner survey by Sanlam, we find that about 50% of active contributors to retirement funds feel confident that they will meet their retirement goals. As a result, the majority of the employed plan to retire at about the prescribed age, averaging 60. On the other hand, about 40% of the retired people consider themselves

financially independent. These results say a lot about their incomes in retirement, as well as how their investments are performing.

This is in contrast with other dispensations. More than half (55%) of Europeans believe they will have to delay their retirement because of the current economic climate, according to Aon Consulting. French and German workers are the most pessimistic, with 74% and 73% thinking about extending their working careers respectively, followed by the Irish (65%), the Swiss (67%) and the British (60%).

Of those who believe the economic situation will force them to delay retirement, the Irish and the British have the most gloomy outlook with nearly 90% and more than 80% of workers respectively saying they think they will have to delay retirement by over two years.

Coming back to South Africa, we find that 52% of the active members believe financial advisors have their best interest at heart. However, a staggering 61% of active members are not willing to pay for the advice. This may be explained by costs, rather than value of the service.

The optimism of pensioners in South Africa is not dissimilar to that of active members. South African pensioners seem to have not suffered from the crisis, as much as their counterparts elsewhere. More than

40% consider themselves financially independent. Despite living on retirement income, over 56% still manage to save. Many, over 84%, own and stay in their own houses. However, over 70% of pensioners fear outliving their retirement assets. Longevity risk is significant across the world.

Amongst pensioners who feel their incomes are not sufficient, only 16% work to supplement their incomes.

The picture painted by the working and pensioned populations, in South Africa, is challenged by rising dependencies. This phenomenon is explained by a combination of rising unemployment and rising mortality amongst the working-age population.

The average worker has an average of 2,38 direct dependants. But we know that in the South African context, many workers are faced with indirect dependants as a result of extended families and the impact of AIDS. Even worse, the survey finds that 30% of pensioners find themselves having to look after dependants apart from their spouses. On average, pensioners have 1,97 dependants.

Behavioural effects by grouping

This section attempts to identify a list of actions of the most likely effects left by the crisis and those which any policy response considered should endogenise. Whilst these are attributable by economic agent, there is one that seems to cut across all agents and that is short-termism.

Governments:

- Accommodative fiscal and monetary policy stances, to help mitigate the vulnerability of societies. Together these have deepened budget deficits and raised the burden of structural debt;
- Stepped up social interventions aligning these to long term structural goals;
- Some governments have renegotiated promises, forcing individuals into DC arrangements as well

as limiting benefits growth to inflation or walked away from these completely;

- Liberalised the labour market;
- Reform reversal and a shift towards DC rather DB arrangements;
- Wide ranging attempts to restore trust and confidence;
- Stepped up education and financial literacy;
- Started signalling the need to withdraw economic stimulants to ensure long term structural balance. However, inertia is a big risk here;
- Scramble to restore fiscal sustainability; and
- Some governments have become quite short-termist in their planning.

Regulators:

- Confidence on self-regulation was dealt a further blow;
- Reformed financial regulation and instruments; and
- Applied some focused interventions such as the provision of guarantees, removal of toxic assets, recapitalising institutions and transitioning out of institutions.

Consumers:

- On the back of collapsing asset prices, increased their consciousness about returns and performance on their assets;
- Collapsing incomes have caused consumers to increase their attention towards take home pay. This has had a tendency of increasing early withdrawals from funds and reducing voluntary contributions, where these existed;
- Feeling of increased vulnerability as a result of growing unemployment;
- Have grown increasingly insecure owing to growing vulnerabilities and realisation that they have to work longer, as accumulated savings are inadequate; and
- Scaling back on debt.

Service providers:

- Tightening of benefit structures;
- Herd behaviour amongst asset managers in particular;
- Stepped up liquidity management, as well as risk/collateral management.

Sectoral challenges

The treatment of the financial sector has also emerged as a crucial source of debate on the global arena. Industrialists have started arguing that the financial sector is being treated with kid gloves (soft-touch regulation). It is argued that many bankers should have been put behind bars for the extent of their mis-behaviour, the toxicity of their products and their sabotage of the world economy. The industrialists make the point that had this toxicity originated from the industrial sector, no support would have been provided by the state. Instead, many companies would have been shut down and the heads of these establishments arraigned in court.

However, the primary defence advanced for the manner in which the crisis was handled is that the financial sector is the engine of an economy and any imbalances recorded in this sector will quickly reverberate across all sectors of the economy defining its underlying systemic nature.

Incidentally, the biggest structural consideration for the South African economy will be the labour market as it is this sector that bares the biggest scars after the retirement savings sector. With respect to the latter, whilst we recorded the worst asset price collapse in history, the sector recorded firm recovery in 2009. The question that still remains is whether this recovery will be sustainable? The labour market will take many quarters before we can see a convincing recovery as it is a lagging economic variable. This situation is worse for economies typically characterised by a low level of flexibility in the labour market. According to the OECD, it is estimated that the average lag is 5 years in the whole of the OECD group whereas it is recorded at less than 5 years in the US. Whilst in Finland it can be as long as 18 years. The difference amongst these countries,

predominantly, is a function of flexibility.

An observation that has been made in South Africa, is that for the first time, the unemployed are now increasingly peppered with high income earners as evidenced in the latest UIF data. The structure and sensitivity of the labour market is critical for designing the right policy responses.

Learning from the OECD experience, we can easily see that the most vulnerable sub-categories in the labour market are the youth, low skilled workers and those under temporary contracts. This is observed from the magnitude of employment declines for these categories, between 2008 and 2009. This behaviour is observed to be also structural, where over a period of just below 50 years, the sensitivity to business cycles is highest amongst these categories.

At the aggregate level, over the period 2008/09, whilst the OECD experienced an employment decline of 1.8%, South Africa recorded 4.2%. This difference can also be attributable to flexibility differences.

Worker type	% Change in workforce (2008-09)	Business cycle sensitivity (1960-2007)
Total	-1.8	
Men	-2.9	99.2
Women	-0.3	101.4
Youth	-6.8	179.8
Prime workers	-1.7	87.2
Older workers	2.9	99.3
Low skilled	-2.5	110.7
Medium skilled	-5.4	97.4
High skilled	3.5	87.0
Self employed	-2.1	97.0
Permanent	-0.5	88.0
Temporary	-7.0	207.2
South Africa	= -4.2	

Source: OECD 2010

Across Europe and the OECD group of countries, systematic responses have been recorded to deal with labour market responses. These responses have been embarked upon, with the explicit understanding that any form of economic recovery will be hindered by a poor or non-responsiveness of the labour market. It cannot be forgotten that, retirement management is underpinned by the employment dynamics of an economy.

The OECD responses are wide ranging, to include:

- Temporary wage freezes
- Short-time working arrangements
- Flexibility with respect to work hours
- Training to increase the mobility and employability of labour
- Job subsidies
- Reduction in non-wage labour costs
- Public sector job creation
- Short-time week
- Job search assistance
- Training programmes
- Work experience
- Business start-up assistance
- Support for apprentices
- Unemployment benefits
- Social assistance
- In-work benefits
- Other support for job losses

Conclusion

Whilst South Africa's economy has emerged little scathed by the financial and economic malaise, it still remains exposed to secondary real economy effects, which will have had negative implications for job creation and thus savings ability. In order to mitigate this secondary impact as well as to capitalise

on an economic turnaround, it is essential that restructuring of and flexibility of markets be realised. This is particularly so for the labour market, as it is at the heart of the economy's ability to providing a base for higher savings potential and greater entry into the long term savings space.

That our active members and pensioners feel less affected by the slowdown, is particularly comforting. The above interventions are critical to ensure that this decoupling is sustained.

Selected references

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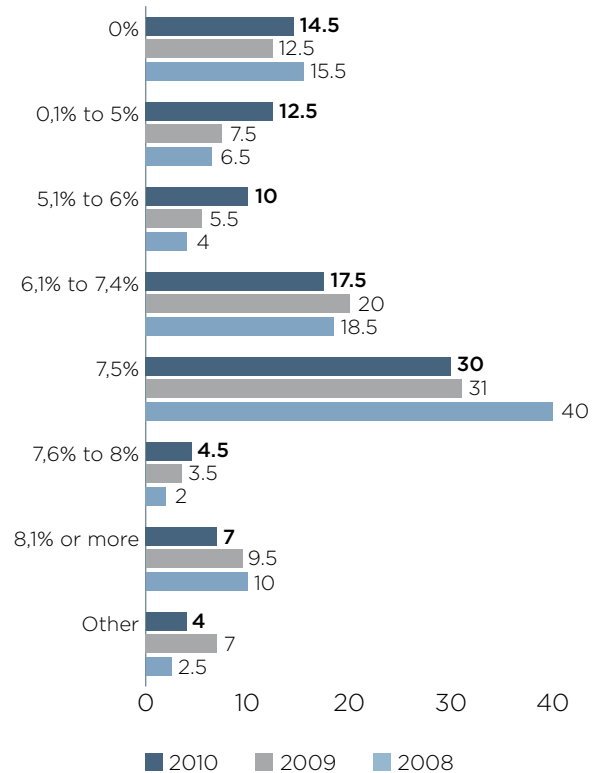
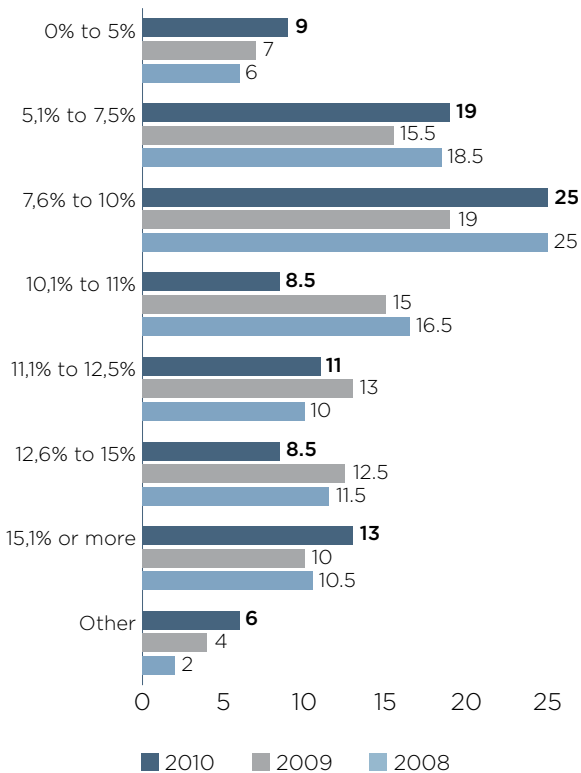
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Contributions

58% of funds (mostly provident funds) indicated that the employer’s remuneration package is based on a total cost to company, which is unchanged from the 58% in the 2009 survey. Also, 32% of the balance (again mostly provident funds) are contemplating such a structure.



The average **employer contribution** is 9.8%, which is slightly down from 9.9% in the 2009 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%. A split based on fund size, showed that large funds (funds with 5 000 or more members) had an average employer contribution of 9%, well below the total average with small funds (funds with 1 to 500 members) at 9.6% and medium funds at 10.1%.

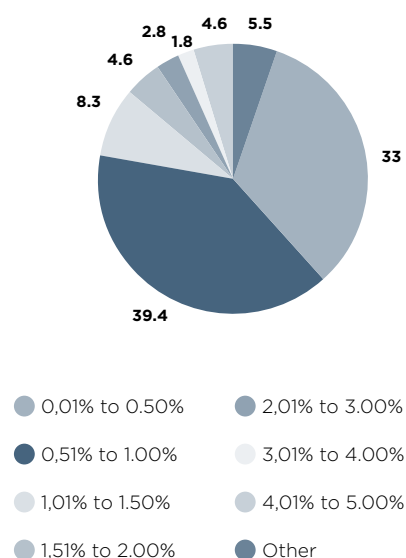
The average **employee contribution** is 5.8%, slightly down on the 5.9% in 2009. A split based on the fund type showed that members belonging to pension funds contributed on average 6.8% compared to those members belonging to provident funds who contributed 5.1% on average. A further split based on the size of the fund showed that members belonging to funds with a total membership of between 100 and 500 contributed on average 5.3%, well below the total average, whereas members belonging to funds with a total membership of between 500 and 5000 contributed on average 6.2%, well above the total average.

Cost of administration

The average cost per member is a fixed fee of R34 per month in line with R33 in 2009. About 63% (2009: 58%) of funds stated that their administrator bills separately for each item. 24% (2009: 23%) pay administration fees including all expenses, and 12% (2009: 18%) pay additional expenses not specified in the administration agreement. Meanwhile, 47% (2009: 49%) of funds do not operate a contingency reserve account. Of those that do, 43% (2009: 26%) fund the reserve by way of a deduction from employer contributions, while 26% (2009: 26%) express their contribution to the reserve account as a percentage of the administration fee. About 55% of funds are billed as a percentage of salary, as opposed to 59% in 2009. Only 30% (2009: 21%) are charged on a fixed cost basis per member, whilst 6% (2009: 12%) are billed as a percentage of assets.

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 39% of funds. The average cost is 0.9%, significantly down on the 1.3% in 2009. 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

	2010	2009	2008
Employer contributions	9.8	9.9	9.5
Death benefit premiums	(1.7)	(1.9)	(1.7)
Disability benefit premiums	(1.3)	(1.3)	(1.3)
Administration and operating costs	(0.9)	(1.3)	(1.1)
Retirement provision	5.9	5.4	5.4
Employee contributions	5.8	5.9	5.5
Total provision for retirement	11.7	11.3	10.9

Risk Benefits

The average cost of death benefits under a fund is 1.72% of salary compared to last year's average of 1.86%. The average cost of death benefits under a separate scheme has reduced to 1.68% last year to 1.4% this year.

The average cost of disability benefits offered under a fund has slightly decreased from 1.33% of salary in 2009 to 1.31% of salary in 2010. The average cost of these benefits under a separate scheme has increased to 1.13% from 1.05% last year.

The average cost of core and flex benefits in 2010 have decreased by 10% since 2008 to 1.56% for core benefits and 1.55% for flex benefits.

Risk Rebroke

There have been a 24% increase in funds that rebroke their business annually, from 51% in 2009 to 63% in 2010. In 2010, 79% of funds rebroke at least every 2 years whereas this figure was only 65% in 2006. Interestingly, medium size schemes rebroke more often than their smaller and larger counterparts.

The most important criteria for funds when rebroking are price, followed by confidence that valid claims will be paid and service levels. The least important criteria according to correspondents were the relationship with the broker and the brand of the insurer.

Capping of the Costs of Risk Benefits

The proportion of schemes applying caps to the cost of risk benefits have been steadily decreasing since 2008. In 2008 roughly 45% of schemes capped the cost of death and disability benefits; in 2010 this figure is about 33%.

Where schemes continue to cap the cost of risk benefits, the average cap as percentage of salary

have steadily increased in the last 3 years. In 2007 the average cap for death benefits was 2.1% of salary, in 2010 this figure was 2.7%. Similarly for disability benefits the average cap increased from 1.9% in 2007 to 2.4% in 2010.

The capping of cost of risk benefits is significantly more prevalent under large schemes than under small schemes.

Death Benefits

Virtually all funds provide lump sum death benefits, however the portion of schemes offering spouses and children's pensions are much smaller. None of the participating small schemes offered spouse's or children's pensions and only 20% of large schemes offered spouse's and children's pensions. The overall portion of schemes offering spouse's and children's pensions have decreased from 17% in 2006 to 12% in 2010.

The average death benefit payable by funds as a proportion of salary has increased from 3.2 times salary in 2006 to 3.6 times salary in 2010.

38% of the death benefits paid include the member's equitable share. This is an increase from 2009 when the figure was 33%

Of those funds offering flexible death benefits, the average minimum level of cover is 2.3 times salary, which is slightly down from the average of 2.5 in 2009. For those able to choose additional levels of cover, the average level chosen was 3.7 times salary, also down from the 2009 level of 4.7.

In the past year 61% of the fund respondents distributed death cover to minors. Funds have various policies on the distribution of benefits to minors, 41% of funds set up trusts to provide benefits while 23% of funds provide the benefits to a legal guardian. 14%

of funds would provide the funds to a legal guardian if they have the relevant expertise, the rest of the funds use alternative methods.

89% of schemes rely on the board of trustees to comply with the Section 37C process of dividing the benefit payable between the deceased member's beneficiaries. About 20% of larger funds would also use an independent committee or experts to assist trustees whereas smaller funds (about 14%) prefer to use the administrator (at an additional fee) to assist trustees.

The methods companies use to locate potential beneficiaries varies considerably between smaller and large companies. 84% of large companies use own staff resources as opposed to 57% of small companies. 71% of small companies rely on HR documentation only, for large companies the figure is about 40%.

Disability Benefits

In the 2010 survey, 25% of the fund respondents indicated that they provide a lump sum disability benefit under the fund and 15% of respondents provide lump sum disability benefits under a separate scheme. 60% of respondents don't provide lump sum disability benefits at all.

The average cover provided is 2.6 times salary which is slightly lower than the figure of 2009 which was 2.7 times salary. There are no significant differences between the levels of cover offered by funds of different sizes

42% of schemes reduce the lump sum payable on disability as the member approaches their normal retirement age with the reduction spread over an average period of 5 years.

72% of schemes that offered a permanent disability benefit chose to provide the disability income benefit only. This figure was even larger for small companies, 77% of small companies offer the disability income only, for large companies this figure is 62%, the

other 38% of large companies also offer lump sum benefits.

The most common waiting periods used by companies (90%) are 3 months and 6 months respectively. Large funds tend to favour the 6 month waiting periods whereas small companies tend to favour 3 month waiting periods.

87% of companies that offer temporary disability benefits chose to use the disability income benefit only. This figure was slightly higher for large companies than for smaller companies.

An increasing portion of funds use a replacement ratio of 75% for permanent disability income benefits, in 2010 the figure was 73%, compared to only 49% in 2006.

Funds have various approaches to increases in permanent disability income benefits, almost 50% of funds determine increases relative to CPI. About 18% of funds do not increase benefits; the remainder either have fixed percentage increases (10%), ad hoc increases (7%) or use alternative methods (15%). Full CPI increases are the most popular option when increases are linked to CPI.

The proportion of schemes that reinsure a waiver of employer or employee contributions are 42% and 9% respectively.

Other Benefits under Separate Schemes

The proportion of funds that offer funeral cover have steadily increased over the last 4 years. In 2006 50% of funds offered funeral cover, in 2010 the figure was 62%. Of those respondents indicating that they offered funeral cover, almost all also offered cover to spouses and children. Only 15% of funds provided cover to any form of extended family, including parents and additional spouses.

The average level of funeral cover has risen substantially from R9,300 in 2009 to R12,300 in

2010. The employer meets the costs for the majority of respondents offering funeral benefits.

The proportion of funds that offer terminal illness benefits have declined from 13% in 2009 to 8% in 2010. The most popular level of cover is 1 times annual salary. 75% of funds only offer core cover, the other 25% of funds offer comprehensive cover as well.

HIV/AIDS Management Programs

There has been a marked increase in funds offering HIV/AIDS management programs over the last 4 years. Currently, 80% of funds, up from the 2006 figure of 59% indicated that the employer had a program in place. In the past, it was mostly large funds that offered AIDS management programmes but recently, there has been a marked increase in small and medium size funds offering these programmes. Currently 71% of funds with less than 100 members offer such programs; in 2009 the figure was 50%.

Virtually all the management programmes entail providing information and awareness regarding HIV/Aids and the majority provides counselling and testing. In previous surveys there was a strong positive relationship between the size of the fund and the proportion that offers medication, but this relationship does not hold true anymore, the proportion of small funds that offer medication is on par with the proportion of larger funds that offer medication.

Investments

Slightly over half the stand alone funds (55%) surveyed offer member-directed investment choice, up from 44% in 2006. A further 13% of funds are considering it. The market norm is to charge all members the same administration fee, irrespective of whether they want or use member-directed investment choice or not, with 88% of funds charging a flat fee. 12 funds indicated that members who do not make their own investment choices pay a lower administration fee (up from 7 in 2009).

Of the funds allowing members to choose their own investment options, most allow members to switch daily (35%) or annually (28%). The proportion who allows clients to switch daily has doubled since 2006. Often members are allowed one free switch per year (46% of funds).

Almost 91% of funds are either satisfied or very satisfied that their range of investment choices is sufficiently diversified to meet members needs. The main benefits are seen as a good variety of choices, good investment performance and member satisfaction. Funds most frequently have between 4 and 5 investment options on their menu.

The three most common investment vehicles used, on their own or in combination with other investment vehicles, are moderate market linked portfolios (58% of the time), cash (55% of the time) and aggressive market linked portfolios (52% of the time). However, when asked to provide the percentage of assets invested in each investment vehicle, life stage solutions came out tops (55% of assets on average), followed by smoothed bonus portfolios (47% of assets on average). Multi-manager options are still more popular than single manager options.

23% of Funds include a Shari'ah compliant investment option to members.

17.8% of funds have a policy to invest a portion of assets in socially responsible investments, up from

9% in 2006. Very large funds (more than 5000 members) are nearly twice as likely to have a policy to invest in SRI funds. Funds with a policy to invest in socially responsible investments invest on average 9.3% of their portfolio in such investment.

Default investment choices

It is interesting to note that within funds with member-directed investment choice, respondents indicated that most members (65%) rely on the trustee or default choice and, as such, do not choose their own investments. This is similar to the previous survey results. Amongst very large funds (5 000 plus members) this figure increases to 75% of members.

Of the funds that offer member-directed investment choice, life stage mandates constituted the most important component of the trustee or default choice (46% of respondents).

Life stage solutions

Our BENCHMARK Survey results indicate that funds frequently start to move members into the final life stage phase 5 years prior to retirement (43% of instances), although some Funds start as early as 10 years prior to retirement (15% of instances). A very small portion (5%) leaves this to 2 years before retirement.

More than half the respondents indicated that the composition of the life stage model is changed annually.

Whereas almost all life stage models utilised a single end stage a few years ago, our survey has found that 43% of these models now offer multiple end stages. The various end stages are used to align the life stage model with the intended annuity to be purchased at retirement.

When asked which type of annuity the various end stages targeted, the most popular choices were

- Living annuities (59%)

- Guaranteed annuities (either level of fixed increases, 47%)
- Inflation linked annuity (25%)
- With-profit annuity (16%)

Most end stages are invested in pure cash (39%), with the second most popular option a conservative balanced fund with less than 30% equity (35%). A smoothed bonus portfolio was used in 11% of cases.

70% of Funds provide financial advice to members when they switch to their final stage in the life stage model.

Stable returns and guarantees

Similar to last year, 81% of funds consider the ability of a portfolio to provide stable investment returns to be important. Smoothed bonus portfolios, followed by cash and absolute return portfolios were rated the best at providing stable returns.

52% of funds also consider the guarantees provided by products to be important. Once again smoothed bonus portfolios and cash were rated best at providing guarantees on benefit payments.

Feedback on investments

Providing quarterly feedback (31%) on investments is still the most popular option compared to other frequencies, followed by annual feedback (25%).

The most popular form of feedback is written communication (72% of funds) followed by providing information on the internet/intranet (46%) and conducting road shows (22%). The feedback usually includes portfolio returns, returns vs. benchmark returns and an economic overview.

Governance instruments and benchmarks

Most Funds (81%) utilise an investment policy statement (IPS). This is up from below 70% in previous surveys. 75% of Funds conduct a regular performance review and 58% have mandates for

each investment product / portfolio.

The IPS is normally reviewed on an annual basis (67% of Funds). Investment performance and compliance with mandates are mostly reviewed quarterly (44% of Funds) or annually (27% of Funds).

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

- Peer performance in published survey (49.5%)
- Published index, e.g. FTSE/JSE All Share Index (49.5%)
- Inflation (44%)

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

85% of funds consider investment risk in their various portfolios, normally considering the standard deviation/volatility (60%), active risk (47%) or information ratio (18%) of the portfolio.

Most of the respondents knew their fund's investment return for 2009 and reported the mean return to be 11.4%. This is slightly up on the returns for 2008. No funds reported a negative investment return for 2009. One fund reported returns of more than 35%.

60% of respondents expect investment returns for 2010 to be lower than in 2009.

National Social Security System (NSSS)

There has been considerable discussion around Government's proposals for a National Social Security System (NSSS). If implemented, 63% of respondents believe that members should be allowed to opt out of the NSSS, while 17.5% feel it should be compulsory for everyone earning below a certain income threshold. Only 6.5% of respondents believe it should be compulsory for all members.

During 2009 most respondents learned about the NSSS for either the media (48%) or their consultant (46%).

Communications

Tools used to communicate with members

- The following are still the most popular tools of communication since 2006:

	2010
Annual benefit statements	95.0%
A rule booklet	75.5%
Information on Intranet/Internet	72.5%

- Technology as a means of communication is slightly more popular than face-to-face communication (83% vs 80%). More funds (up from 68% in 2009 to 83%) use technology as a tool of communication (10% more funds use e-mail)
- 4% more funds prefer face-to-face communication
- The number of funds that use the annual trustee report as a means of communication has increased over the years:

2010	61.0%
2009	51.5%
2008	43.5%

- 10% more funds place information on Intranet/Internet.
- 6% more funds (from 50% to 56%) use new members inductions

Topics communicated to members

- The following are still the most popular topics communicated to members since 2006:

	2010	2009
The benefit structure	92%	89%
Investment performance	91%	87%

- 61% more funds (1% in 2009) communicate legislative changes/Legal updates to members. This could be the result of many legislative changes / legal updates that took place over recent years which affected the retirement fund industry. The majority (55%) communicate these changes as and when they arise (on an ad-hoc basis). 82% use printed material to communicate these changes.
- FAQ showed an increase in popularity from 2007 to 2009 (10% to 16% increase). However, there was a 12% decrease since 2009.

Members' retirement fund related queries

- Still the majority (more than 90%) of queries are answered internally.
- Since 2006, the majority of funds approach the Principal Officer and HR department with queries.
- In 2009, 10% more funds approached the trustees with retirement fund related queries. In 2010, 5% less funds approach trustees.
- There is a decrease in the % of funds that approach the administrator (from 56% to 44%)

Allocation towards communication strategy - % of assets or a rand amount

- Still the majority (67%; 70% in 2009) do not allocate toward a communication strategy.
- There is, however, an increase in the number of funds that allocate (25% - up from 18% in 2009)
- Of those that do not allocate, the majority (90%) plans not to (same as last year).
- Of those that do allocate, the majority (67%) don't know what % is allocated.

Those that allocate a rand amount

- 25% do not know the rand amount
- 5% allocate >R1m
- 48% allocate less than R100k (same as last year)
- 23% allocate between R100k and R1m (33% last year)

Member understanding of financial advice and information provided – non-senior staff

	2010	2009	2008
Understand from half to vast majority	44%	45%	51%
Understand less than half to nothing	52%	54%	47%

There appear to be a small gradual downward trend in the percentage of those that understand from half to a vast majority of the advice and information.

Steps taken to improve member understanding

From the results it appears that more is done to improve member understanding:

- 31% more funds have improved the quality of communication
- 28% more funds have member roadshows
- 23% more funds have meetings/Q&A sessions with Trustees / advisors
- 12% less funds provide no training online
- 11% less funds do nothing
- 7% more funds place investment training materials and articles online

On the other hand:

- 25% less funds provide basic financial education or training at work
- 18% less funds use different media e.g. cellphone, role play, etc.
- 6% less funds pay for members to seek financial education/training online
- 6% less funds might consider paying for financial education

Utilisation of intranet or internet facility to give members access to information

10% more funds (73%) use intra/internet to give members access to information.

Information available via the Internet / Intranet

	2010	2009	2008
Investment returns	72%	59%	52%
Investment portfolio information	70%	63%	68%
Members newsletter	61%	51%	3%

- 13% more funds make investment returns available online
- 7% more funds make investment portfolio information available online
- There appears to be a greater interest in the performance of the funds since 2009.
- The availability of members' newsletters online increased from 3% in 2008 to 61% in 2010 – quite a large increase.
- There is a decreasing trend in the availability online of the monthly updated member benefit statement (from 60% in 2008 to 44% in 2010)

Transactions performed on the Internet / Intranet either by members or HR Personnel/Principal Officer

Members:

- 8% more funds mentioned that members can update personal information (direct by member or via HR office)
- 5% more funds mentioned that members can submit withdrawal claims

Employers:

- 12% more funds mentioned that employers can extract reports to see payments made as per schedule.
- 10% more funds mentioned that employer can extract reports to see the value of benefits paid

Retirement fund administration – process in order of importance

Process	Order of importance		
	1 - 2	3 - 6	7 -10
Paying claims	√		
Effecting investment switches timeously		√	
Loading & investing contributions timeously	√		
Timeous completion & submission of annual financial statements to FSB		√	
Regular A&L reconciliation		√ (in 2009 majority from 7 -10)	
Regular bank reconciliation		√	
Building a good relationship with you			√
Technical expertise		√	
Transparency of cost			√ (in 2009 majority from 3 - 6)
Assistance in HR training (NEW)			√

Methodology and sample

The 2010 Benchmark™ Survey was conducted among 200 principal officers of stand-alone retirement funds. Interviews were conducted between January and April 2010. 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 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 stand-alone funds participating. 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 the 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 (2008 to 2010). To keep the results current, any questions from previous studies not included in the 2010 survey, have not been tabulated. However, the historical data is available on the BENCHMARK research web application on the following link <http://www.sanlambenchmark.co.za>.

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

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

Caution: Data should be used with care, particularly where the number of responses were < 30 , as this is considered statistically insufficient 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, in an attempt to retain original questions question numbering may not be sequential.

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SECTION A

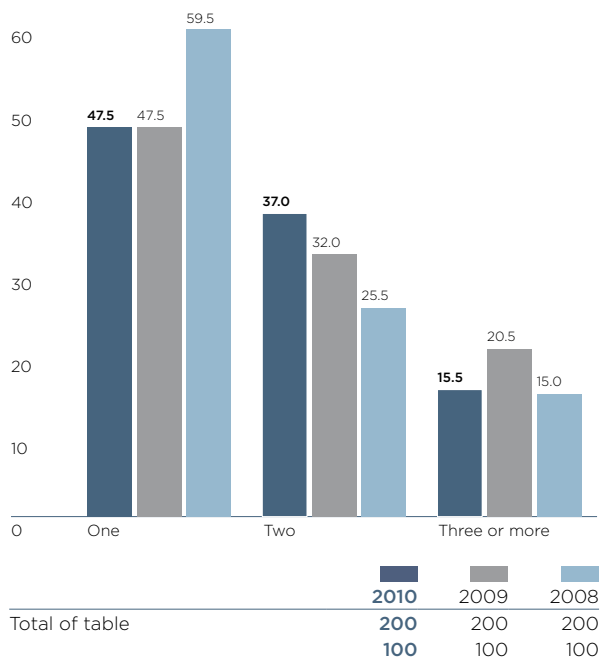
General

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

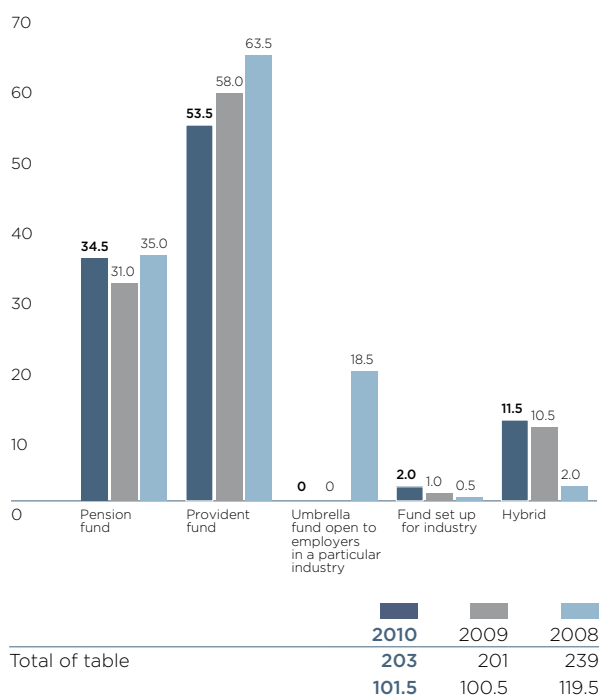
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Principal Employer			
Financial Services	19 9.5	16 8	30 15
Manufacturing	46 23	46 23	54 27
Agriculture, forestry or fishing	7 3.5	6 3	8 4
Professional or business services	6 3	13 6.5	13 6.5
Building or construction	7 3.5	7 3.5	8 4
Wholesale and retail	22 11	25 12.5	20 10
Mining	6 3	9 4.5	4 2
Government, semi-government / parastatal	6 3	6 3	4 2
Breweries, distilleries or wineries	3 1.5	3 1.5	1 0.5
Chemical or pharmaceutical	7 3.5	5 2.5	5 2.5
Energy or petrochemical	4 2	4 2	8 4
Engineering	13 6.5	12 6	9 4.5
Education	7 3.5	1 0.5	4 2
Healthcare	6 3	7 3.5	4 2
Hospitality	7 3.5	6 3	3 1.5

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Principal Employer			
IT or telecoms	11 5.5	9 4.5	6 3
Printing and publishing	3 1.5	0 0	2 1
Local authority or municipality	0 0.5	0 0.5	1 0.5
Entertainment	0 1.5	3 1.5	0 1.5
Logistics/Transport	7 3.5	7 3.5	
Advertising	0 0.5	1 0.5	0 0.5
Religion	0 0.5	1 0.5	0 0.5
Property development	0 0.5	1 0.5	0 0.5
Export	0 1	2 1	0 0.5
Food and Beverage	0 0.5	1 0.5	0 0.5
Glass fitment	0 0.5	1 0.5	0 0.5
Bargaining council	2 1	1 0.5	
Service	3 1.5		
Other	8 4	6 3	16 8
Total of table	200 100	200 100	200 100

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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
41 to 100 (70)	21	20	40
	10.5	10	20
101 to 300 (200)	40	46	53
	20	23	26.5
301 to 500 (400)	26	29	26
	13	14.5	13
501 to 1 000 (750)	30	33	30
	15	16.5	15
1 001 to 5 000 (3000)	58	51	40
	29	25.5	20
5 001 or more (7500)	25	21	11
	12.5	10.5	5.5
Mean	2019.35	1787.25	1244
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Less than R 12 mill (R6mil)	14	15	29
	7	7.5	14.5
R 12,1 mil to R 30 mill (R21mil)	16	25	24
	8	12.5	12
R 30,1 mil to R 60 mill (R45mil)	30	30	37
	15	15	18.5
R 60,1 mil to R 120 mill (R90mil)	23	21	27
	11.5	10.5	13.5
R 120,1 mil to R 300 mill (R210mil)	31	36	31
	15.5	18	15.5
R 300,1 mil to R 500 mill (R400mil)	20	17	9
	10	8.5	4.5
R 500,1 mill to R 1 bn (R750mil)	25	19	13
	12.5	9.5	6.5
More than R 1 bn (R1.5 bn)	35	21	16
	17.5	10.5	8
Not sure	6	16	12
	3	8	6
Refused		0	2
		0	1
Mean	461.86	347.64	261.47
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
None	1		12
	0.5		6
1 to 5	20	9	21
	10	4.5	10.5
6 to 10	12	21	28
	6	10.5	14
11 to 20	29	18	41
	14.5	9	20.5
21 to 30	16	24	16
	8	12	8
31 to 40	10	14	7
	5	7	3.5
41 to 60	20	16	16
	10	8	8
61 to 100	18	16	18
	9	8	9
101 to 150	10	15	10
	5	7.5	5
151 to 200	10	11	22
	5	5.5	11
201 to 300	14	8	
	7	4	
301 to 500	10	15	
	5	7.5	
501 to 1000	13	12	
	6.5	6	
1001 +	15	13	
	7.5	6.5	
Don't know	2	8	9
	1	4	4.5
Mean	363.72	310.06	59.63
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
None	102	126
	51	63
1 to 5	33	26
	16.5	13
6 to 10	9	8
	4.5	4
11 to 20	10	14
	5	7
21 to 30	8	2
	4	1
31 to 40	6	2
	3	1
41 to 60	6	4
	3	2
61 to 100	8	4
	4	2
101 to 150	4	2
	2	1
151 to 200	5	5
	2.5	2.5
201 to 300	3	
	1.5	
301 to 500	2	6
	1	3
501 to 1000	2	
	1	
1001 +	2	
	1	
Don't know		1
		0.5
Mean	91.69	30.14
Total of table	200	200
	100	100

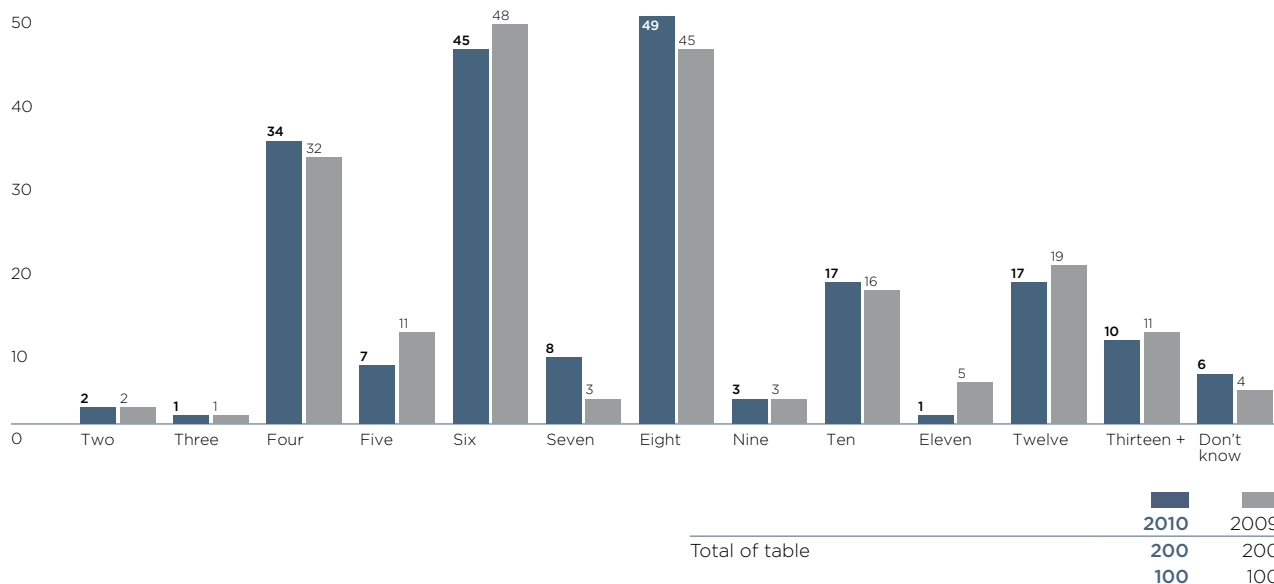
Q1.4c Of the members who exited the fund, how many were as a result of **resignation**?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100
None	10 5	12 6
1 to 5	29 14.5	16 8
6 to 10	21 10.5	26 13
11 to 20	31 15.5	22 11
21 to 30	14 7	22 11
31 to 40	9 4.5	17 8.5
41 to 60	16 8	15 7.5
61 to 100	16 8	13 6.5
101 to 150	10 5	14 7
151 to 200	5 2.5	16 8
201 to 300	11 5.5	10 5
301 to 500	9 4.5	
501 to 1000	10 5	16 8
1001 +	8 4	
Don't know	1 0.5	1 0.5
Mean	237.37	209.53
Total of table	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
None	9 4.5	8 4	14 7
1 to 5	17 8.5	16 8	20 10
6 to 10	23 11.5	17 8.5	23 11.5
11 to 20	23 11.5	26 13	33 16.5
21 to 30	19 9.5	13 6.5	19 9.5
31 to 40	11 5.5	9 4.5	7 3.5
41 to 60	15 7.5	13 6.5	18 9
61 to 100	8 4	20 10	14 7
101 to 150	8 4	12 6	13 6.5
151 to 200	10 5	24 12	29 14.5
201 to 300	8 4		0
301 to 500	13 6.5	10 5	0
501 to 1000	15 7.5	24 12	0
1001 +	16 8		0
Don't know	5 2.5	8 4	10 5
Mean	366.78	307.24	69.32
Total of table	200 100	200 100	200 100

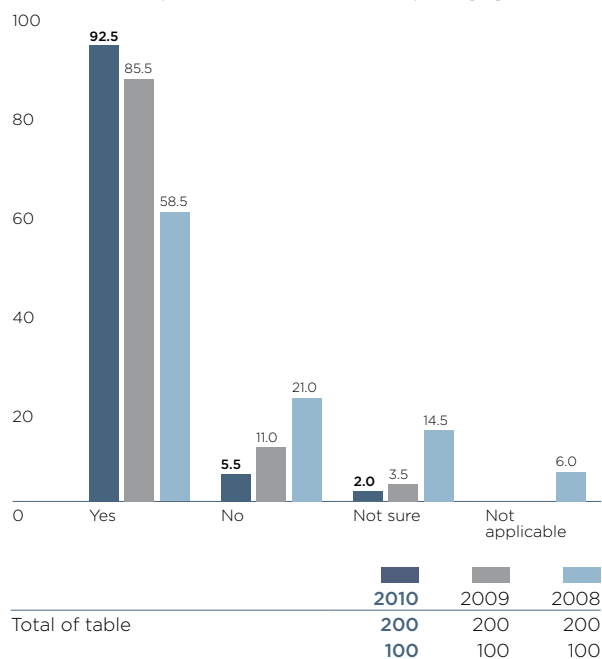
Q1.6 How many trustees are on the board?



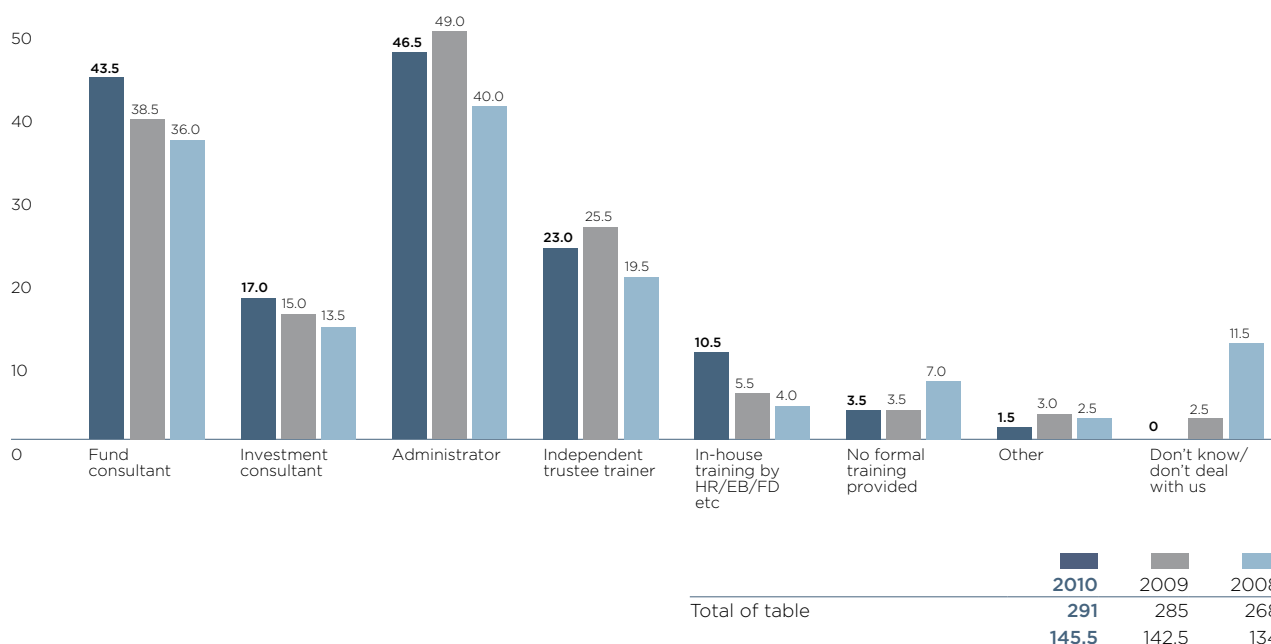
Q1.7 How, if at all, are trustees paid for their services?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
No remuneration	181	183	159
	90.5	91.5	79.5
A rate per hour	3	5	3
	1.5	2.5	1.5
A Rand amount per meeting	19	13	6
	9.5	6.5	3
Fixed amount per month	1		1
	0.5		0.5
Some paid others not			1
			0.5
Not sure	6	4	8
	3	2	4
Not applicable			23
			11.5
Total of table	210	205	200
	105	102.5	100

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



Q1.9a Who provides training to fund trustees?



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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM FUND CONSULTANT	87	77	72
	100	100	100
Monthly	1	2	
	1.1	2.6	
Every 2 months	1	2	1
	1.1	2.6	1.4
Every 3 months	23	24	21
	26.4	31.2	29.2
Every 6 months	27	16	12
	31	20.8	16.7
Once a year	22	19	22
	25.3	24.7	30.6
Less frequently than once a year	9	8	10
	10.3	10.4	13.9
Adhoc	3		
	3.4		
Other	1	5	4
	1.1	6.5	5.6
Don't know		1	2
		1.3	2.8
Total of table	87	77	72
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	34	30	27
	100	100	100
Weekly	1		1
	2.9		3.7
Monthly		1	
		3.3	
Every 2 months			1
			3.7
Every 3 months	10	10	6
	29.4	33.3	22.2
Every 6 months	10	5	3
	29.4	16.7	11.1
Once a year	9	8	12
	26.5	26.7	44.4
Less frequently than once a year	1	4	3
	2.9	13.3	11.1
Other	2	2	1
	5.9	6.7	3.7
Don't know	1		
	2.9		
Total of table	34	30	27
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	93	98	80
	100	100	100
Weekly	1		2
	1.1		2.5
Monthly	7	5	2
	7.5	5.1	2.5
Every 2 months	1	2	1
	1.1	2	1.3
Every 3 months	23	23	19
	24.7	23.5	23.8
Every 6 months	13	14	7
	14	14.3	8.8
Once a year	32	37	30
	34.4	37.8	37.5
Less frequently than once a year	8	8	11
	8.6	8.2	13.8
Adhoc	3		
	3.2		
Other	5	7	7
	5.4	7.1	8.8
Don't know		2	1
		2	1.3
Total of table	93	98	80
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INDEPENDENT TRUSTEE TRAINER	46	51	39
	100	100	100
Weekly	1		1
	2.2		2.6
Monthly	1		
	2.2		
Every 2 months	1	1	1
	2.2	2	2.6
Every 3 months	5	7	5
	10.9	13.7	12.8
Every 6 months	10	5	2
	21.7	9.8	5.1
Once a year	13	28	23
	28.3	54.9	59
Less frequently than once a year	10	4	1
	21.7	7.8	2.6
Ad hoc	1		
	2.2		
Other	4	6	3
	8.7	11.8	7.7
Don't know			3
			7.7
Total of table	46	51	39
	100	100	100

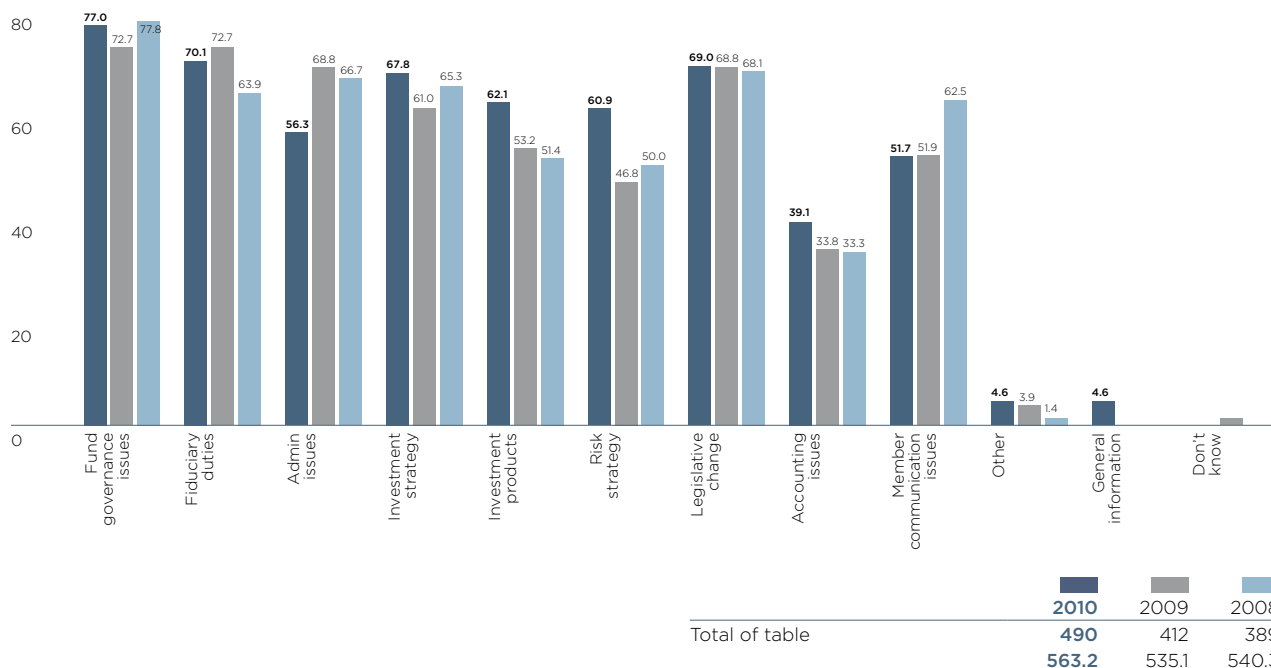
Q1.9b How frequently do you receive training from in-house training?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING IN-HOUSE TRAINING	21	11	8
	100	100	100
Weekly	1		
	4.8		
Monthly	2		
	9.5		
Every 2 months		1	
		9.1	
Every 3 months	6	4	3
	28.6	36.4	37.5
Every 6 months	4	3	1
	19	27.3	12.5
Once a year	6		3
	28.6		37.5
Ad hoc	1		
	4.8		
Other	1	2	1
	4.8	18.2	12.5
Don't know		1	
		9.1	
Total of table	21	11	8
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM OTHER PROVIDERS	3	6	5
	100	100	100
Every 3 months	2		1
	66.7		20
Every 6 months		1	
		16.7	
Once a year		3	2
		50	40
Less frequently than once a year		1	
		16.7	
Other		1	2
		16.7	40
Ad hoc	1		
	33.3		
Total of table	3	6	5
	100	100	100

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



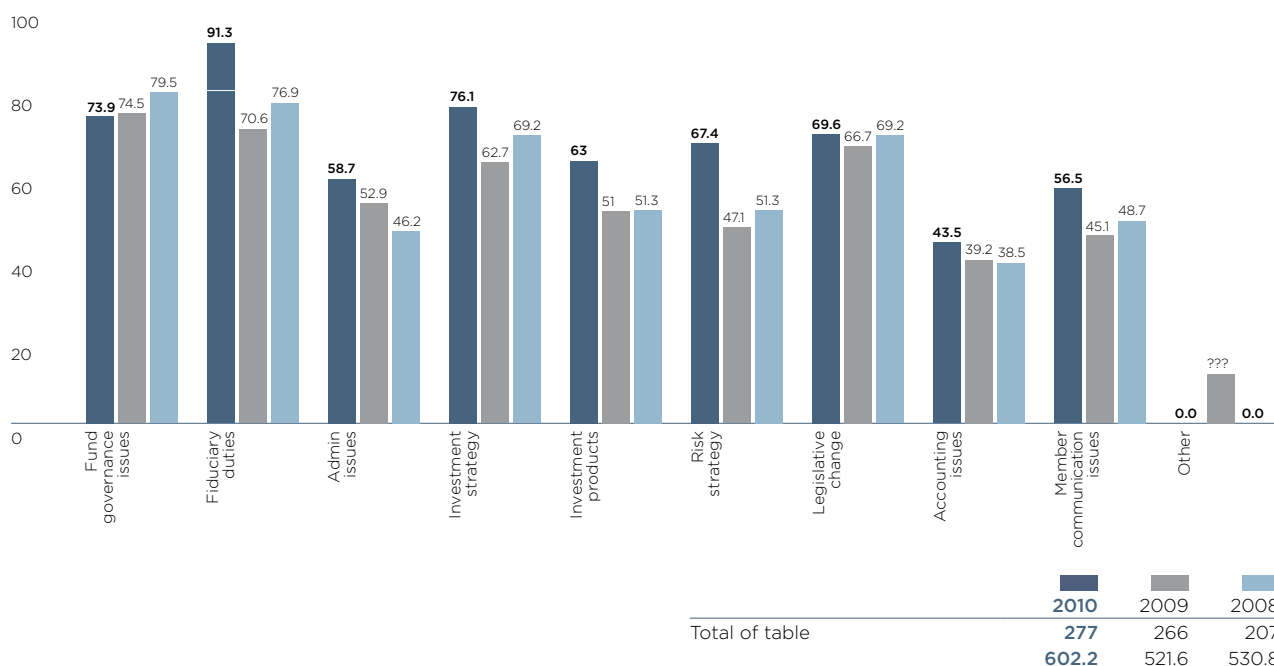
Q1.9c What type of information is mainly provided by the Investment Consultant?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	34	30	27
	100	100	100
Fund governance issues	11	8	11
	32.4	26.7	40.7
Fiduciary duties	14	7	8
	41.2	23.3	29.6
Administration issues	11	5	9
	32.4	16.7	33.3
Investment strategy	29	24	25
	85.3	80	92.6
Investment products	24	26	21
	70.6	86.7	77.8
Risk strategy	13	15	14
	38.2	50	51.9
Legislative change	11	6	11
	32.4	20	40.7
Accounting issues	5	6	5
	14.7	20	18.5
Member communication issues	10	6	7
	29.4	20	25.9
Other	1	2	
	2.9	6.7	
General Information	1		
	2.9		
Don't know	1		
	2.9		
Total of table	131	105	111
	385.3	350	411.1

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	93	98	80
	100	100	100
Fund governance issues	66	60	55
	71	61.2	68.8
Fiduciary duties	69	72	48
	74.2	73.5	60
Administration issues	67	66	53
	72	67.3	66.3
Investment strategy	54	51	48
	58.1	52	60
Investment products	44	45	36
	47.3	45.9	45
Risk strategy	54	38	29
	58.1	38.8	36.3
Legislative change	68	63	49
	73.1	64.3	61.3
Accounting issues	44	33	25
	47.3	33.7	31.3
Member communication issues	63	58	42
	67.7	59.2	52.5
Other	2	4	3
	2.2	4.1	3.8
General	1		
	1.1		
Don't know			1
			1.3
Total of table	532	490	389
	572	500	486.3

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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING IN-HOUSE TRAINING	21	11	8
	100	100	100
Fund governance issues	12	10	4
	57.1	90.9	50
Fiduciary duties	12	7	3
	57.1	63.6	37.5
Administration issues	14	7	3
	66.7	63.6	37.5
Investment strategy	12	7	1
	57.1	63.6	12.5
Investment products	12	7	2
	57.1	63.6	25
Risk strategy	9	7	2
	42.9	63.6	25
Legislative change	9	8	3
	42.9	72.7	37.5
Accounting issues	10	4	4
	47.6	36.4	50
Member communication issues	13	5	6
	61.9	45.5	75
General information	1		
	4.8		
Other		1	
		9.1	
Total of table	104	63	28
	495.2	572.7	350

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM OTHER PROVIDERS	3	6	5
	100	100	100
Fund governance issues	1	6	2
	33.3	100	40
Fiduciary duties	1	4	2
	33.3	66.7	40
Administration issues	1	3	
	33.3	50	
Investment strategy	2	4	2
	66.7	66.7	40
Investment products	1	3	1
	33.3	50	20
Risk strategy	1	3	2
	33.3	50	40
Legislative change	2	6	3
	66.7	100	60
Accounting issues	2	4	
	66.7	66.7	
Member communication issues	1	5	1
	33.3	83.3	20
Other		-	1
		-	20
Don't know		-	1
		-	20
Total of table	12	38	15
	400	633.3	300

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM FUND CONSULTANT	87	77	72
	100	100	100
Written documents	48	39	37
	55.2	50.6	51.4
Formal presentations	57	53	55
	65.5	68.8	76.4
Informal workshops	20	18	15
	23	23.4	20.8
At trustee meetings	40	38	36
	46	49.4	50
One on one meetings	8	15	9
	9.2	19.5	12.5
Via e-mail	18	10	15
	20.7	13	20.8
Structured training courses	27	23	26
	31	29.9	36.1
Others	3		
	3.4		
Don't know		2	
		2.6	
Total of table	221	198	193
	254	257.1	268.1

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INVESTMENT CONSULTANT	34	30	27
	100	100	100
Written documents	20	17	11
	58.8	56.7	40.7
Formal presentations	27	19	16
	79.4	63.3	59.3
Informal workshops	8	4	3
	23.5	13.3	11.1
At trustee meetings	16	17	16
	47.1	56.7	59.3
One on one meetings	3	6	2
	8.8	20	7.4
Via e-mail	6	8	5
	17.6	26.7	18.5
Structured training courses	9	5	8
	26.5	16.7	29.6
Others	1	-	-
	2.9	-	-
Don't know	1	1	2
	2.9	3.3	7.4
Total of table	91	77	63
	267.6	256.7	233.3

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM ADMINISTRATOR	93	98	80
	100	100	100
Written documents	43	48	38
	46.2	49	47.5
Formal presentations	65	58	55
	69.9	59.2	68.8
Informal workshops	18	22	14
	19.4	22.4	17.5
At trustee meetings	43	43	33
	46.2	43.9	41.3
One on one meetings	8	17	7
	8.6	17.3	8.8
Via e-mail	21	18	19
	22.6	18.4	23.8
Structured training courses	37	26	30
	39.8	26.5	37.5
Others	2	1	2
	2.2	1	2.5
Don't know			1
			1.3
Total of table	237	233	199
	254.8	237.8	248.8

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM INDEPENDENT TRUSTEE TRAINER	46	51	39
	100	100	100
Written documents	14	20	12
	30.4	39.2	30.8
Formal presentations	31	38	20
	67.4	74.5	51.3
Informal workshops	10	8	12
	21.7	15.7	30.8
At trustee meetings	8	7	9
	17.4	13.7	23.1
One on one meetings	4	4	
	8.7	7.8	
Via e-mail	2	3	3
	4.3	5.9	7.7
Structured training courses	24	20	24
	52.2	39.2	61.5
Others	1	1	-
	2.2	2	-
Don't know		-	2
		-	5.1
Total of table	94	101	82
	204.3	198	210.3

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING IN-HOUSE TRAINING	21 100	11 100	8 100
Written documents	12 57.1	6 54.5	3 37.5
Formal presentations	13 61.9	9 81.8	4 50
Informal workshops	6 28.6	1 9.1	4 50
At trustee meetings	10 47.6	5 45.5	3 37.5
One on one meetings	4 19	1 9.1	1 12.5
Via e-mail	3 14.3	2 18.2	3 37.5
Structured training courses	5 23.8	2 18.2	3 37.5
Total of table	53 252.4	26 236.4	21 262.5

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS RECEIVING TRAINING FROM OTHER PROVIDERS	3 100	6 100	5 100
Written documents	1 33.3	3 50	1 20
Formal presentations	2 66.7	2 33.3	4 80
Informal workshops		1 16.7	1 20
At trustee meetings	2 66.7	2 33.3	1 20
One on one meetings		2 33.3	1 20
Via e-mail		1 16.7	
Structured training courses	3 100	2 33.3	1 20
Don't know			1 20
Total of table	8 266.7	13 216.7	10 200

Caution: Low base.

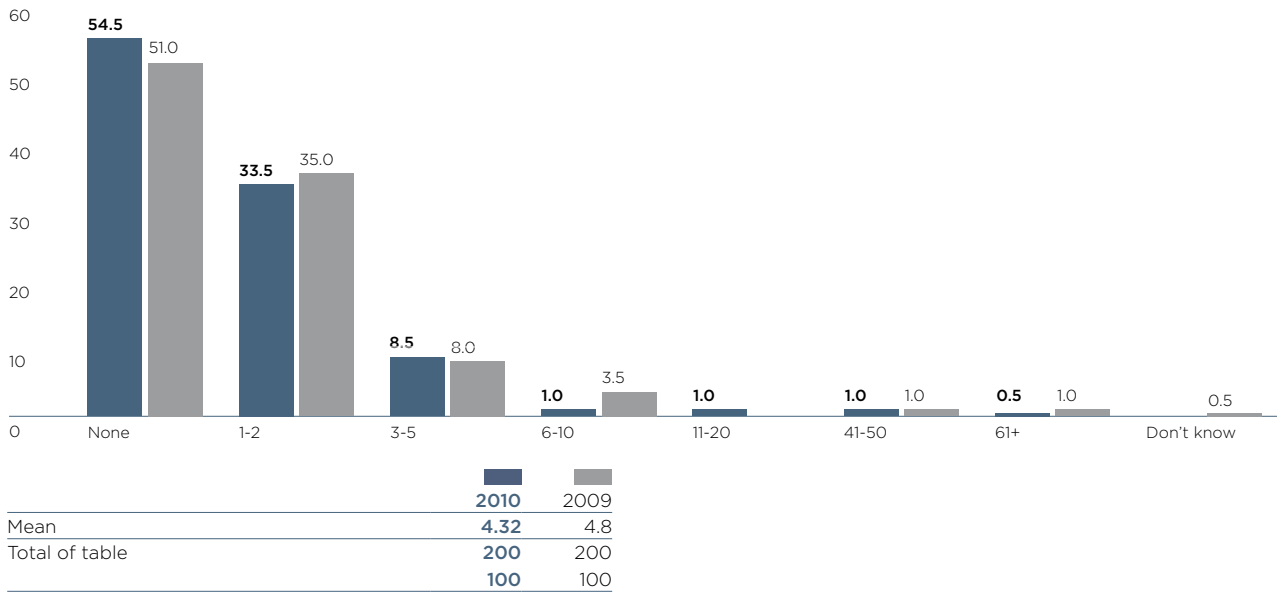
Q1.10 What is the normal retirement age for new entrants*?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
59 or younger	1 0.5	2 1	2 1
60	65 32.5	62 31	57 28.5
61	1 0.5	1 0.5	1 0.5
62	3 1.5	5 2.5	5 2.5
63	38 19	35 17.5	27 13.5
64		3 1.5	1 0.5
65	90 45	85 42.5	105 52.5
66 and older		1	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
		0.5	
60 Board members and 63 staff members	1 0.5		
Mean	62.87	62.87	63.13
Not specified - as per employment contract/arrangement with employer	1 0.5	1 0.5	2 1
Differs for men and women		5 2.5	- -
Total of table	200 100	200 100	200 100

* 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?

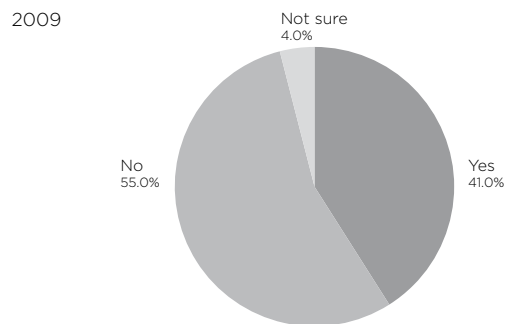
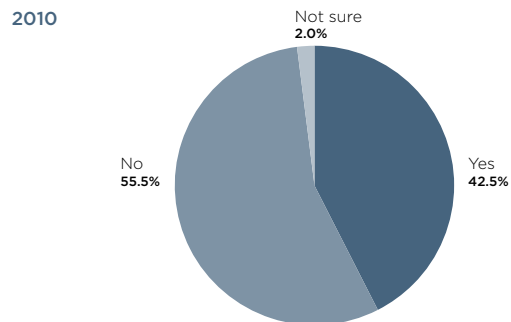


Q1.11b Of these individuals what proportion still contribute to the retirement fund?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
None	149	149
	74.5	74.5
1 to 4%	10	13
5 to 9%	5	6.5
10 to 19%	2	1
20 to 29%	1	0.5
30 to 49%	0.5	0.5
50 to 74%	1	1
75 to 99%	3	0.5
	1.5	
100%	35	28
	17.5	14
Don't know		1
		0.5
Mean	18.94	8.41
Total of table	200	200
	100	100

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

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100



Total of table	200	200
	100	100

Q1.13 Why Yes?

	2010 TOTAL
TRUSTEES WHO CONSIDERED PROVIDING BENEFITS TO MEMBERS VIA AN UMBRELLA FUND ARRANGEMENT	85 100
Reasons for Yes	
To examine offerings/see what they could offer	20 23.5
Lowens the risk for trustees/We don't have fiduciary responsibilities/because of fiduciary duties and obligations they are more compliant with legislation/legislation onerous	11 12.9
Costs/admin costs will be reduced/small firm, need to look at cost savings	25 29.4
Reduction in admin/not time consuming for the company/easier admin wise	13 15.3
Maximise benefits/better benefits	6 7.1
Maximise returns	3 3.5
Went that route but switched back	10 11.8
Looked at it but umbrella funds were going to section 14 so decided against it/not appropriate for our fund/didn't suit our fund/too large	6 7.1
Takes responsibility off our shoulders	4 4.7
Small number of members	8 9.4
Rest of group are in an umbrella fund	2 2.4
Looked at the pros and cons and decided against it/we did an exercise but won't go that way	6 7.1
Other	2 2.4
Total of table	116 136.5

Q1.13 Why not?

	2010 TOTAL
TRUSTEES WHO NEVER CONSIDERED PROVIDING BENEFITS TO MEMBERS VIA AN UMBRELLA FUND ARRANGEMENT	111 100
Reasons why not	
Satisfied with trustees performance/have expertise internally/strong board of trustees	16 14.4
In the hands of professionals/the multi managers are working well/fund too stable/have a sound fund financially/our fund has high returns	14 12.6
Participating employers/employees - captive members industry driven/our fund part of the Metal Industry Fund	2 1.8
Complicated as pension section has 3,500 members/fund too large	10 9
Just never thought of it/never been approached	13 11.7
Don't want to lose control/prefer autonomy and independence over decision making	33 29.7
Cheaper for us to do the admin/expensive	6 5.4
Very happy with our own fund	22 19.8
Members just become a number	3 2.7
Big enough to have our own pension fund/enough members to stand on our own	8 7.2
Not my choice	2 1.8
Others	7 6.3
Don't know	6 5.4
Total of table	142 127.9

Q1.14 When do you believe the fund will move to an umbrella fund arrangement?

	2010 TOTAL
TRUSTEES WHO CONSIDERED PROVIDING BENEFITS TO MEMBERS VIA AN UMBRELLA FUND ARRANGEMENT	85 100
Within the next 6 months	10 11.8
Within the next year	8 9.4
Within the next 2 years	7 8.2
In more than 2 years	8 9.4
Decided not to move to an umbrella fund in the foreseeable future	32 37.6
Not sure	19 22.4
In near future	1 1.2
Total of table	85 100

Q1.15 Which umbrella fund providers do you think the Board of Trustees are likely to consider?

	2010 TOTAL
MOVE TO UMBRELLA FUND ARRANGEMENT WITHIN THE NEXT YEAR	18 100
Absa	2 11.1
Alexander Forbes	8 44.4
Liberty	1 5.6
Metropolitan	1 5.6
Momentum	3 16.7
Old Mutual	5 27.8
Sanlam	2 11.1
Other	3 16.7
Total of table	25 138.9

Caution: Low base.

Q1.16 What are the factors that would influence the Board's choice of umbrella fund provider?

	2010 TOTAL
MOVE TO UMBRELLA FUND ARRANGEMENT WITHIN THE NEXT YEAR	18 100
Influencing factors	
Company has proven track record/reputation/history of fund	7 38.9
Size of company/financial stability	2 11.1
Realistic costs/costs of the admin/savings in costs	9 50
Already had a relationship with them	1 5.6
Returns/good investment returns/Investment policies	7 38.9
Quality of their admin/manage admin timeously/speedy claim payments/good service levels	3 16.7
Professionalism/quality of trustees/expertise	2 11.1
Recommendation	1 5.6

	2010 TOTAL
MOVE TO UMBRELLA FUND ARRANGEMENT WITHIN THE NEXT YEAR	18 100
Influencing factors	
Service level agreement	1 5.6
Communication	1 5.6
BEE rating	1 5.6
Less management hassle and take responsibility when things go wrong	1 5.6
Investment facilities-more than one service provider	1 5.6
Need to know how they operate	1 5.6
Other	2 11.1
Total of table	40 222.2

SECTION B

Information Management

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
A rule booklet	151	150	135
	75.5	75	67.5
Annual benefit statements	190	195	190
	95	97.5	95
Membership certificate	92	87	78
	46	43.5	39
Annual trustee report	122	103	87
	61	51.5	43.5
Members newsletter: paper based	121	117	94
	60.5	58.5	47
Members newsletter: electronic	98	89	-
	49	44.5	-
Articles in company newsletter(s)	49	53	35
	24.5	26.5	17.5
Other printed documents, e.g. letters	65	74	79
	32.5	37	39.5
New members inductions	111	99	78
	55.5	49.5	39
Annual or more regular workshop and discussion groups	73	70	57
	36.5	35	28.5
Role play / theatre	1	2	-
	0.5	1	-
Other face to face communication	68	54	57
	34	27	28.5
Information on Intranet/Internet	145	125	123
	72.5	62.5	61.5

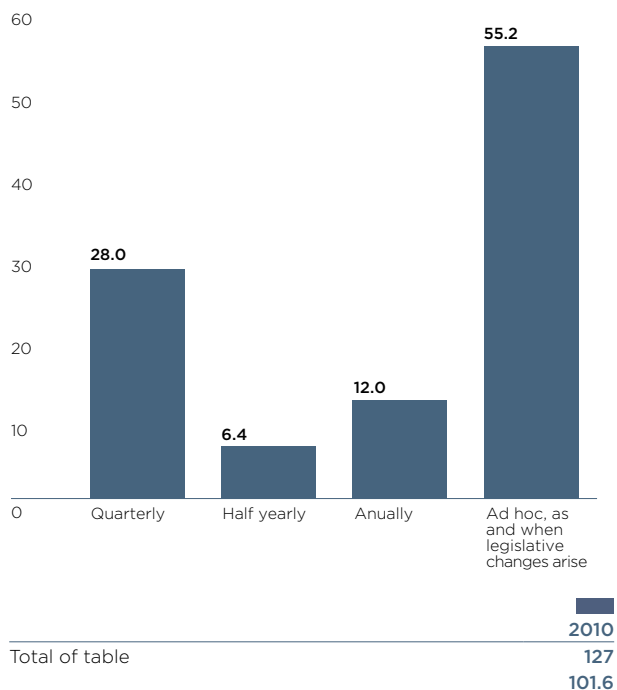
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Member roadshows	83	77	-
	41.5	38.5	-
Email	83	64	46
	41.5	32	23
Cell phone	7	7	10
	3.5	3.5	5
AGM	3		
	1.5		
Wellness programme	1		
	0.5		
C D's	1		
	0.5		
No communication		-	1
		-	0.5
Other		-	1
		-	0.5
SUMMARY			
Any printed material	200	200	-
	100	100	-
Any face to face	159	151	-
	79.5	75.5	-
Any technology	165	136	-
	82.5	68	-
Total of table	1464	1366	1071
	732	683	535.5

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
The benefit structure	184	178	171
	92	89	85.5
Trustee decisions	150	144	124
	75	72	62
How the fund works	155	159	144
	77.5	79.5	72
Valuation results	112	95	90
	56	47.5	45
Investment performance	181	174	168
	90.5	87	84
Frequently asked questions	85	109	78
	42.5	54.5	39
The annual benefit statement: Interpretation and implications	153	149	149
	76.5	74.5	74.5
Member investment choice	104	103	95
	52	51.5	47.5

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Knowledge quizzes/educational games	10	5	-
	5	2.5	-
Legislative changes/Legal updates	125	2	-
	62.5	1	-
Financial planning		1	-
		0.5	-
Quarterly benefit statements		-	1
		-	0.5
Trustee elections		-	1
		-	0.5
None		-	1
		-	0.5
Other	2	1	4
	1	0.5	2
Total of table	1261	1120	1026
	630.5	560	513

Q.2.2a How often does the fund communicate legislative changes to members?



Q2.2b What method(s) of communication does the fund use to communicate legislative changes to members?

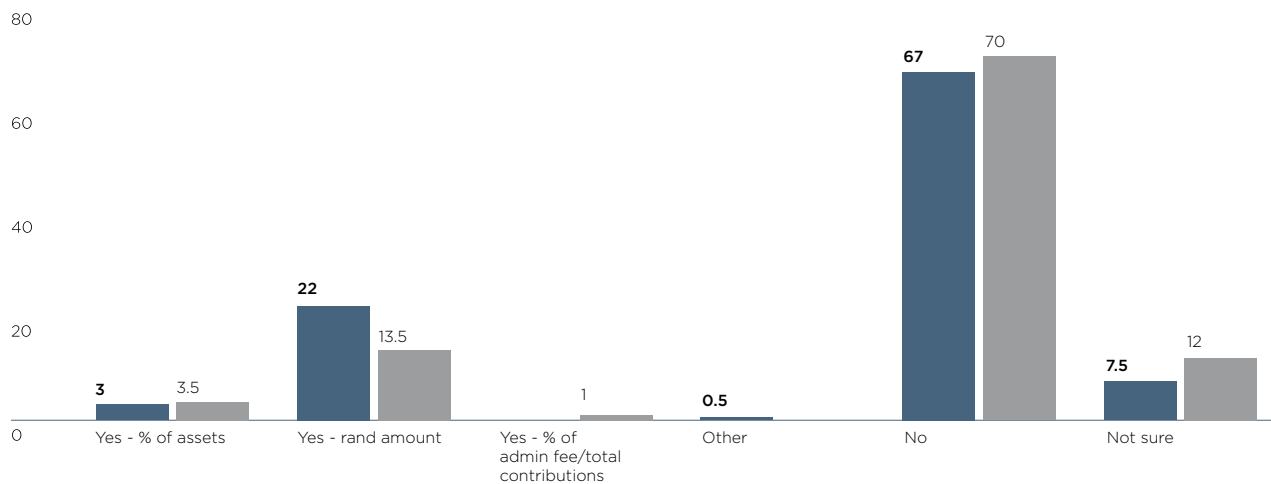
	2010 TOTAL
LEGISLATIVE CHANGES/LEGAL UPDATES COMMUNICATED TO MEMBERS	125
	100
Method(s) used	
Trustee report	37
	29.6
Member newsletter: paper based	68
	54.4
Member newsletter: electronic	53
	42.4
Articles in company newsletter(s)	11
	8.8
Other printed documents, e.g. letters	24
	19.2
Intranet/Internet	44
	35.2
Member roadshows / HR Workshops	29
	23.2
Email	30
	24
Others	4
	3.2
SUMMARY	
Any printed material	102
	81.6
Any technology	83
	66.4
Total of table	300
	240

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Trustees	95	104	83
	47.5	52	41.5
Administrator	88	112	115
	44	56	57.5
Retirement fund consultant	44	53	57
	22	26.5	28.5
Human resources department	102	105	111
	51	52.5	55.5
Principal Officer	112	114	84
	56	57	42
Employee benefit Co ordinator/ department		-	2
		-	1
Fund manager		-	2
		-	1
Chairman of the board		-	2
		-	1
Advisory committee		-	1
		-	0.5
Retirement fund consultant		-	1
		-	0.5

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Payroll administrator		-	4
		-	2
Broker		-	1
		-	0.5
Other-independent financial advisor/chairperson		4	-
		2	-
Others	7	4	8
	3.5	2	4
Not sure	1		
	0.5		
SUMMARY			
Any internal	184	184	170
	92	92	85
Any external	112	135	145
	56	67.5	72.5
Total of table	449	496	471
	224.5	248	235.5

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



	2010	2009
SUMMARY		
Any yes	50	36
	25	18
Total of table	200	200
	100	100

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

	2010 TOTAL	2009 TOTAL
THOSE WHO DO NOT ALLOCATE TOWARDS A COMMUNICATION STRATEGY	134	140
	100	100
Yes - % of assets	2	1
	1.5	0.7
Yes - rand amount	3	8
	2.2	5.7
No	121	124
	90.3	88.6
Not sure	8	7
	6	5
SUMMARY		
Any yes	5	9
	3.7	6.4
Total of table	134	140
	100	100

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

	2010 TOTAL	2009 TOTAL
THOSE WHO ALLOCATE A % OF ASSETS TOWARDS A COMMUNICATION STRATEGY	6	7
	100	100
1%	1	6
	16.7	85.7
10%	1	
	16.7	
50%		1
		14.3
Don't know	4	
	66.7	
Mean %	5.5	8
Total of table	6	7
	100	100

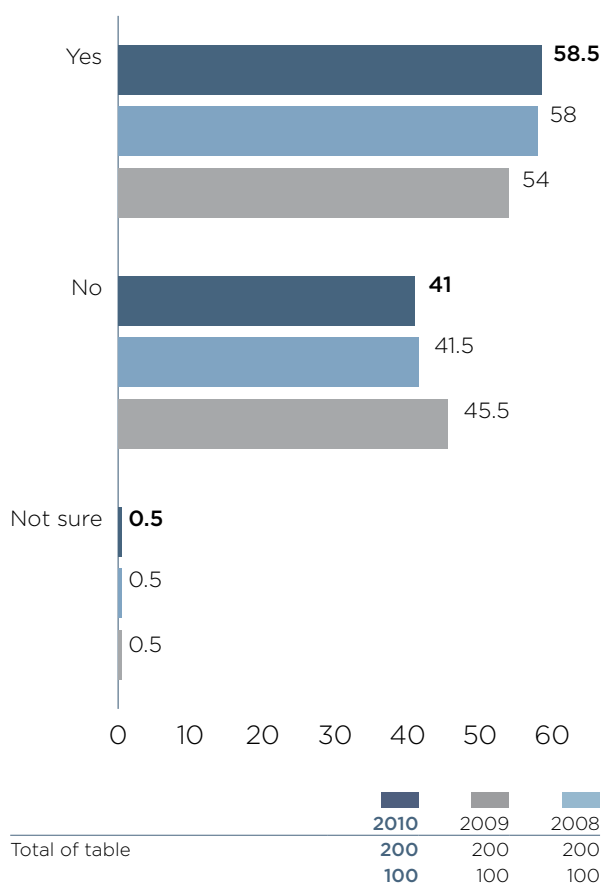
Caution: Low base.

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

	2010 TOTAL	2009 TOTAL
THOSE WHO ALLOCATE A RAND AMOUNT TOWARDS A COMMUNICATION STRATEGY	44	27
	100	100
Up to R3000		2
		7.4
Up to R4999	2	
	4.5	
R5000 to R9999	1	1
	2.3	3.7
R10000 to R19999	3	
	6.8	
R20000 to R29999	2	1
	4.5	3.7
R30000 to R39999	2	3
	4.5	11.1
R40000 to R40999	3	
	6.8	
R50000 to R50999	4	3
	9.1	11.1
R60000 to R99999	4	3
	9.1	11.1

	2010 TOTAL	2009 TOTAL
THOSE WHO ALLOCATE A RAND AMOUNT TOWARDS A COMMUNICATION STRATEGY	44	27
	100	100
R100000 to R199999	2	
	4.5	
R200000 to R399999	3	6
	6.8	22.2
R400000 to R599999	4	
	9.1	
R600000 +		3
		11.1
R800000 to R999999	1	
	2.3	
R1 mil +	2	
	4.5	
Mean to nearest (1000)	347	222
Don't know	11	5
	25	18.5
Total of table	44	27
	100	100

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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FORMALISED STRATEGY FOR RENDERING FINANCIAL ADVICE	117	116	108
	100	100	100
Worksite adviser (financial adviser/broker contracted by the fund and/or company)	102	98	77
	87.2	84.5	71.3
Member's own financial adviser or broker	39	36	37
	33.3	31	34.3
Call centre		-	2
		-	1.9
Panel of consultants	1		
	0.9		
Other		-	1
		-	0.9
Not sure/don't know/new fund		1	1
		0.9	0.9
Total of table	142	135	118
	121.4	116.4	109.3

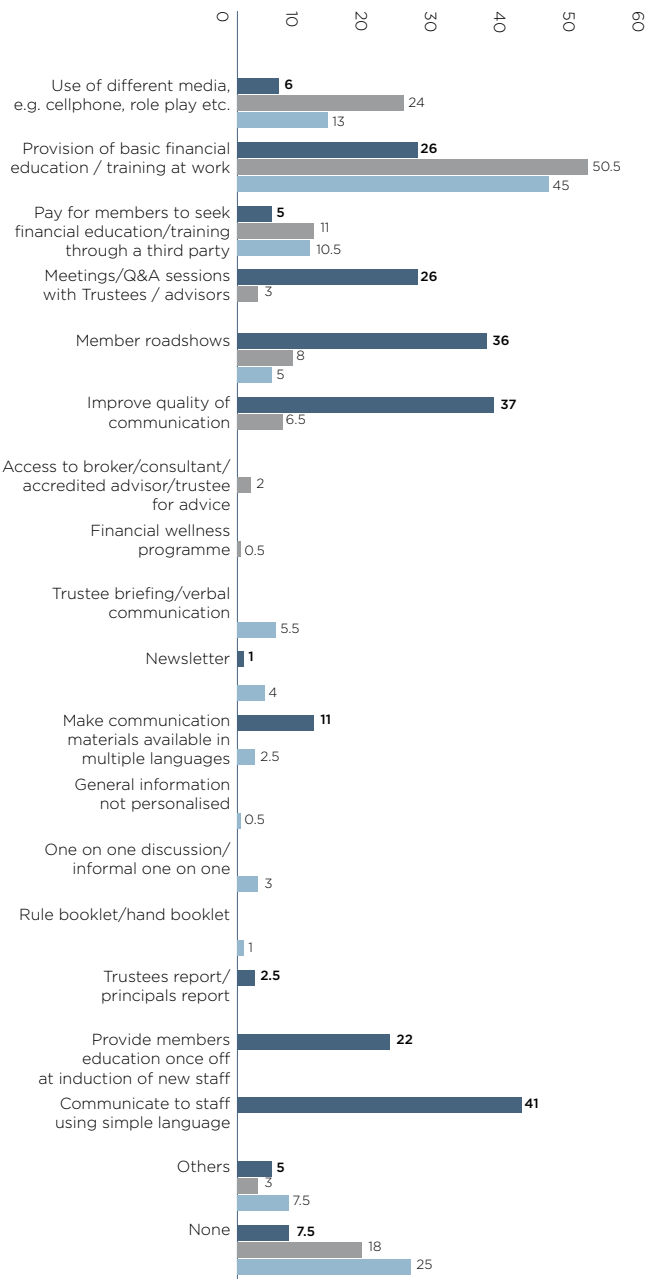
Q2.7a In your opinion, to what extent do staff members understand the financial advice and information provided to them? - **Senior Staff**

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
They understand the vast majority of it	134	134	145
	67	67	72.5
They understand about half it	47	48	40
	23.5	24	20
They understand less than half of it	11	7	7
	5.5	3.5	3.5
They hardly understand any of it at all	2	3	2
	1	1.5	1
Not sure	3	1	3
	1.5	0.5	1.5
No Senior staff		7	3
		3.5	1.5
Not applicable	3		
	1.5		
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
They understand the vast majority of it	22	25	31
	11	12.5	15.5
They understand about half it	65	64	71
	32.5	32	35.5
They understand less than half of it	76	72	70
	38	36	35
They hardly understand any of it at all	27	36	23
	13.5	18	11.5
Not sure	10	2	5
	5	1	2.5
No other staff		1	
		0.5	
Total of table	200	200	200
	100	100	100

Q2.7b What specific steps, if any, have you taken to improve member understanding?



Q2.8 To what extent would the fund consider paying for more financial education to be provided to members?

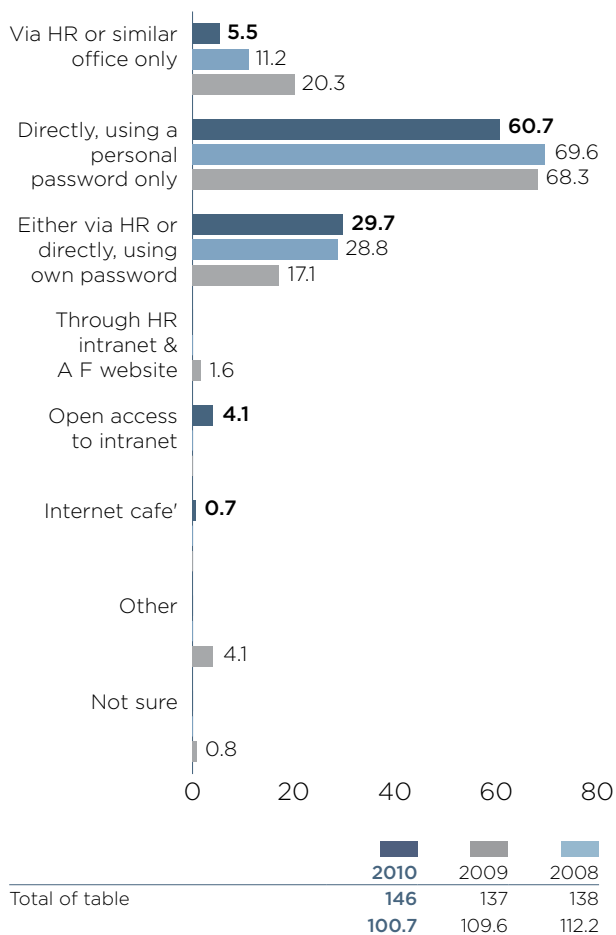
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
Would definitely consider it	100	100	100
Might consider it	31	46	38
Unlikely to consider it	15.5	23	19
Would definitely not consider it	66	63	74
Don't know	33	31.5	37
Refused	78	63	71
	39	31.5	35.5
	24	27	17
	12	13.5	8.5
	1	1	
	0.5		

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
Yes	100	100	100
No	145	125	123
Not sure	72.5	62.5	61.5
	55	75	76
	27.5	37.5	38
	1		
	0.5		
	200	200	200
	100	100	100

SUMMARY			
Would/might consider	97	109	112
Unlikely/would not consider	48.5	54.5	56
Total of table	200	200	200
	100	100	100

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



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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	145	125	123
The fund rules	100	100	100
Member booklet	110	90	95
Insurance policies (i.e. group risk and disability)	75.9	72	77.2
Administration agreement	106	77	76
Investment / Asset management agreements	73.1	61.6	61.8
The resumes and contact details of trustees	52	38	60
The resumes and contact details of other appointed officers	35.9	30.4	48.8
The annual rule change notification	13	12	15
Investment portfolio information	9	9.6	12.2
Investment returns	26	24	21
Members newsletter	17.9	19.2	17.1
Financial planning tools	55	42	38
Information of own pension fund/ personal fund status	37.9	33.6	30.9
Investment guide	38	26	31
Death Benefits	26.2	20.8	25.2
Governance of fund	52	35	45
Questions and answers	35.9	28	36.6
Other	102	79	84
None	70.3	63.2	68.3
Not sure	105	74	64
Total of table	72.4	59.2	52
	88	64	4
	60.7	51.2	3.3
	1	1	1
	0.7	0.8	0.8
			1
		0.8	
		1	
		0.8	
	2		
	1.4		
	5	1	9
	3.4	0.8	7.3
	3	2	1
	2.1	1.6	0.8
		2	4
		1.6	3.3
Total of table	758	570	549
	522.8	456	446.3

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	145 100	125 100	123 100
Annual member benefit statement	94 64.8	74 59.2	72 58.5
Daily updated member benefit statement	57 39.3	56 44.8	
Monthly updated member benefit statement	64 44.1	61 48.8	74 60.2
Beneficiary nominations	46 31.7	47 37.6	42 34.1
Personal particulars	95 65.5	71 56.8	65 52.8
Transaction history	80 55.2	60 48	53 43.1
Individual fund credits	2 1.4		
Proportion of member's assets in each investment portfolio	60 41.4	58 46.4	
Investment fees	21 14.5	25 20	
Insured benefit costs	26 17.9	21 16.8	
Admin costs	18 12.4	18 14.4	
Projected retirement value		3 2.4	
Tax calculation		1 0.8	
Last months contributions/ quarterly updated member benefit statements	2 1.4		
Not sure	2 1.4	2 1.6	2 1.6
Other		2 1.6	9 7.3
None	19 13.1	13 10.4	19 15.4
Total of table	586 404.1	512 409.6	336 273.2

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	145 100	125 100	123 100
Modeller or calculator to calculate retirement needs and/ or basic investment alternatives	60 41.4	40 32	35 28.5
Competition based education simulations	2 1.4	4 3.2	
Knowledge self-assessment tool	12 8.3	11 8.8	
Investment training material and articles	22 15.2	10 8	18 14.6
Relevant articles	34 23.4	23 18.4	30 24.4
Performance of investment portfolios	50 34.5	34 27.2	
None	61 42.1	67 53.6	67 54.5
Not sure	4 2.8	3 2.4	4 3.3
Total of table	245 169	192 153.6	154 125.2

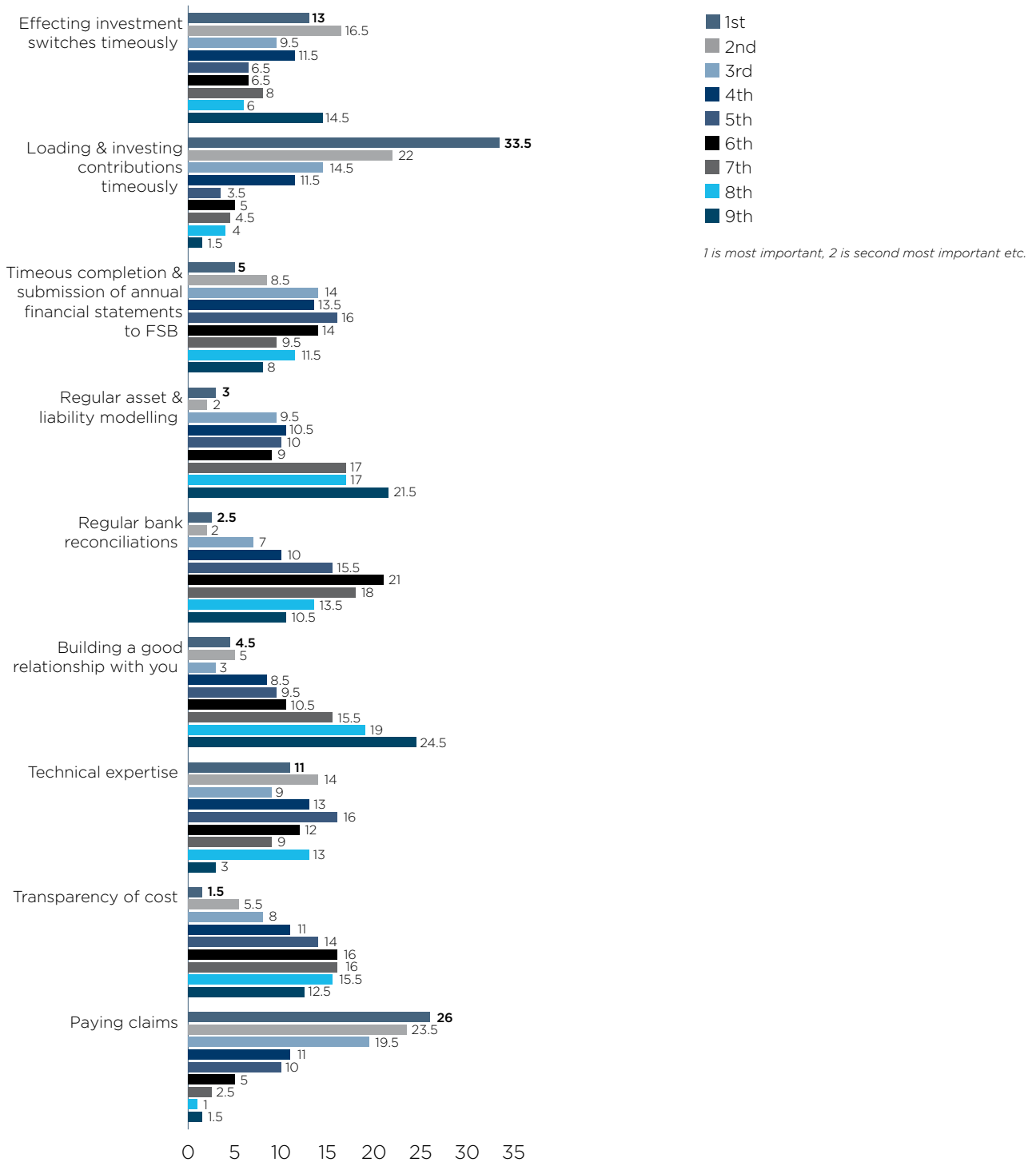
Q2.14 What transactions can be performed on the Internet / Intranet either by members or HR Personnel/Principal Officer?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP WHOSE FUND USES INTERNET/ INTRANET	145 100	125 100	123 100
Members: Updating personal information (direct by member or via HR office)	66 45.5	47 37.6	53 43.1
Members: Investment switches (direct by member or via HR office)	38 26.2	32 25.6	35 28.5
Members: Risk benefit selections (direct by member or via HR office)	13 9	11 8.8	15 12.2
Members: Submit withdrawal claims	30 20.7	20 16	
Members: Spouse/family member can submit death claims	11 7.6	14 11.2	
Members: Submit documentation e.g. disability, medical	13 9	11 8.8	
Participating Employer: Monthly member payroll data provided by the employer	43 29.7	32 25.6	23 18.7
Employer: Extract Reports, value of benefits paid	37 25.5	20 16	
Employer: Extract Reports, payments made as per schedule	40 27.6	20 16	
Employer: Extract Reports, Full audit log	26 17.9	11 8.8	
Nominations for trustees		1 0.8	
Other			3 2.4
Don't know	1 0.7	1 0.8	3 2.4
None	60 41.4	56 44.8	60 48.8
SUMMARY			
Any member transactions	69 47.6		
Any employer transactions	51 35.2		
Total of table	378 260.7	276 220.8	192 156.1

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Home loans to members direct (i.e. the fund makes a direct loan to the member)	31 15.5	41 20.5	34 17
Housing sureties (i.e. the fund merely provides collateral in respect of a loan made by a financial institution)	91 45.5	86 43	90 45
Neither	81 40.5	80 40	81 40.5
Total of table	203 101.5	207 103.5	205 102.5

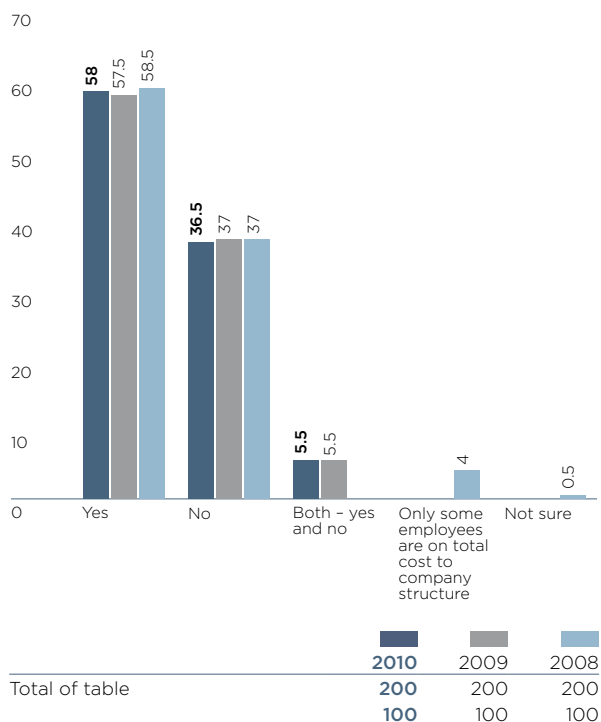
Q2.17 When considering all the aspects of retirement fund administration, how would you rank the following processes in order of importance?



SECTION C

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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
EMPLOYER'S REMUNERATION PACKAGE NOT STRUCTURED ON A TOTAL COST TO COMPANY	84	85	74
100	100	100	100
Yes, it plans to implement within the next 2 years	10	9	7
	11.9	10.6	9.5
Yes, but it has no firm plans for implementation	17	11	7
	20.2	12.9	9.5
No, not that I know of	56	62	58
	66.7	72.9	78.4
Not sure	1	3	2
	1.2	3.5	2.7
SUMMARY			
Any yes	27	20	
	32.1	23.5	
Total of table	84	85	74
	100	100	100

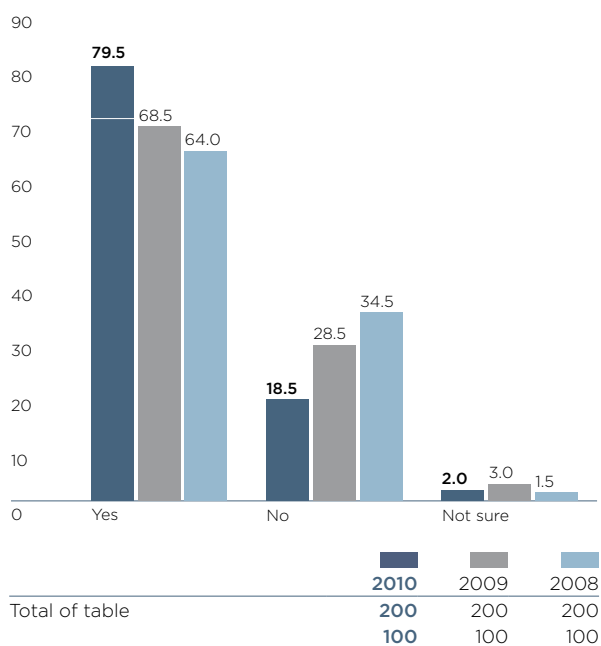
Q3.3 What percentage of the total remuneration is pensionable remuneration?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
100	100	100	100
Less than 70% (70)	22	16	29
	11	8	14.5
70,1% to 80% (75)	57	56	49
	28.5	28	24.5
80,1% to 90% (85)	29	39	34
	14.5	19.5	17
90,1% to 100% (95)	77	63	73
	38.5	31.5	36.5
Members can choose	2		
	1		
Varies/differs for senior staff and blue collar	5	15	
	2.5	7.5	
Depends on level			7
			3.5
2 Choices - total cost to company and basic salary		1	
		0.5	
Not sure	8	10	8
	4	5	4
Mean	84.3	84.02	83.95
Total of table	200	200	200
	100	100	100

SECTION D

AIDS Strategies

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



Q4.2 What does this entail?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
EMPLOYERS WHO IMPLEMENTED AN AIDS MANAGEMENT PROGRAMME	159	137	128
Information / programme to raise awareness	100	100	100
Testing	154	136	121
	96.9	99.3	94.5
Counselling	116	113	86
	73	82.5	67.2
Medication	137	122	109
	86.2	89.1	85.2
Works closely with local clinic	74	68	62
	46.5	49.6	48.4
Good life programme-nutrition, blood pressure etc./in house clinic with nursing councillors			2
			1.6
Roadshow		1	2
		0.7	1.6
Company doctor on site/clinics			1
			0.7
Supply condoms			2
			1.6
Other		1	3
		2	2.3
Don't know			1
			0.8
Total of table	481	443	389
	302.5	323.4	303.9

SECTION E

Contributions

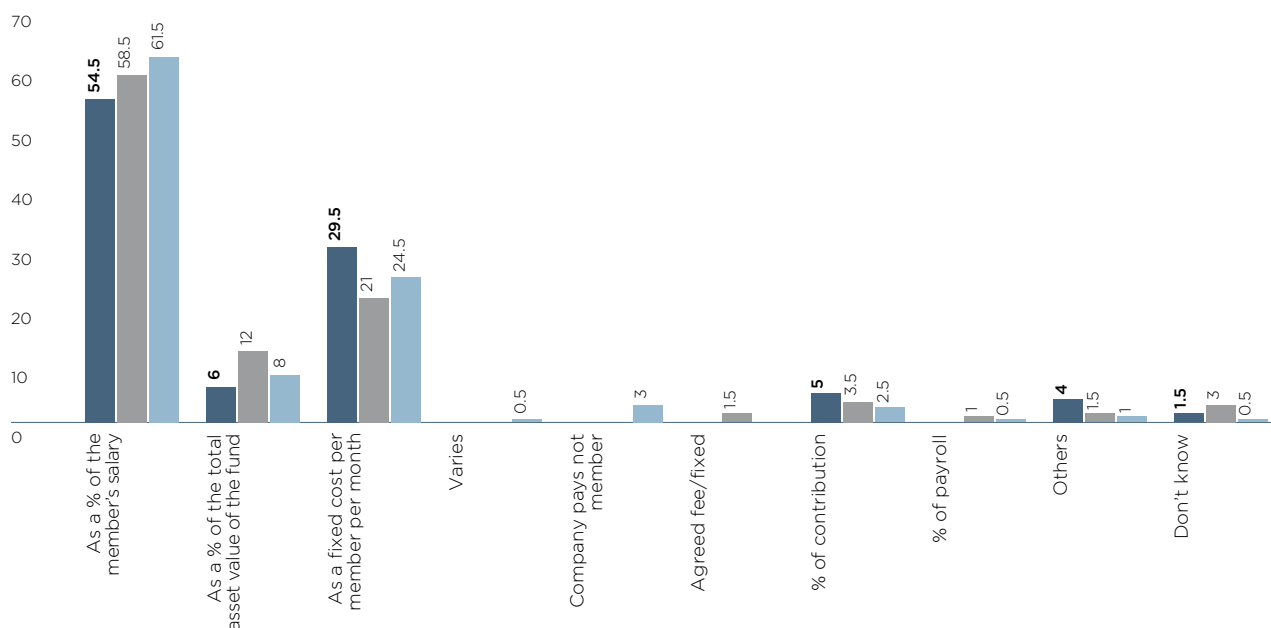
Q5.1 What is the total annual contribution category of the fund (i.e. member’s plus employer’s contributions).

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Less than R1 million	10	15	29
	5	7.5	14.5
R1 million to R5 million	47	61	77
	23.5	30.5	38.5
More than R5 million	138	115	84
	69	57.5	42
Not sure	5	9	10
	2.5	4.5	5
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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Cost of administration itemised			
Yes, fund is billed separately for each item	125	115	101
	62.5	57.5	50.5
No, but additional expenses not specified in the administration agreement are billed separately	24	35	39
	12	17.5	19.5
No, the administration fee typically includes all other expenses	47	46	55
	23.5	23	27.5
Other		1	
		0.5	
Not sure	4	3	5
	2	1.5	2.5
Total of table	200	200	200
	100	100	100

Q5.3a How is the cost of the pure administration fee of the fund calculated?



	2010	2009	2008
Total of table	201	204	204
	100.5	102	102

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

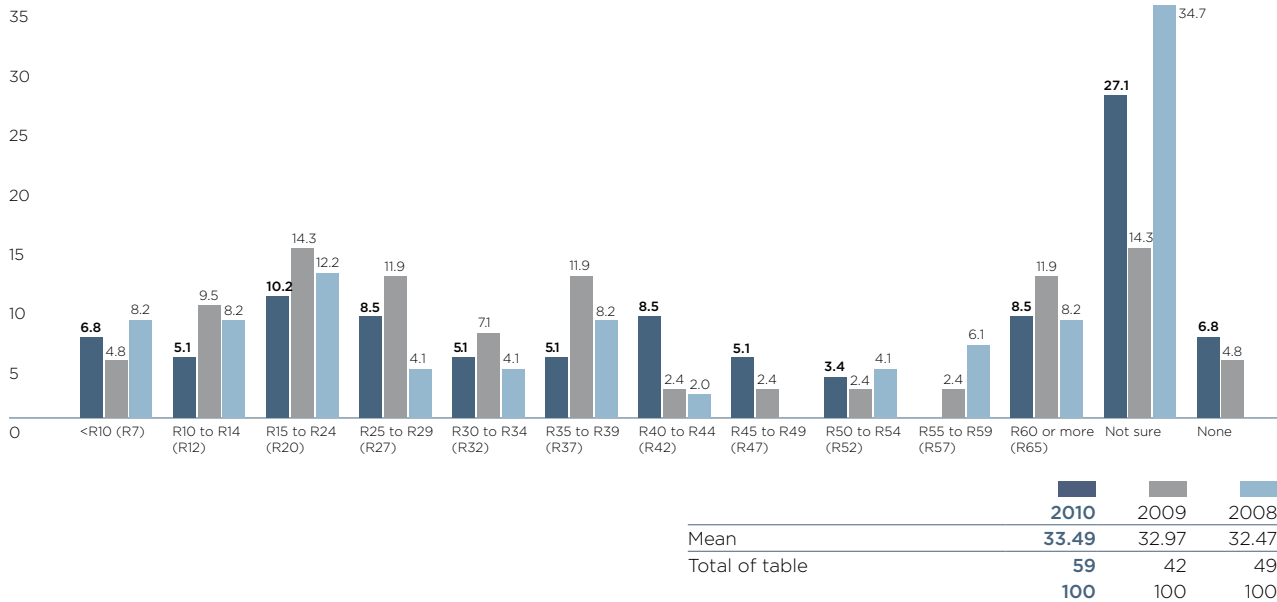
	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING AS A % OF THE MEMBER'S SALARY	109	117	123
0,01% to 0,50% (0.25)	36	31	36
0,51% to 1,00% (0.75)	43	35	39
1,01% to 1,50% (1.25)	9	12	16
1,51% to 2,00% (1.75)	5	6	8
2,01% to 2,50% (2.25)	3	9	1
2,51% to 3,00% (2.75)		2	5
3,01% to 3,50% (3.25)	1	4	1
3,51% to 4,00% (3.75)	1	2	2
4,01% or more (4.25)	5	8	7
Not sure	6	8	8
Mean	0.93	1.28	1.12
Total of table	109	117	123
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING AS A % OF THE TOTAL ASSET VALUE OF THE FUND	12	24	16
0,01% to 0,50% (0.25)	4	6	8
0,51% to 1,00% (0.75)	3	9	1
1,01% to 1,50% (1.25)	4	5	
1,51% to 2,00% (1.75)			2
2,01% to 2,50% (2.25)			12.5
2,51% to 3,00% (2.75)	1		1
3,01% to 3,50% (3.25)	8.3		6.3
4,01% or more (4.25)		1	1
Not sure		4.2	6.3
Mean	0.92	0.89	1.14
Total of table	12	24	16
	100	100	100

Caution: Low base.

Q5.3c What are the fund's administration costs per member per month? - Standard Benefit Options following processes in order of importance?

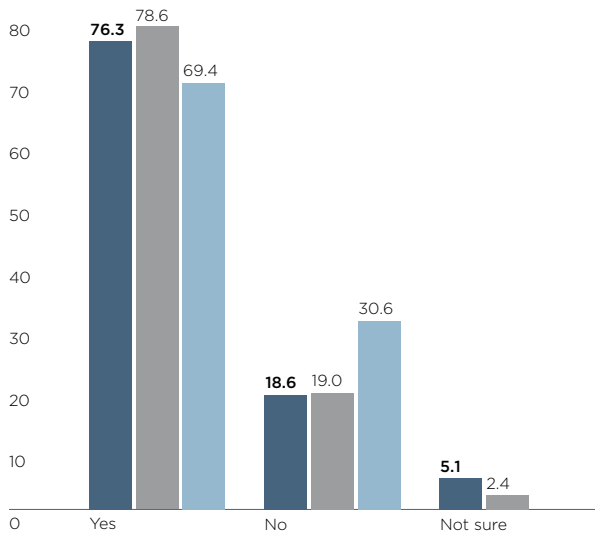


Q5.3c What are the fund's administration costs per member per month? - Member Choice Options

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING AS A FIXED COST PER MEMBER PER MONTH	59	42	49
	100	100	100
<R10 (R7)	2		1
	3.4		2
R10 to R14 (R12)	2		1
	3.4		2
R15 to R24 (R20)	2	2	2
	3.4	4.8	4.1
R25 to R29 (R27)	3		1
	5.1		2
R35 to R39 (R37)	1		2
	1.7		4.1
R40 to R44 (R42)	2	1	2
	3.4	2.4	4.1
R45 to R49 (R47)	2	1	2
	3.4	2.4	4.1

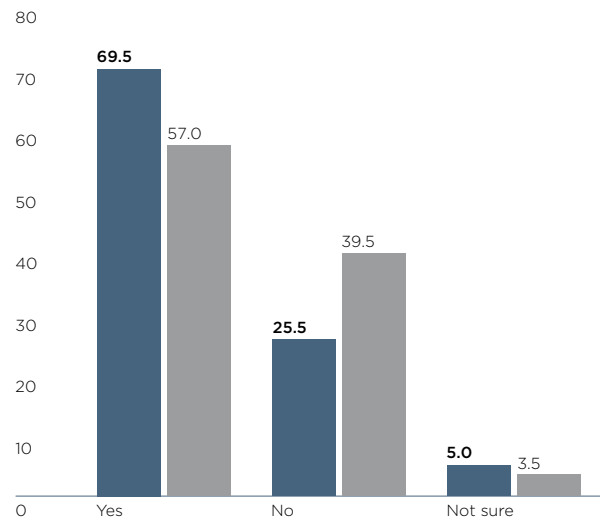
	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING AS A FIXED COST PER MEMBER PER MONTH	59	42	49
	100	100	100
R50 to R54 (R52)	1	1	
	1.7	2.4	
R55 to R59 (R57)		1	1
		2.4	2
R60 or more (R65)	3	2	1
	5.1	4.8	2
Not sure	13	5	36
	22	11.9	73.5
None/not applicable	28	29	
	47.5	69	
Mean	34.5	44.75	33.08
Total of table	59	42	49
	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?



	2010	2009	2008
Total of table	200	200	200
	100	100	100

Q5.4a Does the fund allow for additional billing (i.e. for expenses not included in the Service Level Agreement)?



	2010	2009
Total of table	200	200
	100	100

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

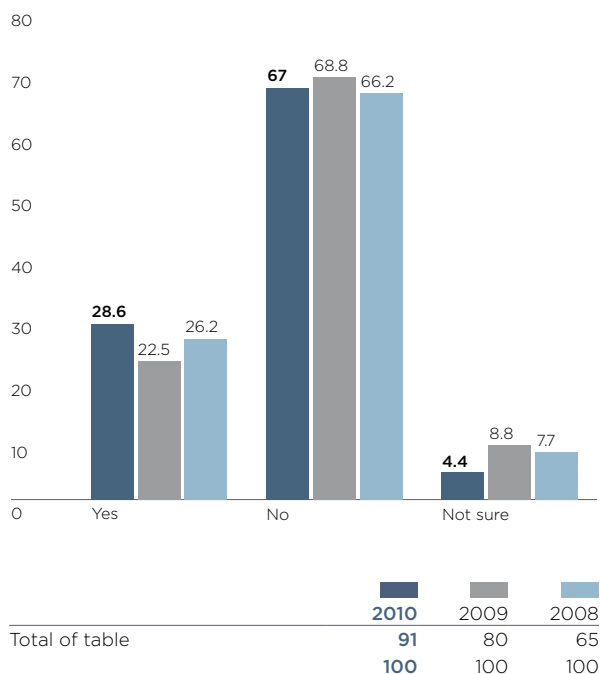
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Yes	91	80	65
	45.5	40	32.5
No	93	98	108
	46.5	49	54
Not sure	16	22	27
	8	11	13.5
Total of table	200	200	200
	100	100	100

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

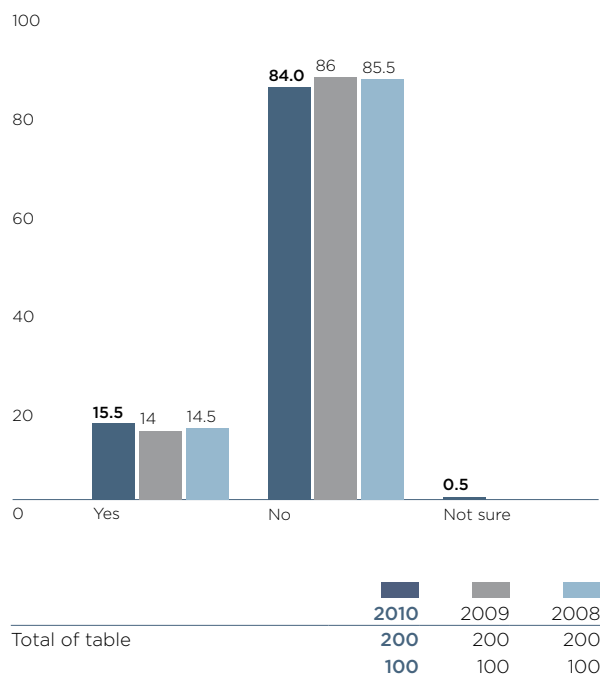
	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING FUND OPERATES A CONTINGENCY RESERVE ACCOUNT	91	80	65
	100	100	100
Monthly deduction from employer contributions	39	21	24
	42.9	26.3	36.9
Monthly deduction from employee contributions	3	14	5
	3.3	17.5	7.7
Monthly deduction from both employee and employer contributions	11		7
	12.1		10.8
Part of the administration fee	24	21	9
	26.4	26.3	13.8
Historical surplus/surplus of the fund	8		15
	8.8		23.1
Lump sum determined by actuary			4
			6.2
From time to time there is an amount allocated		2	
		2.5	
Part of employers surplus		9	
		11.3	
Cost set aside as % of contributions		1	
		1.3	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP STATING FUND OPERATES A CONTINGENCY RESERVE ACCOUNT	91	80	65
	100	100	100
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	
Others	6	6	2
	6.6	7.5	3.1
Don't know	1	1	3
	1.1	1.3	4.6
Total of table	92	81	69
	101.1	101.3	106.2

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



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)?



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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESP WITH A CONTINGENCY RESERVE ACCOUNT FUNDED BY A LEVY EXPRESSED AS A % OF THE PAYROLL	26	18	17
Total	100	100	100
Up to 0,05% (0.03)	11	10	5
0,051% to 0,1% (0.075)	42.3	55.6	29.4
0,11% to 0,15% (0.13)	5	5	8
	19.2	27.8	47.1
0,151% and higher (0.175)	2		
	7.7		
Nil have enough reserves	6		2
	23.1		11.8
Depends on fund performance		1	
		5.6	
Others	1		
	3.8		
Don't know	1	2	1
	3.8	11.1	5.9
Mean	0.08	0.05	0.07
Total of table	26	18	17
	100	100	100

Caution: Low base.

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.

Q5.5a Who provides advice to members when they are deciding whether or not to choose additional cover?

	2010 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	31
Total	100
A FAIS accredited financial advisor appointed by the fund	14
The member's own financial advisor	45.2
Human Resources personnel	14
	45.2
Trustees / PO	12
	38.7
Not sure	12
	38.7
No-one	2
	6.5
Total of table	55
	177.4

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
0,01% to 0,50% (0.25)		2	2
		7.1	6.9
0,51% to 1,00% (0.75)	2	2	3
	6.5	7.1	10.3
1,01% to 1,50% (1.25)	3	2	4
	9.7	7.1	13.8
1,51% to 2,00% (1.75)	5	2	2
	16.1	7.1	6.9
2,01% to 2,50% (2.25)	5	4	2
	16.1	14.3	6.9
2,51% to 3,00% (2.75)	3	1	4
	9.7	3.6	13.8
3,01% to 3,50% (3.25)	4	3	1
	12.9	10.7	3.4
3,51% to 4,00% (3.75)	3		1
	9.7		3.4
4,01% or more (4.25)	4	7	3
	12.9	25	10.3
Other	1	1	
	3.2	3.6	
Not sure	1	4	7
	3.2	14.3	24.1
Mean	2.58	2.58	2.11
Total of table	31	28	29
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
0% (0)	2	1	1
	6.5	3.6	3.4
0,01% to 0,50% (0.25)	2	4	4
	6.5	14.3	13.8
0,51% to 1,00% (0.75)	4	2	3
	12.9	7.1	10.3
1,01% to 1,50% (1.25)	5	3	1
	16.1	10.7	3.4
1,51% to 2,00% (1.75)	5	3	3
	16.1	10.7	10.3
2,01% to 2,50% (2.25)	3	6	2
	9.7	21.4	6.9
2,51% to 3,00% (2.75)			1
			3.4
3,01% to 3,50% (3.25)		1	1
		3.6	3.4
3,51% to 4,00% (3.75)	1		
	3.2		
4,01% or more (4.25)	2	2	3
	6.5	7.1	10.3
Other	2	1	
	6.5	3.6	
Not sure	5	4	10
	16.1	14.3	34.5
Not applicable		1	
		3.6	
Mean	1.56	1.67	1.74
Total of table	31	28	29
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
0% (0)	2	3	1
	6.5	10.7	3.4
0,01% to 0,50% (0.25)	3	5	3
	9.7	17.9	10.3
0,51% to 1,00% (0.75)	5	3	2
	16.1	10.7	6.9
1,01% to 1,50% (1.25)	4	2	3
	12.9	7.1	10.3
1,51% to 2,00% (1.75)	3	3	2
	9.7	10.7	6.9
2,01% to 2,50% (2.25)	2	2	
	6.5	7.1	
2,51% to 3,00% (2.75)			3
			10.3

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND THAT OFFERS FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
3,51% to 4,00% (3.75)	1	1	3
	3.2	3.6	10.3
4,01% or more (4.25)	3		
	9.7		
Other	3	2	
	9.7	7.1	
Not sure	5	5	12
	16.1	17.9	41.4
Not applicable		2	
		7.1	
Mean	1.55	1.03	1.71
Total of table	31	28	29
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUNDS THAT DO NOT OFFER FLEXIBLE DEATH BENEFITS	169	172	171
	100	100	100
Under the Fund			
0% (0)	2	3	3
	1.2	1.7	1.8
0,01% to 0,50% (0.25)	7	4	11
	4.1	2.3	6.4
0,51% to 1,00% (0.75)	23	16	15
	13.6	9.3	8.8
1,01% to 1,50% (1.25)	27	23	21
	16	13.4	12.3
1,51% to 2,00% (1.75)	21	23	29
	12.4	13.4	17
2,01% to 2,50% (2.25)	16	10	12
	9.5	5.8	7
2,51% to 3,00% (2.75)	6	7	6
	3.6	4.1	3.5
3,01% to 3,50% (3.25)	1	5	10
	0.6	2.9	5.8
3,51% to 4,00% (3.75)	7	4	7
	4.1	2.3	4.1
4,01% or more (4.25)	7	9	2
	4.1	5.2	1.2
Death and disability combined at 2.2%		1	
		0.6	
2.5% (Death and Disability combined)	1		
	0.6		
Combined death and disability at 3% to 3.2%		4	
		2.3	
4.01% (Death and Disability combined)	1		
	0.6		
Not sure	11	21	22
	6.5	12.2	12.9
No benefit under the fund	39	3	33
	23.1	1.7	19.3
Only under a separate scheme		39	
		22.7	
Mean	1.72	1.86	1.74
Total of table	169	172	171
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUNDS THAT DO NOT OFFER FLEXIBLE DEATH BENEFITS	169	172	171
	100	100	100
Under a Separate Scheme			
0% (0)	4		1
	2.4		0.6
0,01% to 0,50% (0.25)	6	2	7
	3.6	1.2	4.1
0,51% to 1,00% (0.75)	3	8	7
	1.8	4.7	4.1
1,01% to 1,50% (1.25)	8	9	10
	4.7	5.2	5.8
1,51% to 2,00% (1.75)	9	9	6
	5.3	5.2	3.5
2,01% to 2,50% (2.25)	7	3	3
	4.1	1.7	1.8
2,51% to 3,00% (2.75)	3	2	1
	1.8	1.2	0.6
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
		1.2	0.6
1.26 % (Death and Disability combined)	1		
	0.6		
Death and disability combined at 1.48%		1	
		0.6	
2.67 % (Death and Disability combined)	1		
	0.6		
6 % (Death and Disability combined)	1		
	0.6		
Not sure	5		15
	3		8.8
No benefit under a separate scheme	120	133	117
	71	77.3	68.4
Mean	1.4	1.68	1.38
Total of table	169	172	171
	100	100	100

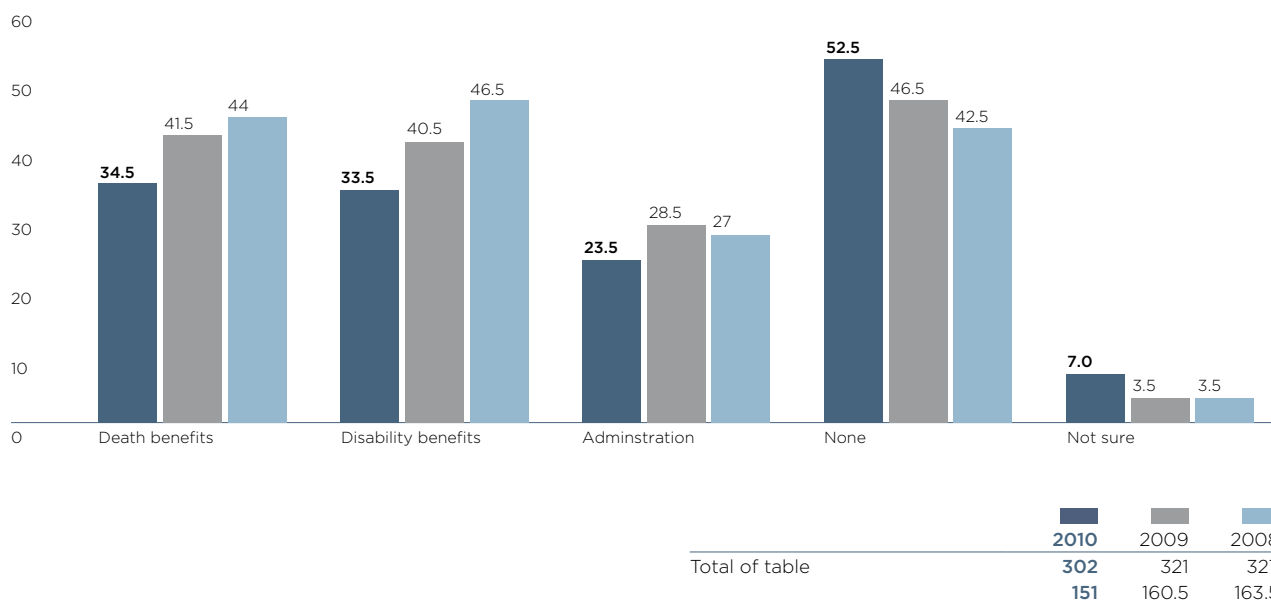
Q5.8a What percentage of salaries is applied to the cost of disability benefits under the fund and under a separate scheme?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Under The Fund			
0% (0)	3	4	9
	1.5	2	4.5
0,01% to 0,50% (0.25)	18	11	17
	9	5.5	8.5
0,51% to 1,00% (0.75)	34	38	37
	17	19	18.5
1,01% to 1,50% (1.25)	29	24	28
	14.5	12	14
1,51% to 2,00% (1.75)	14	11	20
	7	5.5	10
2,01% to 2,50% (2.25)	7	4	5
	3.5	2	2.5
2,51% to 3,00% (2.75)	1	5	5
	0.5	2.5	2.5
3,01% to 3,50% (3.25)	1	2	1
	0.5	1	0.5
3,51% to 4,00% (3.75)	3	2	5
	1.5	1	2.5
4,01% or more (4.25)	7	6	4
	3.5	3	2
Combined death and disability at 1.27%		1	
		0.5	
2.5% (Death and Disability combined)	1		
	0.5		
Combined death and disability at 3% to 3.2%		3	
		1.5	
Combined death and disability at 3.51% to 4%		1	
		0.5	
4,01% (Death and Disability combined)	1		
	0.5		
Other	1		
	0.5		
Not sure	16	26	21
	8	13	10.5
No benefit under the fund	64	5	48
	32	2.5	24
Only under a separate scheme		57	
		28.5	
Mean	1.31	1.33	1.27
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Under a Separate Scheme			
0% (0)	4		3
	2		1.5
0,01% to 0,50% (0.25)	12	11	8
	6	5.5	4
0,51% to 1,00% (0.75)	19	19	17
	9.5	9.5	8.5
1,01% to 1,50% (1.25)	12	16	14
	6	8	7
1,51% to 2,00% (1.75)	11	6	4
	5.5	3	2
2,01% to 2,50% (2.25)	4	2	2
	2	1	1
2,51% to 3,00% (2.75)	3		
	1.5		
3,01% to 3,50% (3.25)	1	1	2
	0.5	0.5	1
3,51% to 4,00% (3.75)	1	1	1
	0.5	0.5	0.5
4,01% or more (4.25)			1
			0.5
1.26 % (Death and Disability combined)	1	1	
	0.5	0.5	
2.67 % (Death and Disability combined)	1		
	0.5		
6 % (Death and Disability combined)	1		
	0.5		
Not sure	10		15
	5		7.5
No benefit under a separate scheme	120	143	133
	60	71.5	66.5
Mean	1.13	1.05	1.12
Total of table	200 100	200 100	200 100

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



Q5.10 At what percentage are death benefits capped?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
DEATH BENEFITS CAPPED AT A %	69	83	88
	100	100	100
0,51% to 1,00% (0.75)	5	8	13
	7.2	9.6	14.8
1,01% to 1,50% (1.25)	10	2	8
	14.5	2.4	9.1
1,51% to 2,00% (1.75)	14	12	18
	20.3	14.5	20.5
2,1% to 2,5% (2.25)	5	8	7
	7.2	9.6	8
2,6% to 3% (2.75)	1	5	8
	1.4	6	9.1
3,1% to 3,5% (3.25)	3	3	5
	4.3	3.6	5.7
3,6% to 4% (3.75)	3	5	7
	4.3	6	8
4% or more (4.25)	9	12	4
	13	14.5	4.5
1.5% (Death and disability capped together)	1	2	
	1.4	2.4	
2.5% (Death and disability capped together)	1	4	
	1.4	4.8	
Death and disability combined at 3%		1	
		1.2	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
DEATH BENEFITS CAPPED AT A %	69	83	88
	100	100	100
3.6% (Death and disability capped together)	1		
	1.4		
4.2% - 4.5%(Death and disability capped together)	2	1	
	2.9	1.2	
6% - 6.5%(Death and disability capped together)	1		
	1.4		
7.5% (Death and disability capped together)	1		
	1.4		
11.25% (Death and disability capped together)	1		
	1.4		
Varies		2	
		2.4	
Not sure	11	14	18
	15.9	16.9	20.5
No response		4	
		4.8	
Mean	2.68	2.56	2.12
Total of table	69	83	88
	100	100	100

Q5.11 At what percentage are disability benefits capped?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
DISABILITY BENEFITS CAPPED AT A %	67	81	93
	100	100	100
0,51% to 1,00% (0.75)	11	13	18
	16.4	16	19.4
1,01% to 1,50% (1.25)	8	6	10
	11.9	7.4	10.8
1,51% to 2,00% (1.75)	15	10	20
	22.4	12.3	21.5
2,1% to 2,5% (2.25)	1	6	5
	1.5	7.4	5.4
2,6% to 3% (2.75)	2	3	3
	3	3.7	3.2
3,1% to 3,5% (3.25)	1	2	4
	1.5	2.5	4.3
3,6% to 4% (3.75)	2	3	7
	3	3.7	7.5
4% or more (4.25)	6	11	8
	9	13.6	8.6
1.5% (Death and disability capped together)	1		
	1.5		
2.5% (Death and disability capped together)	1	4	
	1.5	4.9	
Death and disability combined at 3 %		1	
		1.2	
3.6% (Death and disability capped together)	1	2	
	1.5	2.5	
Death and disability combined at 4% or more		1	
		1.2	
4.2% - 4.5%(Death and disability capped together)	2		
	3		
6% - 6.5%(Death and disability capped together)	1		
	1.5		
7.5% (Death and disability capped together)	1		
	1.5		
11.25% (Death and disability capped together)	1		
	1.5		
Varies		2	
		2.5	
Don't know/rand amount			4
			4.3
Not sure	13	14	14
	19.4	17.3	15.1
No response		3	
		3.7	
Mean	2.41	2.24	2.05
Total of table	67	81	93
	100	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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Up to 2%		10	11
		5	5.5
2% to 3%	5	4	11
	2.5	2	5.5
More than 3%	17	24	31
	8.5	12	15.5
Not sure	13	17	21
	6.5	8.5	10.5
No requirement	165	145	126
	82.5	72.5	63
Total of table	200	200	200
	100	100	100

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

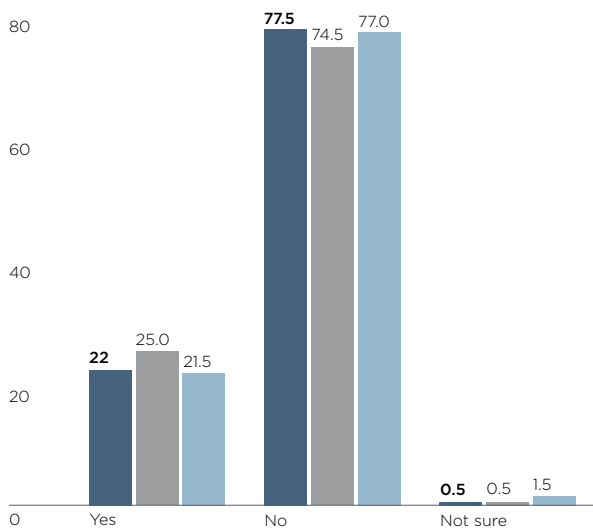
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Fixed contribution only (i.e. total cost to company - no additional costs)	91	83	89
	45.5	41.5	44.5
Fixed contribution plus the cost of administration	9	11	9
	4.5	5.5	4.5
Fixed contribution plus the cost of risk benefits	8	8	19
	4	4	9.5
Fixed contribution plus the cost of administration and the cost of risk benefits	86	91	80
	43	45.5	40
Contribution is on salary sacrifice		1	1
		0.5	0.5
Others	1	6	2
	0.5	3	1
Not sure	5	3	3
	2.5	1.5	1.5
Total of table	200	203	203
	100	101.5	101.5

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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
0% (0)	4	3	5
	2	1.5	2.5
0,1% to 5% (2.5)	8	11	13
	4	5.5	6.5
5,1% to 7,5% (6.25)	37	31	38
	18.5	15.5	19
7,6% to 10% (8.75)	50	38	50
	25	19	25
10,1% to 11% (10.5)	33	30	17
	16.5	15	8.5
11,1% to 12,5% (11.75)	20	26	22
	10	13	11
12,6% to 15% (13.75)	23	25	17
	11.5	12.5	8.5

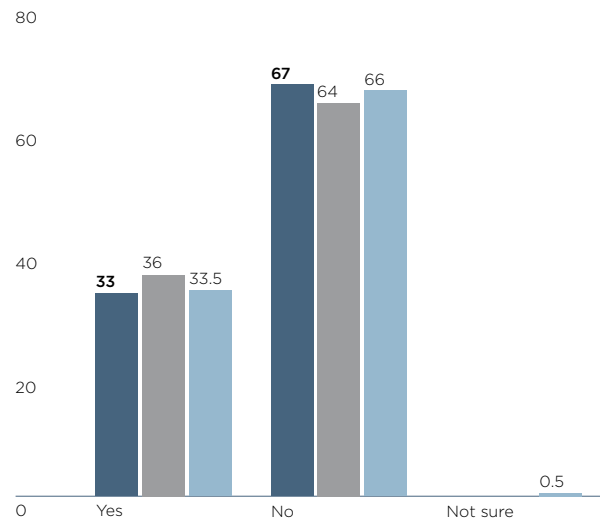
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
15,1% or more (15.5)	21	20	26
	10.5	10	13
Other		1	
		0.5	
Not sure	4	7	12
	2	3.5	6
Varies		8	
		4	
Mean	9.76	9.93	9.47
Total of table	200	200	200
	100	100	100

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)?



	2010	2009	2008
Total of table	200	200	65
	100	100	100

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

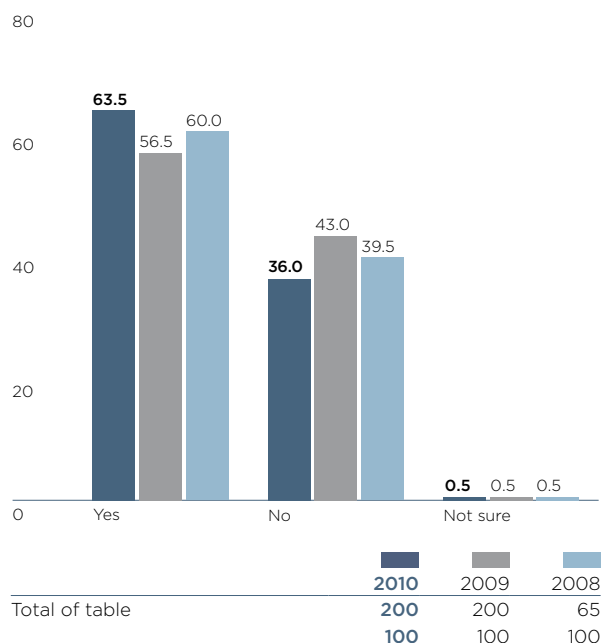


	2010	2009	2008
Total of table	200	200	65
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Contribution Made By Members			
0% (0)	31	25	29
	15.5	12.5	14.5
0,1% to 5% (2.5)	13	15	25
	6.5	7.5	12.5
5,1% to 6% (5.5)	8	11	20
	4	5.5	10
6,1% to 7,4% (6.75)	37	40	35
	18.5	20	17.5
7,5% (7.5)	80	62	60
	40	31	30
7,6% to 8% (7.75)	4	7	9
	2	3.5	4.5
8,1% or more (8.5)	20	19	14
	10	9.5	7
R150 monthly	2		
	1		
Other			2
			1
Not sure	5	14	6
	2.5	7	3
Varies		4	
		2	
None		3	
		1.5	
Mean	5.84	5.86	5.46
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?



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

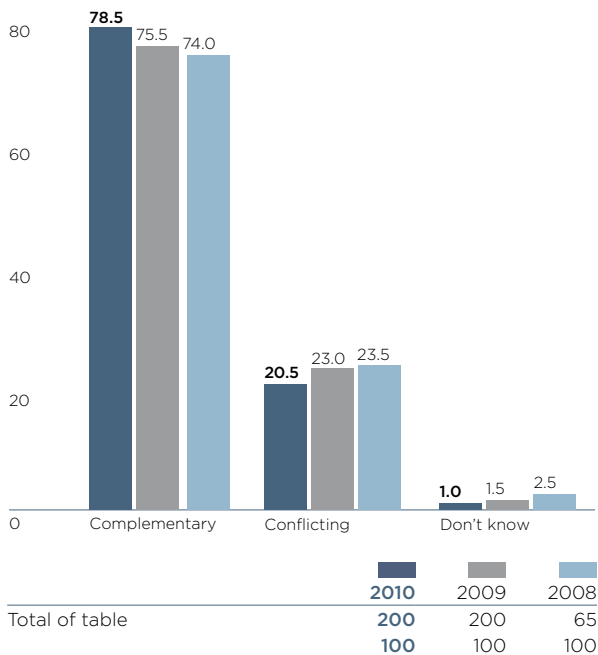
	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENT WHO SAY FUND ALLOWS MEMBERS TO MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS	127	113	120
	100	100	100
0% (0)	23	24	17
	18.1	21.2	14.2
0,1% to 5% (2.5)	48	54	49
	37.8	47.8	40.8
5,1% to 6% (5.5)	1	1	7
	0.8	0.9	5.8
6,1% to 7,4% (6.75)		1	2
		0.9	1.7
7,5% (7.5)	1	1	1
	0.8	0.9	0.8
7,6% to 8% (7.75)			2
			1.7

8,1% or more (8.5)	2	5	4
	1.6	4.4	3.3
An unspecified Rand amount	42		10
	33.1		8.3
Up to R1800 per year	1		
	0.8		
Varies	2	3	
	1.6	2.7	
Other			2
			1.8
Not sure	7	22	27
	5.5	19.5	22.5
None - currently not being done			1
			0.8
Mean	2	2.29	2.82
Total of table	127	113	120
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Optimize retirement benefits	181	119	100
	90.5	59.5	50
Optimize withdrawal benefits	55	7	9
	27.5	3.5	4.5
Provide optimal risk benefits	64		
	32		
Predetermined by fund rules	1		
	0.5		
Not optimising any benefits	1		
	0.5		
Both		71	79
		35.5	39.5
Not sure	2	3	12
	1	1.5	6
Total of table	304	200	200
	152	100	100

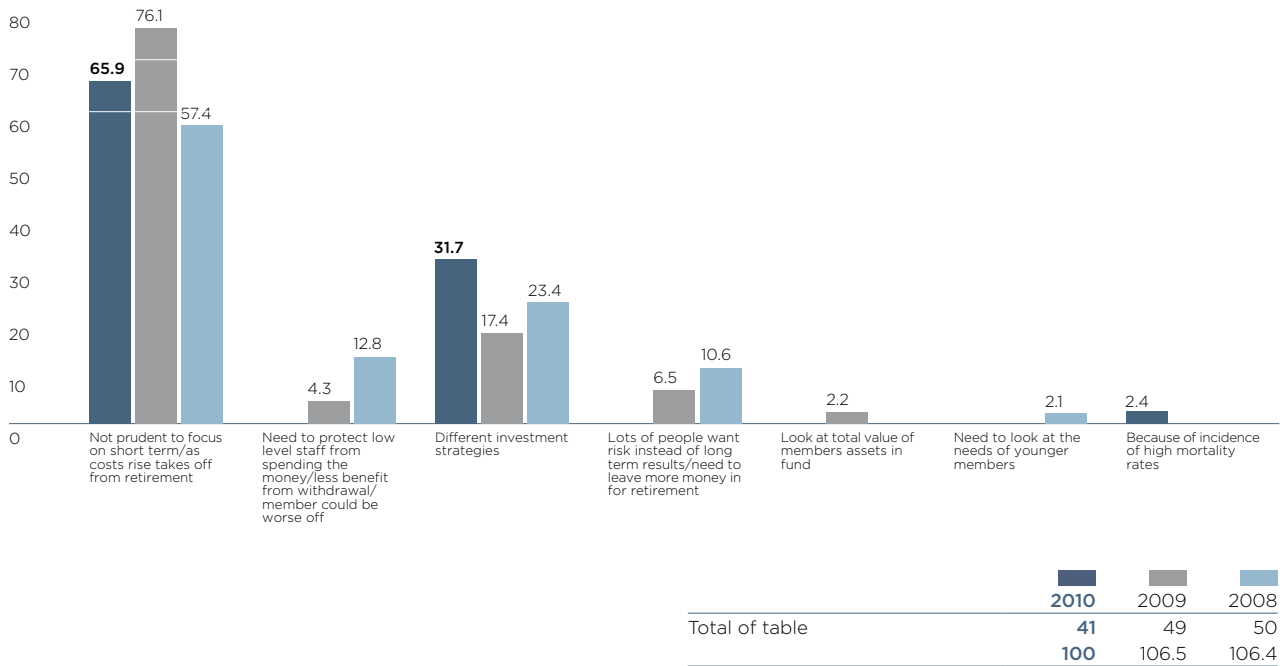
Q5.20 Do you consider that strategies to optimize retirement benefits, strategies to optimize withdrawal benefits and strategies to optimize risk benefits are complementary or conflicting?



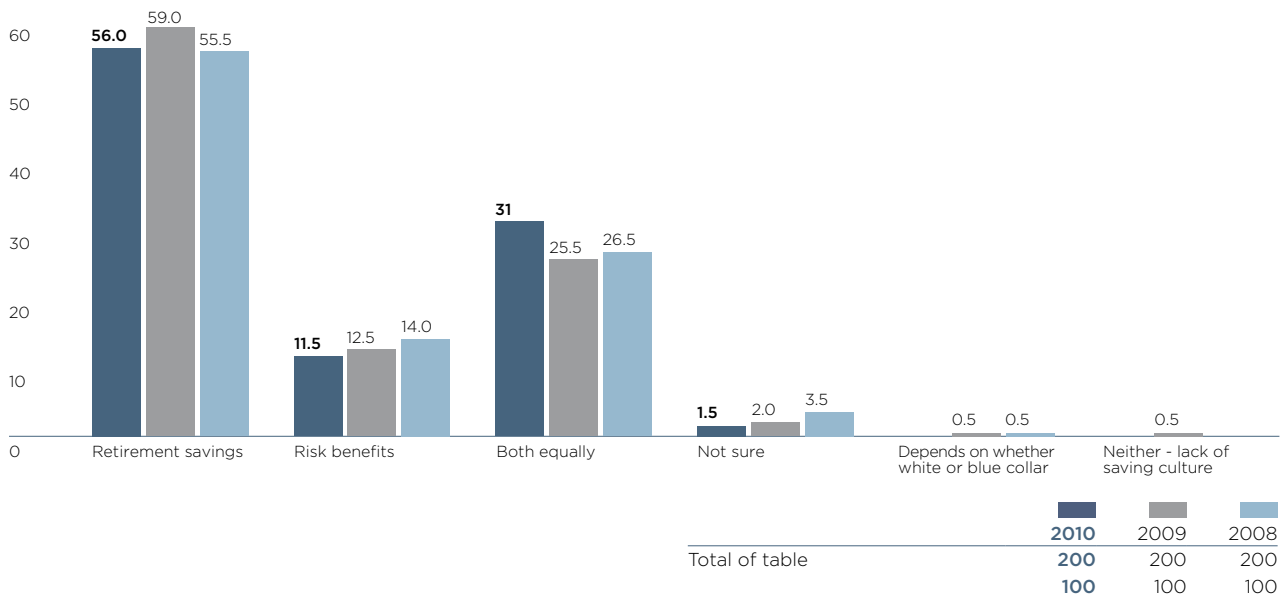
Q5.21 Why do you say that? - Complementary

	2010 TOTAL	2009 TOTAL	2008 TOTAL
STRATEGIES TO OPTIMIZE RETIREMENT/ WITHDRAWAL BENEFITS/RISK BENEFITS ARE COMPLEMENTARY	157	151	148
	100	100	100
Complementary			
They go hand in hand/Long term planning to look after short term withdrawals and risk benefits/looking for a return on all benefits	81	88	80
	51.6	58.3	54.1
Not discriminatory/need to know they are covered for all 3/all important	35	20	7
	22.3	13.2	4.7
Legislation states that we have to give maximum benefits			3
			2
Investment is in a conservative investment portfolio/not put members at risk/have a smooth bonus		10	8
		6.6	5.4
Member level investment choice			5
			3.4
Same investment strategy			15
			10.1
Our fund has a stable membership and is growing	1	2	
	0.6	1.3	
Trying to make sure that both employees and company are gaining		1	
		0.7	
Trustees manage the funds/do what is best for all members	29	9	
	18.5	6	
Purpose of the fund is retirement/ encouraging to save long term and build up resources	21	19	20
	13.4	12.6	13.5
In our fund what you pay is what you get regardless/in essence a savings account earning investment returns		1	17
		0.7	11.5
Don't have many risk benefits only have funeral benefits so optimising risk not a priority	1	5	
	0.6	3.3	
If we don't encourage savings they won't have adequate withdrawal for retirement/want people to understand importance of preservation		3	
		2	
Try and keep members instead of transferring when changing employers/people leave too early and lose benefits		1	6
		0.7	4.1
Look at retiree's tax situation			1
			0.7
Members want this, makes them satisfied to be part of fund	1		
	0.6		
Gives staff an amazing sense of security	1		
	0.6		
Has to be compensation for costs and benefits for the employee as well as the company	2		
	1.3		
Fund has sufficient reserves for death benefits not to compromise death benefits	1		
	0.6		
Others		3	6
		2	4.1
Don't know		3	3
		2	2
Total of table	173	165	171
	110.2	109.3	115.5

Q5.21 Why do you say that? - Conflicting



Q5.22 In your opinion, are members more concerned about retirement savings benefits or risk benefits?



Q5.23a Thinking about those members who withdraw from the fund before retirement, can you estimate the proportion who ...?
... Preserve their benefit in full either through transfer to a new fund or savings vehicle.

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
95 to 100 %	6
90 to 94	3
80 to 89	7
70 to 79	12
60 to 69	8
50 to 59	18
40 to 49	13
30 to 39	10
20 to 29	21
10 to 19	34
5 to 9	22
< 5 %	44
Don't know	2
Mean	27.47
Total of table	200
	100

Q5.23b Thinking about those members who withdraw from the fund before retirement, can you estimate the proportion who ...?
... Preserve some of the benefit

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
90 to 94	1
80 to 89	2
50 to 59	3
40 to 49	4
30 to 39	4
20 to 29	21
10 to 19	21
5 to 9	14
< 5 %	128
Don't know	2
Mean	7.37
Total of table	200
	100

Q5.23c Thinking about those members who withdraw from the fund before retirement, can you estimate the proportion who ...?

... Preserve none of the benefit, preferring to take the cash

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
95 to 100 %	47
	23.5
90 to 94	27
	13.5
80 to 89	25
	12.5
70 to 79	11
	5.5
60 to 69	17
	8.5
50 to 59	19
	9.5
40 to 49	8
	4
30 to 39	10
	5
20 to 29	14
	7
10 to 19	9
	4.5
5 to 9	1
	0.5
< 5 %	10
	5
Don't know	2
	1
Mean	65.16
Total of table	200
	100

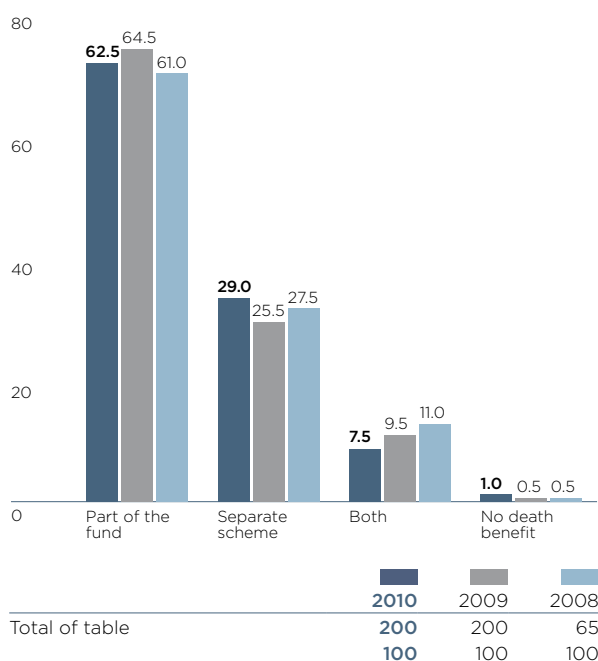
SECTION F

Risk Benefits

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Lump sum	196	195	193
	98	97.5	96.5
Spouse's pension	30	31	28
	15	15.5	14
Children's pension	24	31	23
	12	15.5	11.5
No death benefit	2	1	
	1	0.5	
Not sure	1		3
	0.5		1.5
Total of table	253	258	247
	126.5	129	123.5

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



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?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
SPOUSE'S PENSION PAID ON DEATH OF MEMBER BEFORE RETIREMENT AND RISK BENEFITS ARE PROVIDED AS PART OF THE FUND	25	23	18
	100	100	100
Size of Sum			
2 x annual salary (2.0)	7	6	6
	28	26.1	33.3
2.5 x annual salary (2.5)	1	4	6
	4	17.4	33.3
3 x annual salary (3.0)	4	4	6
	16	17.4	33.3
4 x annual salary (4.0)	3	4	2
	12	17.4	11.1
5 x annual salary (5.0)	2	1	4
	8	4.3	22.2
More than 5 x annual salary (6.0)	1	1	
	4	4.3	
Scaled per age band	4	1	1
	16	4.3	5.6
Depending on years of service		2	2
		8.7	11.1
Members have flexible benefits, so it varies from member to member	3	3	1
	12	13	5.6
Depends on members equitable share		1	
		4.3	
Mean	3.14	3.19	3.22
Total of table	25	23	22
	100	100	122.2

Caution: Low base.

Q6.3 What is the size of the lump sum payable **by the fund** (not a separate scheme) on death for members without a spouse's pension?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
SPOUSE'S PENSION IS NOT PAID ON DEATH OF MEMBER BEFORE RETIREMENT BUT RISK BENEFITS ARE PROVIDED AS PART OF THE FUND	115	125	122
	100	100	100
Size of Sum			
1 x annual salary (1.0)	1	1	5
	0.9	0.8	4.1
1.5 x annual salary (1.5)		1	1
		0.8	0.8
2 x annual salary (2.0)	10	17	20
	8.7	13.6	16.4
2.5 x annual salary (2.5)			2
			1.6
3 x annual salary (3.0)	33	34	28
	28.7	27.2	23
4 x annual salary (4.0)	22	21	26
	19.1	16.8	21.3
5 x annual salary (5.0)	15	16	13
	13	12.8	10.7
More than 5 x annual salary(6.0)	4	4	5
	3.5	3.2	4.1
Depending on years of service	3	4	2
	2.6	3.2	1.6
Scaled per age band	11	10	7
	9.6	8	5.7
Members have flexible benefits, so it varies from member to member	13	14	9
	11.3	11.2	7.4
Fixed amount		1	1
		0.8	0.8
Others		2	
		1.6	
Not sure	3		3
	2.6		2.5
Mean	3.61	3.47	3.35
Total of table	115	125	122
	100	100	100

Q6.4a Is a lump sum benefit paid to dependants on the death of a member before retirement under a **separate scheme** (i.e. not by the fund)?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Yes	72	72	71
	36	36	35.5
No	126	122	128
	63	61	64
Not sure	2	5	1
	1	2.5	0.5
Not applicable		1	
		0.5	
Total of table	200	200	200
	100	100	100

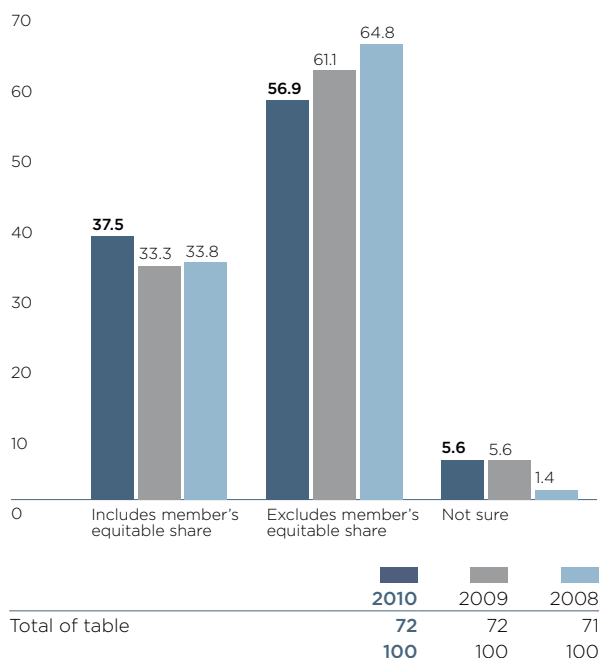
Q6.4b What is the size of the lump sum provided under a **separate scheme**?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
LUMP SUM BENEFIT PAID ON DEATH OF MEMBER	72	72	71
	100	100	100
1 x annual salary (1.0)	3	2	3
	4.2	2.8	4.2
2 x annual salary (2.0)	8	9	10
	11.1	12.5	14.1
2.5 x annual salary (2.5)	1		
	1.4		
3 x annual salary (3.0)	20	18	23
	27.8	25	32.4
4 x annual salary (4.0)	10	16	14
	13.9	22.2	19.7
5 x annual salary (5.0)	6	8	2
	8.3	11.1	2.8
More than 5 x annual salary(6.0)	3	2	3
	4.2	2.8	4.2
Scaled per age band	4	2	5
	5.6	2.8	7
Members have flexible benefits, so it varies from member to member	13	7	8
	18.1	9.7	11.3
Depending on years of service	2	4	
	2.8	5.6	
Fixed amount	1	1	
	1.4	1.4	
Not sure	1	2	3
	1.4	2.8	4.2
Others		1	
		1.4	
Mean	3.32	3.45	3.2
Total of table	72	72	71
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
LUMP SUM BENEFIT PAID ON DEATH OF MEMBER	72	72	71
	100	100	100
It is deducted from the member contribution	13	12	8
	18.1	16.7	11.3
Additional payment by the member	9	7	16
	12.5	9.7	22.5
It is deducted from the employer contribution	39	27	31
	54.2	37.5	43.7
Additional payment by the employer	13	26	22
	18.1	36.1	31
Not sure	2	2	
	2.8	2.8	
SUMMARY			
Any member	22	18	
	30.6	25	
Any employer	52	53	
	72.2	73.6	
Total of table	76	74	77
	105.6	102.8	108.5

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?



Q6.7 What is the core level of death cover?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS OFFERING FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
Less than 1x annual salary	1		
	3.2		
1 x annual salary (1)	5	5	9
	16.1	17.9	31
2 x annual salary (2)	5	7	6
	16.1	25	20.7
3 x annual salary (3)	10	7	8
	32.3	25	27.6
More than 3x annual salary	6		
	19.4		
More than 4x annual salary		3	3
		10.7	10.3
More than 5x annual salary		1	
		3.6	
Varies	3		
	9.7		
Other			3
			10.3
Not sure	1	3	
	3.2	10.7	
None		2	
		7.1	
Mean	2.25	2.48	2.19
Total of table	31	28	29
	100	100	100

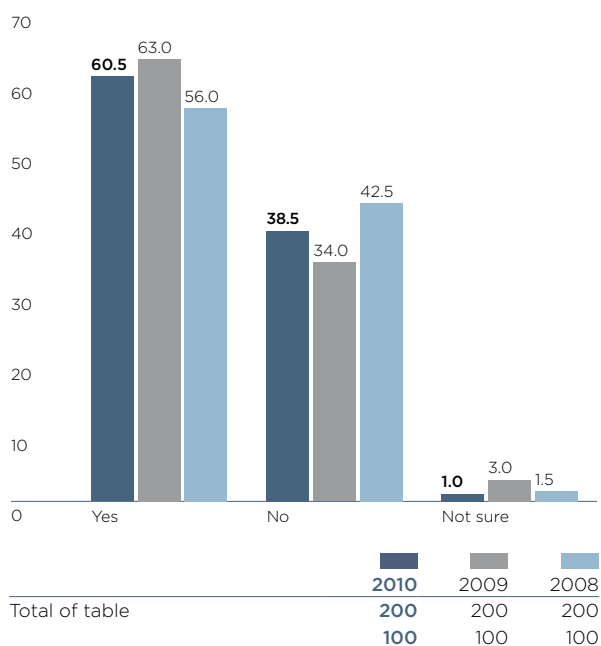
Q6.8 What additional levels of death cover can members choose?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS OFFERING FLEXIBLE DEATH BENEFITS	31	28	29
	100	100	100
Up to 1 x annual salary (1)	2	1	
	6.5	3.6	
Up to 2 x annual salary (2)	1	1	1
	3.2	3.6	3.4
Up to 3 x annual salary (3)	3	3	1
	9.7	10.7	3.4
Up to 4 x annual salary (4)		3	2
		10.7	6.9
Up to 5 x annual salary (5)	7	7	4
	22.6	25	13.8
More than 5x annual salary	5	9	9
	16.1	32.1	31
Varies	10	2	3
	32.3	7.1	10.3
Other			1
			3.4
Not sure	3	3	4
	9.7	10.7	13.8
None		2	4
		7.1	13.8
Mean	3.69	4.71	5.12
Total of table	31	31	29
	100	110.7	100

Q6.9 What is the default level of flexible death cover?

	2010 TOTAL
RESPONDENTS OFFERING FLEXIBLE DEATH BENEFITS	31
	100
Up to 1 x annual salary (1)	2
	6.5
Up to 2 x annual salary (2)	4
	12.9
Up to 3 x annual salary (3)	9
	29
Up to 4 x annual salary (4)	5
	16.1
Up to 5 x annual salary (5)	2
	6.5
Up to individual	1
	3.2
More than 5x annual salary	1
	3.2
Varies according to annual salary	1
	3.2
Varies according to age	2
	6.5
None	3
	9.7
Not sure	1
	3.2
Mean	3.05
Total of table	31
	100

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



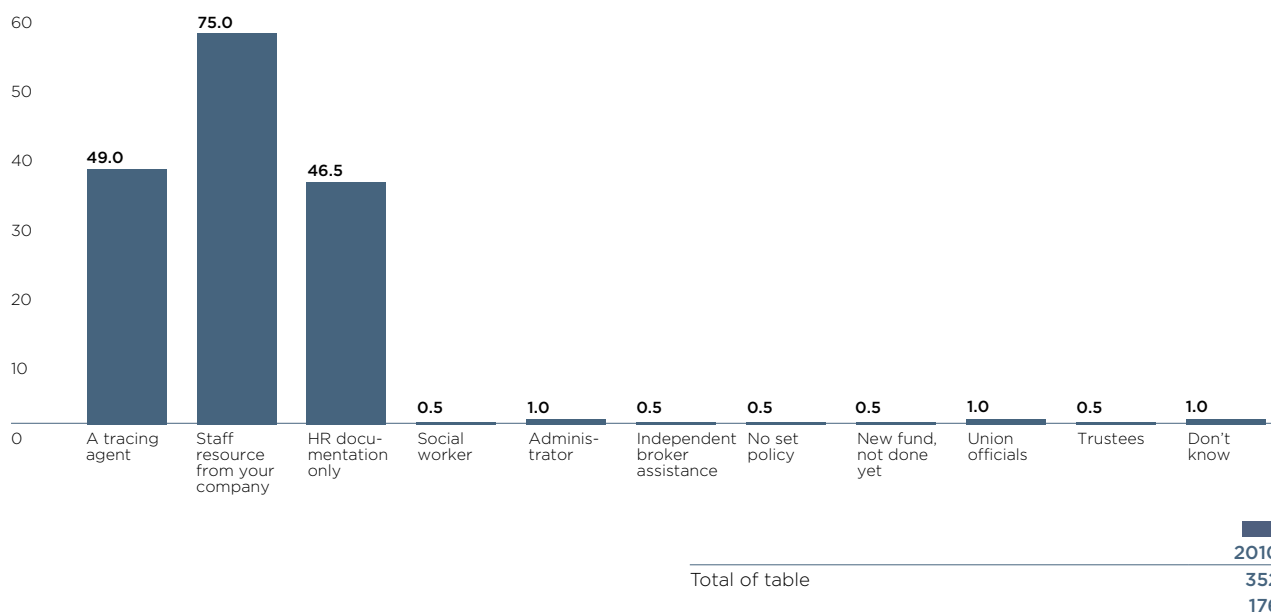
Q6.10b What is the fund's policy on this issue?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Provide benefits to a legal guardian only	45	69	75
	22.5	34.5	37.5
Provide benefits to a guardian, regardless of legal status	11	10	10
	5.5	5	5
Provide benefits to the minor orphan	4	10	2
	2	5	1
Trust is set up	81	95	73
	40.5	47.5	36.5
Legal guardian if they have the expertise otherwise trustees set up a trust	28		
	14		
No formal policy	14	7	6
	7	3.5	3
Beneficiary fund	12		
	6		
Trustees resolution according to the act would apply	4		
	2		
Depends on each individual case/ varies/assess each case individually		17	21
		8.5	10.5
We administer guardian can claim			2
			1
Not done yet		2	
		1	
Other		7	9
		3.5	4.5
Don't know	1	2	8
	0.5	1	4
Total of table	200	219	206
	100	109.5	103

Q6.11a Who is responsible for the Section 37C process - dividing the benefit payable between the deceased member's beneficiaries?

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
The Board of Trustees	178
	89
An independent committee/consultant	27
	13.5
The Administrator (at an additional fee)	10
	5
Personnel officer	1
	0.5
In house team	1
	0.5
Employer	1
	0.5
Don't know	1
	0.5
Total of table	219
	109.5

Q6.11b How do you ensure that all beneficiaries are traced?



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

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
Yes, as an acceleration of a death benefit	34
	17
Yes, as a separate benefit to a death benefit	16
	8
No lump sum benefit is provided	150
	75
SUMMARY	
Any Yes	50
	25
Total of table	200
	100

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

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
Yes, as an acceleration of a death benefit	12
	6
Yes, as a separate benefit to a death benefit	17
	8.5
No lump sum benefit is provided	171
	85.5
SUMMARY	
Any Yes	29
	14.5
Total of table	200
	100

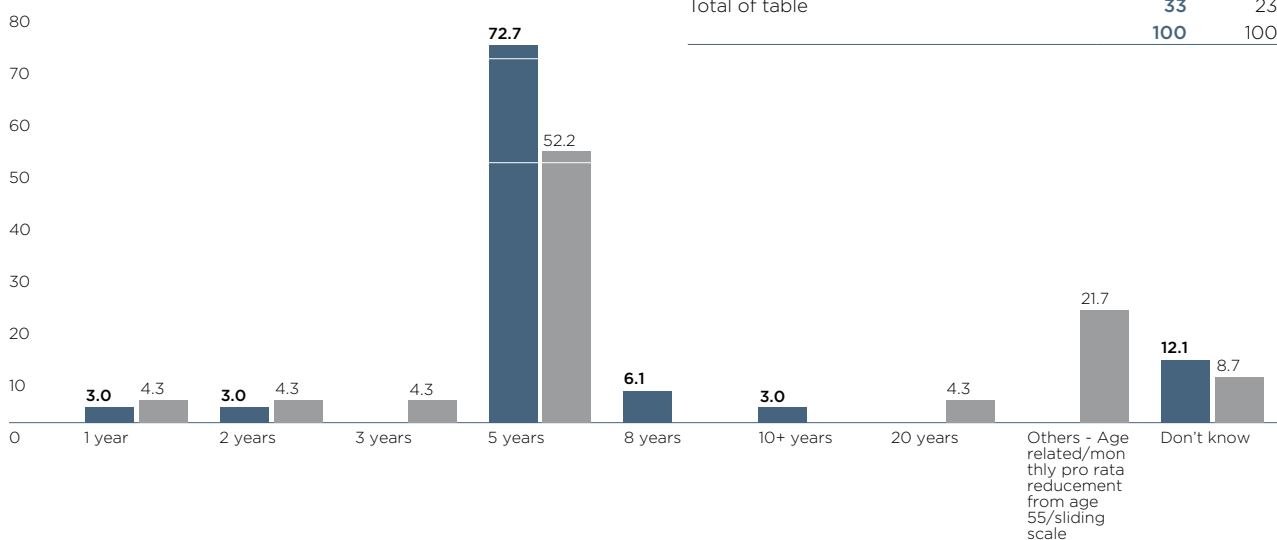
Q6.12b Which of the following best describes the lump sum disability benefit?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERS A LUMP SUM DISABILITY BENEFIT	78	74	97
100%	100	100	100
75% of salary till retirement date (0.75)			11
			11.3
Multiple of salary, 1 x annual salary (1)	10	6	15
	12.8	8.1	15.5
Multiple of salary, 1.5 x annual salary (1.5)	1	3	2
	1.3	4.1	2.1
Multiple of salary, 2 x annual salary (2)	22	17	21
	28.2	23	21.6
Multiple of salary, 2.5 x annual salary (2.5)	1	1	2
	1.3	1.4	2.1
Multiple of salary, 3 x annual salary (3)	25	23	23
	32.1	31.1	23.7
Multiple of salary, 4 x annual salary (4)	10	7	3
	12.8	9.5	3.1
Multiple of salary, more than 4 x annual salary (5)	3	5	4
	3.8	6.8	4.1
Monthly sum			1
			1
% of salary/60-70% of salary		2	
		2.7	
Flexible risk	9	7	
	11.5	9.5	
100% of first 2 years salary	1		
	1.3		
Other		2	7
		2.7	7.2
Don't know/ varies		1	9
		1.4	9.3
Mean	2.61	2.73	2.15
Total of table	82	74	98
	105.1	100	101

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

	2010 TOTAL	2009 TOTAL
OFFERS A LUMP SUM DISABILITY BENEFIT	78	74
100%	100	100
Yes	33	23
	42.3	31.1
No	42	46
	53.8	62.2
Not sure	3	5
	3.8	6.8
Total of table	78	74
	100	100

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



	2010	2009
Mean	5.14	5.38
Total of table	33	23
	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Lump sum & income	12	12	10
	6	6	5
Lump sum only	17	15	20
	8.5	7.5	10
Monthly income only	91	99	83
	45.5	49.5	41.5
Temporary income followed by lump sum	5	2	3
	2.5	1	1.5
Insurer decides for them not fixed - depending on medical record		1	
		0.5	
Other	1		
	0.5		
None	74	67	84
	37	33.5	42
Don't know		4	
		2	
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Lump sum & income	4	4	5
	2	2	2.5
Lump sum only	1	5	1
	0.5	2.5	0.5
Monthly income only	91	88	78
	45.5	44	39
Temporary income followed by lump sum	8	5	7
	4	2.5	3.5
Insurer decides for them not fixed - depending on medical record		1	
		0.5	
Other	1		
	0.5		
None	95	92	109
	47.5	46	54.5
Don't know		5	
		2.5	
Total of table	200	200	200
	100	100	100

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

	2010 TOTAL	2009 TOTAL
ALL PROVIDING PERMANENT DISABILITY	126	128
	100	100
Less than 1 month (0.5)	2	5
	1.6	3.9
1 month (1)	2	5
	1.6	3.9
2 months (2)	3	2
	2.4	1.6
3 months (3)	55	89
	43.7	69.5
6 months (6)	57	75
	45.2	58.6
12 months (12)	1	6
	0.8	4.7
More than 12 months	3	6
	2.4	4.7

	2010 TOTAL	2009 TOTAL
ALL PROVIDING PERMANENT DISABILITY	126	128
	100	100
Depends on individual cases		1
		0.8
Other		1
		0.8
Don't know/no experience yet	3	5
	2.4	3.9
Not applicable		6
		4.7
Mean	4.4	4.67
Total of table	126	201
	100	157

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

	2010 TOTAL	2009 TOTAL
ALL PROVIDING TEMPORARY DISABILITY BENEFITS	105	102
	100	100
Less than 1 month (0.5)	9	10
	8.6	9.8
1 month (1)	1	12
	1	11.8
2 months (2)	3	2
	2.9	2
3 months (3)	51	78
	48.6	76.5
4 months		2
		2
6 months (6)	34	44
	32.4	43.1
9 months	1	
	1	
More than 12 months	1	1
	1	1
Varies		1
		1
No waiting period	1	
	1	
Other		1
		1
Don't know	4	10
	3.8	9.8
Not applicable/do not do		39
		38.2
Mean	3.76	3.62
Total of table	105	200
	100	196.1

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Less than 50% (25)	2		1
	1		0.5
50% to 59% (54)	3	1	2
	1.5	0.5	1
60% to 74% (67)	15	11	15
	7.5	5.5	7.5
75% (75)	146	134	121
	73	67	60.5
100% for first two years and 75% thereafter (100)	7	11	12
	3.5	5.5	6
100% till normal retirement age due to a Top Up type benefit (100)	1		
	0.5		
Other combination averaging over 75% (75)	1	4	2
	0.5	2	1
Other combination averaging under 75% (75)		1	3
		0.5	1.5
Lump sum only			2
			1
Depends on level of disability		2	
		1	
Others		2	
		1	
Not sure	3	11	15
	1.5	5.5	7.5
Not applicable	24	26	29
	12	13	14.5
Mean	74.53	76.02	
Total of table	202	203	202
	101	101.5	101

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

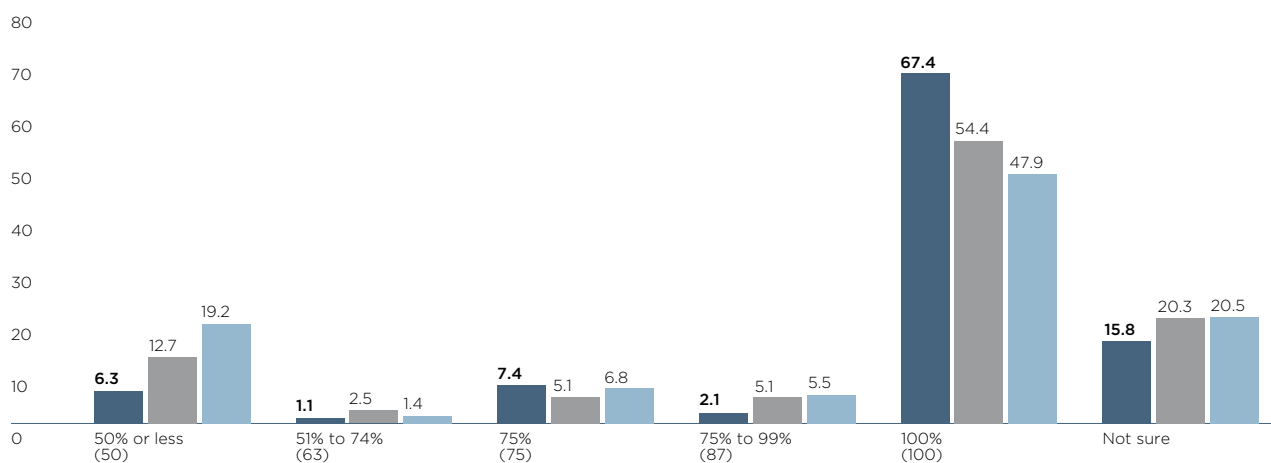
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
There are no increases	35	29	40
	17.5	14.5	20
Fixed percentage according to the rules	20	39	29
	10	19.5	14.5
Ad hoc	11	9	17
	5.5	4.5	8.5
Ad hoc subject to a minimum	2	4	4
	1	2	2
Defined as a percentage of CPI with no maximum	39	30	27
	19.5	15	13.5
Defined as a percentage of CPI with a fixed maximum (capped)	56	49	46
	28	24.5	23
In line with staff increases	1		
	0.5		
Others		1	2
		0.5	1
Not sure	15	23	26
	7.5	11.5	13
Not applicable	21	16	9
	10.5	8	4.5
SUMMARY			
Any ad hoc	13	13	
	6.5	6.5	
Any % of CPI	95	79	
	47.5	39.5	
Total of table	200	200	200
	100	100	100

Q6.18 What fixed percentage is used?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FIXED PERCENTAGE ACCORDING TO THE RULES	20	39	29
	100	100	100
Up to 3% p.a. (3.0)		3	2
		7.7	6.9
3,01% to 4% p.a. (3.5)		1	4
		2.6	13.8
4,01% to 5% p.a. (4.5)	6	13	9
	30	33.3	31
5,01% to 6% p.a. (5.5)	3	4	3
	15	10.3	10.3
6,01% to 7% p.a. (6.5)	3	2	3
	15	5.1	10.3
7,01% to 8% p.a. (7.5)	1	3	2
	5	7.7	6.9
More than 8% p.a. (8.5)	2	6	
	10	15.4	
Varies - age linked	1		
	5		
Not sure	4	7	6
	20	17.9	20.7
Mean	5.83	5.61	4.85
Total of table	20	39	29
	100	100	100

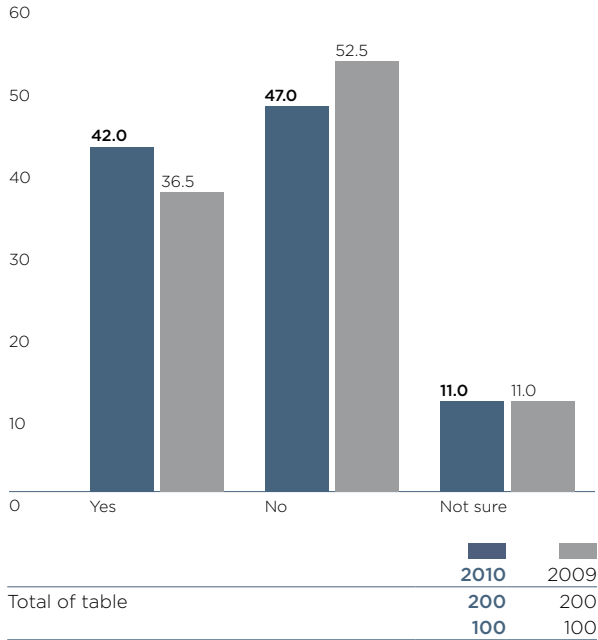
Caution: Low base.

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

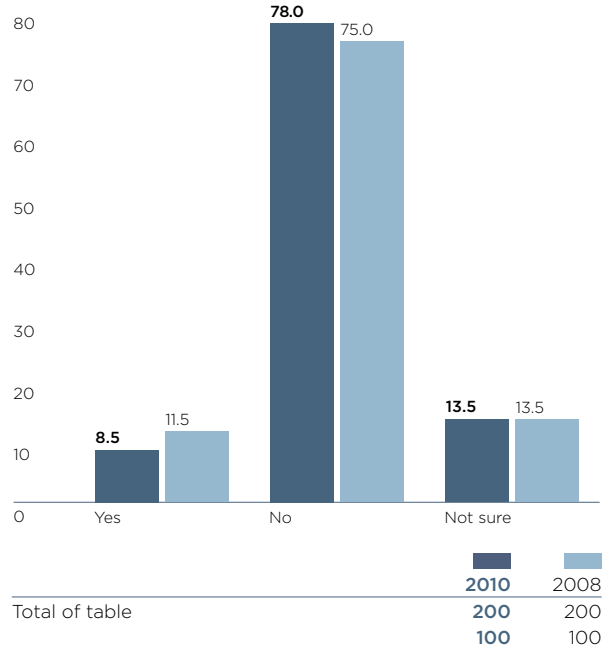


	2010	2009	2008
Mean	93.28	87.21	84.51
Total of table	95	79	74
	100	100	101.4

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



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



Q.6.20b What percentage is re-insured?

	2010 TOTAL	2009 TOTAL
TOTAL REINSURING A WAIVER OF EMPLOYER CONTRIBUTIONS	84	73
	100	100
0% (0)	1	
	1.2	
0,1% to 5% (0.25)	6	8
	7.1	11
5,1% to 7,5% (6.25)	14	8
	16.7	11
7,6% to 10% (8.75)	17	14
	20.2	19.2
10,1% to 12,5% (11.25)	17	12
	20.2	16.4
12,6% to 15% (13.75)	8	5
	9.5	6.8
15,1% or more (16.25)	10	7
	11.9	9.6
Varies		1
		1.4
Not sure	11	18
	13.1	24.7
Mean	9.61	9.01
Total of table	84	73
	100	100

Q6.21b What percentage is re-insured?

	2010 TOTAL	2009 TOTAL
TOTAL REINSURING A WAIVER OF EMPLOYEE CONTRIBUTIONS	17	23
	100	100
0,1% to 5% (0.25)		6
		26.1
5,1% to 7,5% (6.25)	10	8
	58.8	34.8
7,6% to 10% (8.75)	1	
	5.9	
10,1% to 12,5% (11.25)	1	
	5.9	
12,6% to 15% (13.75)	1	
	5.9	
15,1% or more (16.25)	1	5
	5.9	21.7
Varies		1
		4.3
Not sure	3	3
	17.6	13
Mean	8.04	6.79
Total of table	17	23
	100	100

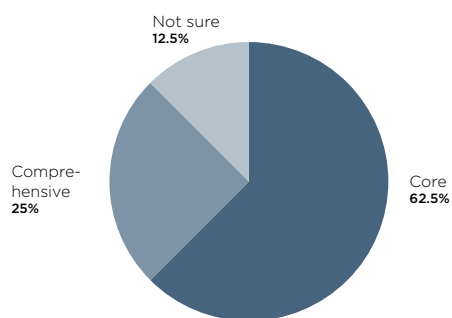
Caution: Low base.

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Critical illness cover	16	25	15
	8	12.5	7.5
Funeral cover	124	117	113
	62	58.5	56.5
Spouse insurance			1
			0.5
Others	2		4
	1		2
None	74	78	82
	37	39	41
Total of table	216	220	215
	108	110	107.5

Q6.23 What form of critical illness cover is offered?

	2010 TOTAL
CRITICAL ILLNESS COVER OFFERED	16
	100



Total of table	16
	100

Caution: Low base.

Q6.24 What on average is the level of critical illness cover offered?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
CRITICAL ILLNESS COVER OFFERED	16	25	15
	100	100	100
1 x annual salary	11	10	7
	68.8	40	46.7
2 x annual salary	1	3	4
	6.3	12	26.7
Fixed amount	3	5	3
	18.8	20	20
Not sure	1	5	
	6.3	20	
Other		2	1
		8	6.7
Total of table	16	25	15
	100	100	100

Caution: Low base.

Q6.25 Who is covered under the funeral benefit?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUNERAL COVER OFFERED	124	117	113
	100	100	100
Member	122	116	112
	98.4	99.1	99.1
Spouse	117	113	109
	94.4	96.6	96.5
Children aged 14 to 21	117	112	108
	94.4	95.7	95.6
Children aged 6 to 13	116	112	108
	93.5	95.7	95.6
Children aged 3 to 5	116	112	108
	93.5	95.7	95.6
Children aged 0 to 2	114	112	107
	91.9	95.7	94.7
Parents and parents-in-law	16	23	18
	12.9	19.7	15.9
Additional spouses	13	18	18
	10.5	15.4	15.9
Extended family (e.g. siblings, aunts, Uncles, nephews, nieces etc.)	6		
	4.8		
Member choice because under a separate scheme			1
			0.9
SUMMARY			
Any children	117	112	108
	94.4	95.7	95.6
Any extended family	18	31	24
	14.5	26.5	21.2
Total of table	737	718	689
	594.4	613.7	609.7

Q6.26 Who is entitled to the funeral cover option?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUNERAL COVER OFFERED	124	117	113
	100	100	100
All members	121	114	111
	97.6	97.4	98.2
Only certain categories (e.g. senior management)	2	3	2
	1.6	2.6	1.8
Not sure	1		
	0.8		
Total of table	124	117	113
	100	100	100

Q6.27 What is the level of funeral cover provided by the fund?

	2010 TOTAL	2009 TOTAL
FUNERAL COVER OFFERED	124	117
	100	100
		1
		0.9
R5,000	15	29
	12.1	24.8
R6,000		1
		0.9
R7,500	5	14
	4	12
R8,000	1	3
	0.8	2.6
R10,000	52	58
	41.9	49.6
R14,000	1	
	0.8	
R15,000	28	14
	22.6	12
R18,000	4	2
	3.2	1.7
More than R18,000		3
		2.6
R20,000	11	
	8.9	
R30,000	1	
	0.8	
More than R40,000	2	
	1.6	
Varies		4
		3.4
Other		2
		1.7
Not sure	4	5
	3.2	4.3
Mean	12 304	9 352
Total of table	124	136
	100	116.2

Q6.28 Who pays for the funeral cover benefits?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUNERAL COVER OFFERED	124	117	113
	100	100	100
Deducted from the employer contribution	65	48	50
	52.4	41	44.2
Additional payment by the employer	21	32	32
	16.9	27.4	28.3
Deducted from the member contribution	7	13	13
	5.6	11.1	11.5
Additional payment by the member	38	32	26
	30.6	27.4	23
Not sure	1	2	
	0.8	1.7	
Free reserve account		1	
		0.9	
They don't pay			1
			0.9
SUMMARY			
Any employer paid	85	80	81
	68.5	68.4	71.7
Any member paid	45	45	39
	36.3	38.5	34.5
Total of table	132	128	122
	106.5	109.4	108

Q6.29 How often does the fund rebroke its **administration** business?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Annually	82	61	52
	41	30.5	26
Every 2 years	29	52	47
	14.5	26	23.5
When rates are increased	10	18	
	5	9	
At our discretion		16	
		8	
Less often than every 2 years	34		
	17		
Every 3 years		19	30
		9.5	15
Every 4 years			3
			1.5
Every 5 years			22
			11
Longer than every 3 years		8	
		4	
When necessary	7		17
	3.5		8.5
More often than annually		1	1
		0.5	0.5
Own segregated portfolio/self administered		1	1
		0.5	0.5
Longer than every 5 years			3
			1.5
Ad hoc	11		
	5.5		
Other	1	1	3
	0.5	0.5	1.5
Never	25	18	4
	12.5	9	2
Don't know	1	5	6
	0.5	2.5	3
Not applicable			11
			5.5
Total of table	200	200	200
	100	100	100

Q6.29 How often does the fund rebroke its **risk** business?

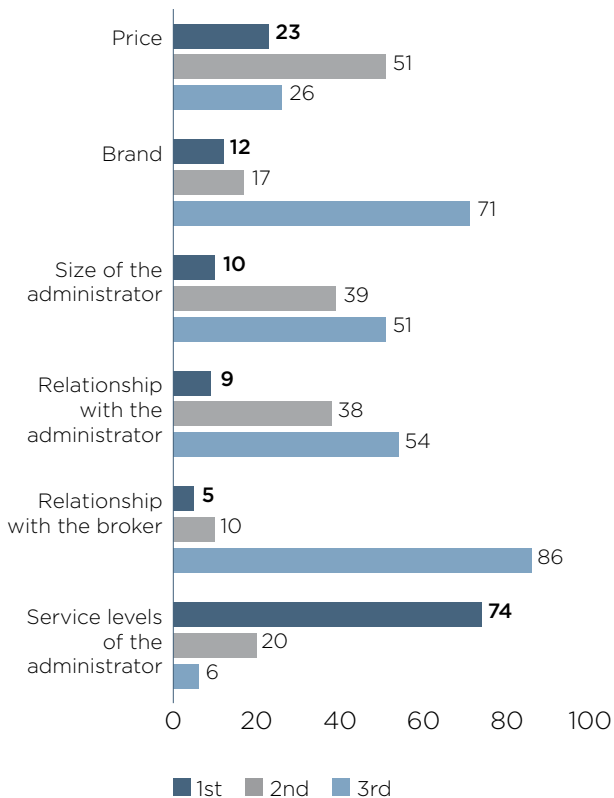
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Annually	126	101	95
	63	50.5	47.5
Every 2 years	32	52	52
	16	26	26
When rates are increased	5	11	
	2.5	5.5	
At our discretion		4	
		2	
Less often than every 2 years	14		
	7		
Every 3 years		12	20
		6	10
Every 4 years			2
			1
Every 5 years			9
			4.5
When necessary	2		4
	1		2
More often than annually	1	1	1
	0.5	0.5	0.5
Ad hoc	8		
	4		
Never	11	12	2
	5.5	6	1
Own segregated portfolio/self administered		1	
		0.5	
Longer than every 5 years			1
			0.5
Other	1		1
	0.5		0.5
Don't know		6	5
		3	2.5
Not applicable			8
			4
Total of table	200	200	200
	100	100	100

Q6.29 How often does the fund rebroke its investment business?

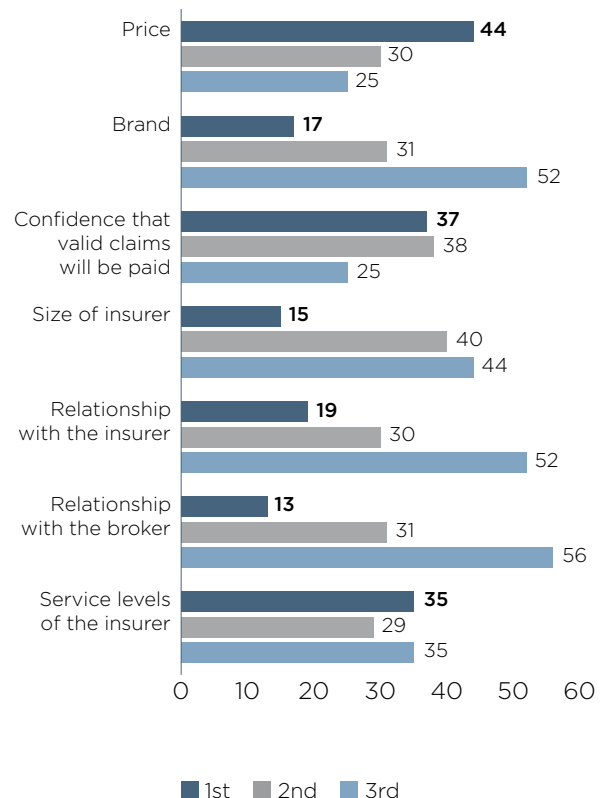
	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Twice a year			2
			1
Annually	97	76	74
	48.5	38	37
Every 2 years	24	47	46
	12	23.5	23
When rates are increased	7	15	
	3.5	7.5	
At our discretion		12	
		6	
Less often than every 2 years	27		
	13.5		
Every 3 years		15	24
		7.5	12
Every 4 years			3
			1.5
Every 5 years			16
			8
Longer than every 3 years		8	
		4	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Ad hoc	14		
	7		
When necessary	7		9
	3.5		4.5
More often than annually	6	5	2
	3	2.5	1
Own segregated portfolio/self administered		2	
		1	
Never	14	14	6
	7	7	3
Longer than every 5 years			1
			0.5
Other	3	1	4
	1.5	0.5	2
Don't know	1	5	6
	0.5	2.5	3
Not applicable			7
			3.5
Total of table	200	200	200
	100	100	100

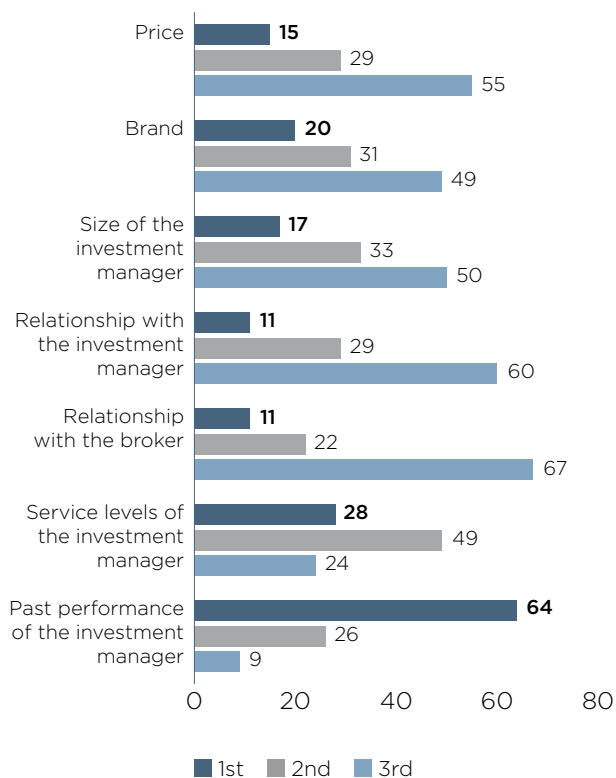
Q6.30 What are the three key determinants when choosing an administrator?



Q6.31 What are the three key determinants when choosing a risk benefits provider?



Q6.32 What are the three key determinants when choosing a an investment provider provider?



Q6.34 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.?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
Yes	38	55
	19	27.5
No	119	98
	59.5	49
Not sure	43	47
	21.5	23.5
Total of table	200	200
	100	100

Q6.33 Which of the following new generation products are offered by the fund?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
Medical aid premium waiver	5	10
	2.5	5
Education benefit	9	12
	4.5	6
Value added packages	1	2
	0.5	1
Disability Income Top-up	3	
	1.5	
Others	1	
	0.5	
None	186	183
	93	91.5
Total of table	205	207
	102.5	103.5

SECTION G

Withdrawals

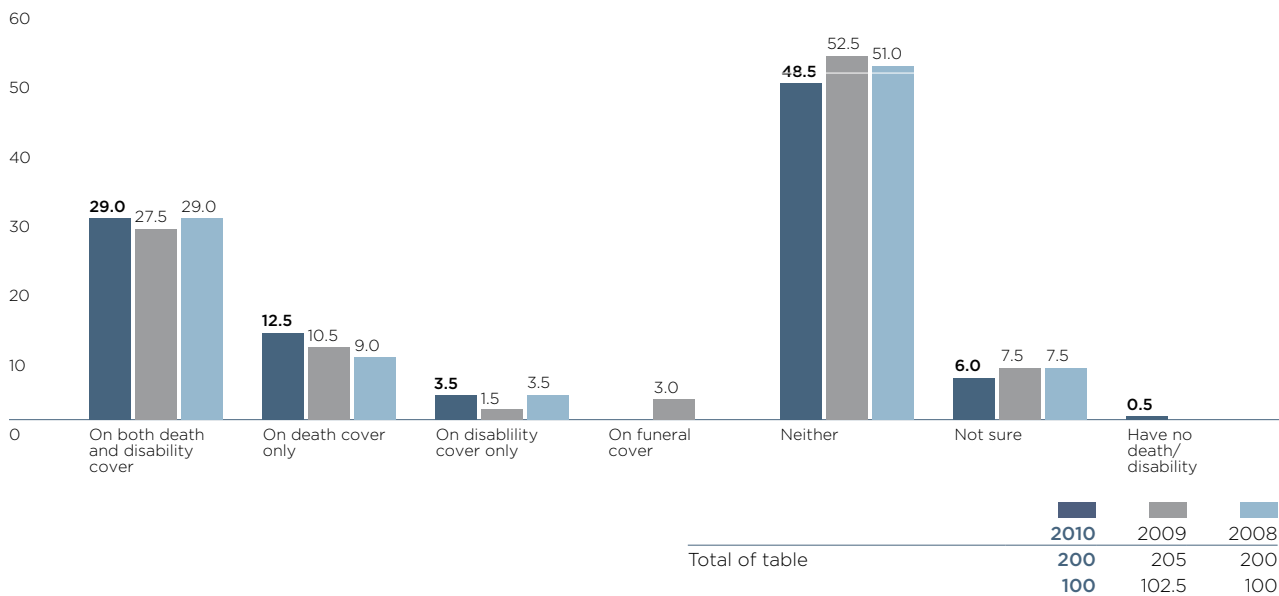
Q7.1 Which of the following best describes what the majority of members do when their employment with the participating employer terminates (i.e. on withdrawal from the fund)?

	2010 TOTAL
BASE: ALL RESPONDENTS	200 100
The majority of members take their benefit in cash	141 70.5
The majority of members transfer their benefit to another fund	44 22
The majority of members select a deferred/paid up pension and leave their benefit in the fund	4 2
50% Take their benefit and 50% transfer their benefit	9 4.5
50% Take their benefit and 50% select a different paid up pension and leave their benefit in the fund	2 1
Total of table	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
The fund and/ or the employer provides the member with the information recommended in PF86	105 52.5	122 61	96 48
The fund, in terms of a written strategy, arranges for an adviser to counsel and advise the member	84 42	92 46	75 37.5
None of the above	41 20.5	27 13.5	45 22.5
Not sure	5 2.5	6 3	7 3.5
Total of table	235 117.5	247 123.5	223 111.5

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



SECTION H

Retirement

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

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
Yes	162	152
	81	76
No	38	48
	19	24
Total of table	200	200
	100	100

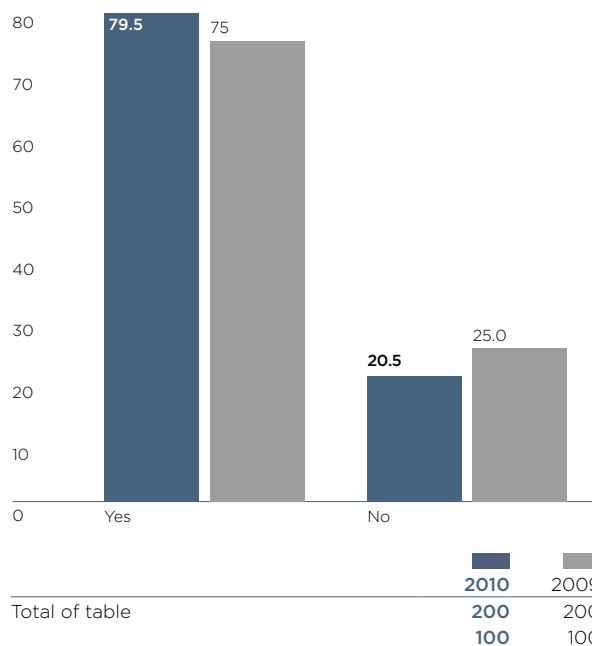
Q8.1b How long before the normal retirement date is the counseling provided?

	2010 TOTAL	2009 TOTAL
FUND PROVIDE PRE-RETIREMENT COUNCELLING	162	152
	100	100

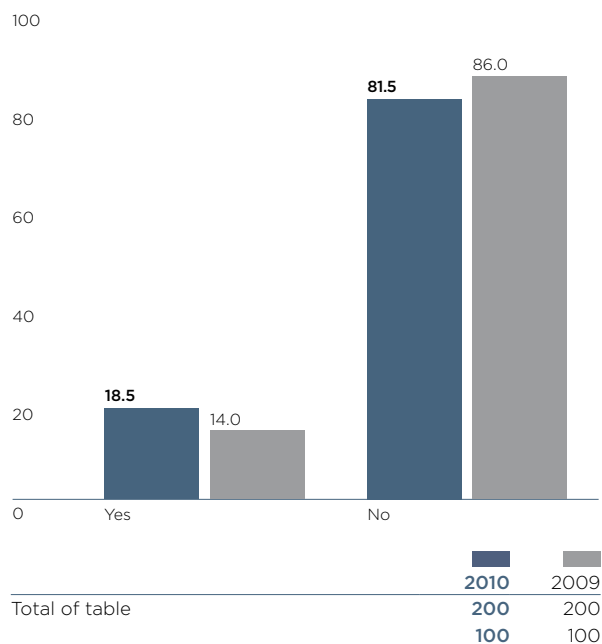
How long before

More than 10 years (15)		2
		1.3
10 Years	31	29
	19.1	19.1
8 years		1
		0.7
7 years	3	
	1.9	
5 Years	62	49
	38.3	32.2
Varies 3-5 years	1	
	0.6	
3 Years	16	22
	9.9	14.5
2 years		2
		1.3
1 Year	23	22
	14.2	14.5
Less than 1 year	9	4
	5.6	2.6
At retirement	10	16
	6.2	10.5
On request	5	6
	3.1	3.9
Age 45 years upwards	2	
	1.2	
Other		3
		2
Mean	4.67	4.54
Total of table	162	156
	100	102.6

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



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



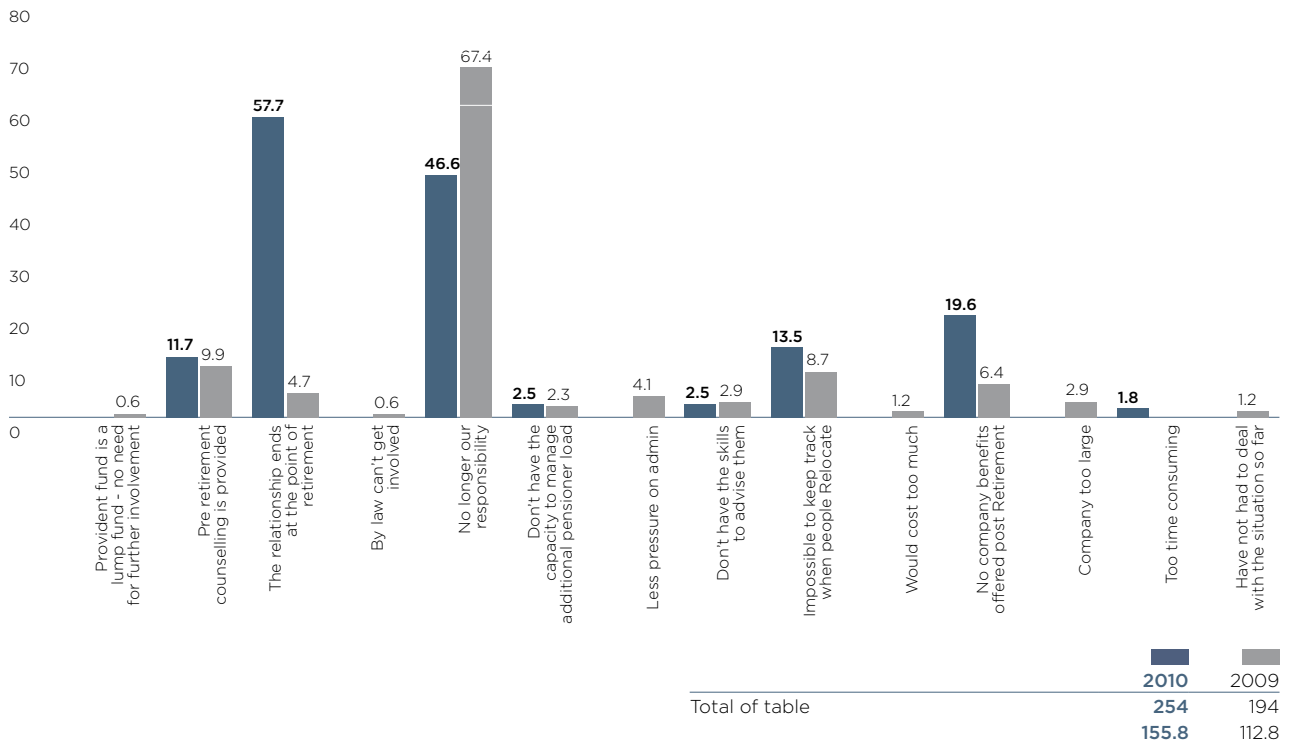
Q8.3b Why is that?

	2010 TOTAL	2009 TOTAL
EMPLOYER OR TRUSTEES WANT TO HAVE FURTHER INVOLVEMENT WITH MEMBERS AFTER RETIREMENT	37	28
	100	100
Reasons for yes		
It's the right thing to do	12	4
	32.4	14.3
Want to help them resolve problems	9	7
	24.3	25
People don't plan for the future		2
		7.1
They can remain pensioners in the fund		1
		3.6
Feel paternalistic towards them	11	8
	29.7	28.6
Loyalty / long term relationship	25	
	67.6	
Continuing relationship through medical aid/ group life post retirement	5	2
	13.5	7.1
Send them booklets & meet from time to time		1
		3.6

	2010 TOTAL	2009 TOTAL
EMPLOYER OR TRUSTEES WANT TO HAVE FURTHER INVOLVEMENT WITH MEMBERS AFTER RETIREMENT	37	28
	100	100
Reasons for yes		
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
Other		1
		2.7
Total of table	63	30
	170.3	107.1

Q8.3b Why is that?

Reasons for no



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

	2010 TOTAL	2009 TOTAL
PENSION FUNDS AND HYBRIDS ONLY	92	200
	100	100
Yes	39	47
	42.4	23.5
No	34	74
	37	37
Unsure	19	56
	20.7	28
Not applicable		23
		11.5
Total of table	92	200
	100	100

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

	2010 TOTAL	2009 TOTAL
PENSION FUNDS AND HYBRIDS ONLY	92	83
	100	100
Yes, often	3	5
	3.3	6
Yes, sometimes	14	13
	15.2	15.7
Yes, but only rarely	23	17
	25	20.5
No	47	44
	51.1	53
Unsure	5	3
	5.4	3.6
Nobody retired yet		1
		1.2
SUMMARY		
Any yes	40	35
	43.5	42.2
Total of table	92	83
	100	100

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

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
Guaranteed fixed annuity	53	53
	26.5	26.5
With profit annuity	43	41
	21.5	20.5
Living annuity	83	80
	41.5	40
Inflation linked	2	
	1	
Joint annuity for benefit of spouse if member pre-deceases spouse		2
		1
Cash		1
		0.5
Other		1
		0.5
Unsure	26	26
	13	13
None		2
		1
Total of table	207	206
	103.5	103

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Yes, to all members retiring from the fund	19	10	10
	9.5	5	5
Yes, but only to some members, e.g. those who joined the fund before a certain date	32	30	30
	16	15	15
No	149	159	159
	74.5	79.5	79.5
Not sure		1	1
		0.5	0.5
SUMMARY			
Any yes	51	40	
	25.5	20	
Total of table	200	200	200
	100	100	100

SECTION I

Investment

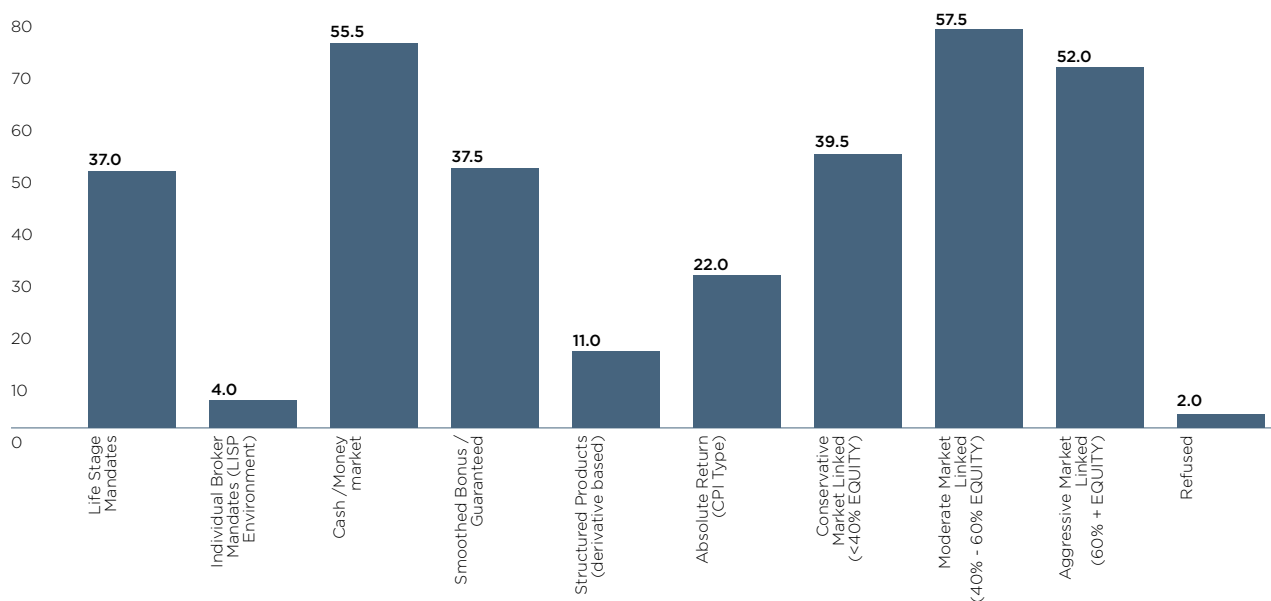
Q9.1a How frequently does the fund credit investment returns to members' accounts?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
Daily	100	100	100
Weekly	58	37	38
Monthly	29	18.5	19
Annually	2		1
Quarterly	1		0.5
Ad hoc	105	116	107
Bi-annually	52.5	58	53.5
Not sure	30	31	29
	15	15.5	14.5
	2	1	1
	1	0.5	0.5
		2	
		1	
		1	
		0.5	
	10	16	24
	5	8	12
Total of table	207	204	200
	103.5	102	100

Q9.1b Which frequency is most popular?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
Daily	100	100
Weekly	56	36
Monthly	28	18
Annually	1	
Quarterly	0.5	
Ad hoc	104	115
Bi-annually	52	57.5
Not sure	27	30
	13.5	15
	2	
	1	
		2
		1
		1
		0.5
	10	16
	5	8
Total of table	200	200
	100	100

Q9.2a Which of the following investment vehicles does the fund invest in?



	2010
Total of table	636
	318

Q9.2b What percentage of the fund's assets are invested in each of the following?

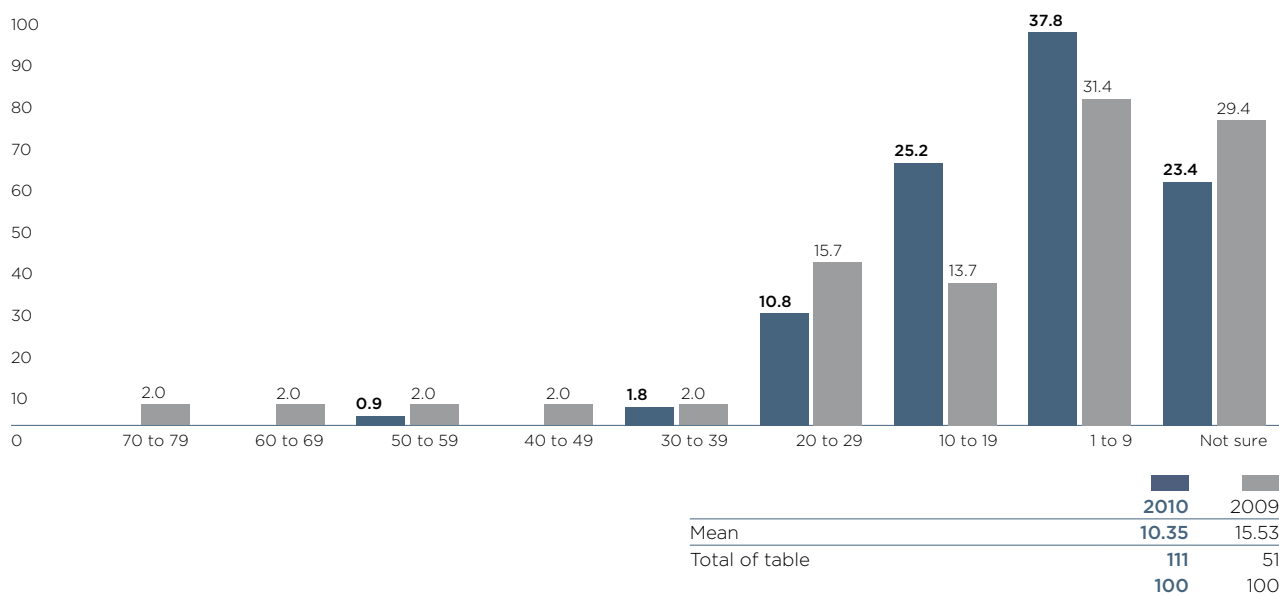
	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - LIFE STAGE MANDATES	74	11	13
100%	100	100	100
90 to 99	16	2	1
80 to 89	21.6	18.2	7.7
70 to 79	6	1	
60 to 69	8.1	9.1	
50 to 59	2	1	1
40 to 49	2.7	9.1	7.7
30 to 39	2		1
20 to 29	2.7		7.7
10 to 19	5		
1 to 9	6.8		
Not sure	3		
Mean	4.1		
Total of table	1	1	1
	1.4		7.7
	1		
	1.4		
	2	1	
	2.7	9.1	
	10		
	13.5		
	11		2
	14.9		15.4
	15	6	7
	20.3	54.5	53.8
Mean	54.85	78.4	51.17
Total of table	74	11	13
	100	100	100

Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - INDIVIDUAL BROKER MANDATES (LISP ENVIRONMENT)	8	2	3
100%	100	100	100
90 to 99	1		
80 to 89	12.5		
70 to 79		1	
60 to 69		50	
50-59	1		1
40-49			33.3
30 to 39			2
20 to 29			66.7
10 to 19		1	
1 to 9		50	
Not sure	2		
Mean	2		
Total of table	25		
	2		
	25		
	2		
	25		
Mean	32	57.5	47.67
Total of table	8	2	3
	100	100	100

Caution: Low base.

Q9.2b What percentage of the fund's assets are invested in each of the following: Cash/Money market?



Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - SMOOTHED BONUS / GUARANTEED	75	28	17
100%	100	100	100
90 to 99	13	5	5
80 to 89	17.3	17.9	29.4
70 to 79	2	2	1
60 to 69	2.7	7.1	5.9
50 to 59	3	2	1
40 to 49	4	7.1	5.9
30 to 39	4	1	1
20 to 29	5.3	3.6	5.9
10 to 19	2	2	2
1 to 9	2.7	7.1	11.8
Not sure	4		
Mean	5.3		
Total of table	2	2	1
	2.7	7.1	5.9
	6	1	1
	8	3.6	5.9
	5	4	1
	6.7	14.3	5.9
	10		
	13.3		
	12	1	
	16	3.6	
	12	8	5
	16	28.6	29.4
Mean	46.52	63.8	72.25
Total of table	75	28	17
	100	100	100

Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - STRUCTURED PRODUCTS (DERIVATIVE BASED)	22	3	3
100%	100	100	100
50 to 59	1		
40 to 49	4.5		
30 to 39	2		
20 to 29	9.1		
10 to 19	2	1	
1 to 9	9.1	33.3	
Not sure	6		
Mean	27.3		
Total of table	5	2	1
	22.7	66.7	33.3
	22	3	3
	100	100	100

Caution: Low base.

Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL
FUND INVESTMENT IN - ABSOLUTE RETURN (CPI TYPE)	44
100%	100
60 to 69	1
50 to 59	2.3
40 to 49	1
30 to 39	3
20 to 29	6.8
10 to 19	5
1 to 9	11.4
Not sure	1
Mean	2.3
Total of table	1
	7
	15.9
	14
	31.8
	25
	22.48
	44
	100

Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - CONSERVATIVE MARKET LINKED (<40% EQUITY)	79	9	10
100%	100	100	100
80 to 89	2	1	
70 to 79	2.5	11.1	
60 to 69	1		
50 to 59	1.3		
40 to 49	1	1	1
30 to 39	2.5	11.1	10
20 to 29	1	2	1
10 to 19	1.3	22.2	10
1 to 9	1		
Not sure	1.3		
Mean	8		3
Total of table	10.1		30
	22		1
	27.8		10
	24		
	30.4		
	17	5	4
	21.5	55.6	40
	17.23	59.75	27.17
	79	9	10
	100	100	100

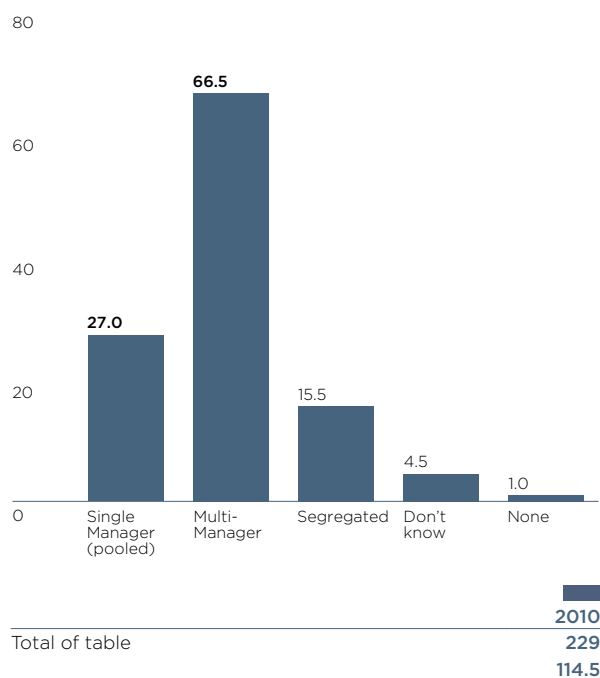
Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - MODERATE MARKET LINKED (40% - 60% EQUITY)	115	3	14
100%	7	100	100
	6.1		7.1
90 to 99	6		
	5.2		
80 to 89	6		
	5.2		
70 to 79	5		1
	4.3		7.1
60 to 69	5		
	4.3		
50 to 59	13	1	1
	11.3	33.3	7.1
40 to 49	4		1
	3.5		7.1
30 to 39	7		
	6.1		
20 to 29	13		4
	11.3		28.6
10 to 19	16		1
	13.9		7.1
1 to 9	11		1
	9.6		7.1
Not sure	22	2	4
	19.1	66.7	28.6
Mean	43.65	50	36.6
Total of table	115	3	14
	100	100	100

Q9.2b What percentage of the fund's assets are invested in each of the following?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND INVESTMENT IN - AGGRESSIVE MARKET LINKED (60% + EQUITY)	104	1	7
100%	1	100	100
	1		
90 to 99	6		
	5.8		
80 to 89	1		
	1		
70 to 79	7		
	6.7		
60 to 69	3		
	2.9		
50 to 59	9		1
	8.7		14.3
40 to 49	7		
	6.7		
30 to 39	7		
	6.7		
20 to 29	9		
	8.7		
10 to 19	19		2
	18.3		28.6
1 to 9	15		
	14.4		
Not sure	20	1	4
	19.2	100	57.1
Mean	34.58		25
Total of table	104	1	7
	100	100	100

Q9.2c Which of the following mandates does the fund have in place?



Q9.2d And what % of assets within each?

	2010 TOTAL
MANDATE IN PLACE - SINGLE MANAGER (POOLED)	54
	100
100%	33
	61.1
90 to 99	2
	3.7
80 to 89	1
	1.9
70 to 79	1
	1.9
60 to 69	2
	3.7
50 to 59	5
	9.3
40 to 49	1
	1.9
30 to 39	1
	1.9
20 to 29	3
	5.6
10 to 19	1
	1.9
Not sure	4
	7.4
Mean	83.5
Total of table	54
	100

Q9.2d And what % of assets within each?

	2010 TOTAL
MANDATE IN PLACE - MULTI-MANAGER	133
	100
100%	107
	80.5
90 to 99	1
	0.8
80 to 89	1
	0.8
70 to 79	3
	2.3
60 to 69	1
	0.8
50 to 59	3
	2.3
40 to 49	2
	1.5
30 to 39	3
	2.3
20 to 29	1
	0.8
10 to 19	2
	1.5
1 to 9	2
	1.5
Not sure	7
	5.3
Mean	91.61
Total of table	133
	100

Q9.2d And what % of assets within each?

	2010 TOTAL
MANDATE IN PLACE - SEGREGATED	31
	100
100%	18
	58.1
70 to 79	2
	6.5
50 to 59	1
	3.2
40 to 49	2
	6.5
30 to 39	2
	6.5
20 to 29	1
	3.2
10 to 19	1
	3.2
Not sure	4
	12.9
Mean	80.93
Total of table	31
	100

Q9.3 Does the fund provide for member investment choice (MIC)?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Yes, to all members	92	92	82
	46	46	41
Yes, to certain categories of member only	18	12	9
	9	6	4.5
No	90	96	109
	45	48	54.5
SUMMARY			
Any yes	110	104	
	55	52	
Total of table	200	200	200
	100	100	100

Q9.4 Does the fund plan to offer investment choice to member in the future?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND DO NOT PROVIDE FOR MEMBER INVESTMENT CHOICE (MIC)	90	96	109
	100	100	100
Yes, within the next three years	13	13	13
	14.4	13.5	11.9
Considering it	14	10	13
	15.6	10.4	11.9
Definitely not	55	52	65
	61.1	54.2	59.6
Uncertain	8	21	18
	8.9	21.9	16.5
Total of table	90	96	109
	100	100	100

Q9.5 How many investment options does the fund offer to members?

	2010 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110
	100
1	3
	2.7
2-3	35
	31.8
4-5	38
	34.5
6-7	14
	12.7
8-10	13
	11.8
11+	7
	6.4
Mean	6.88
Total of table	110
	100

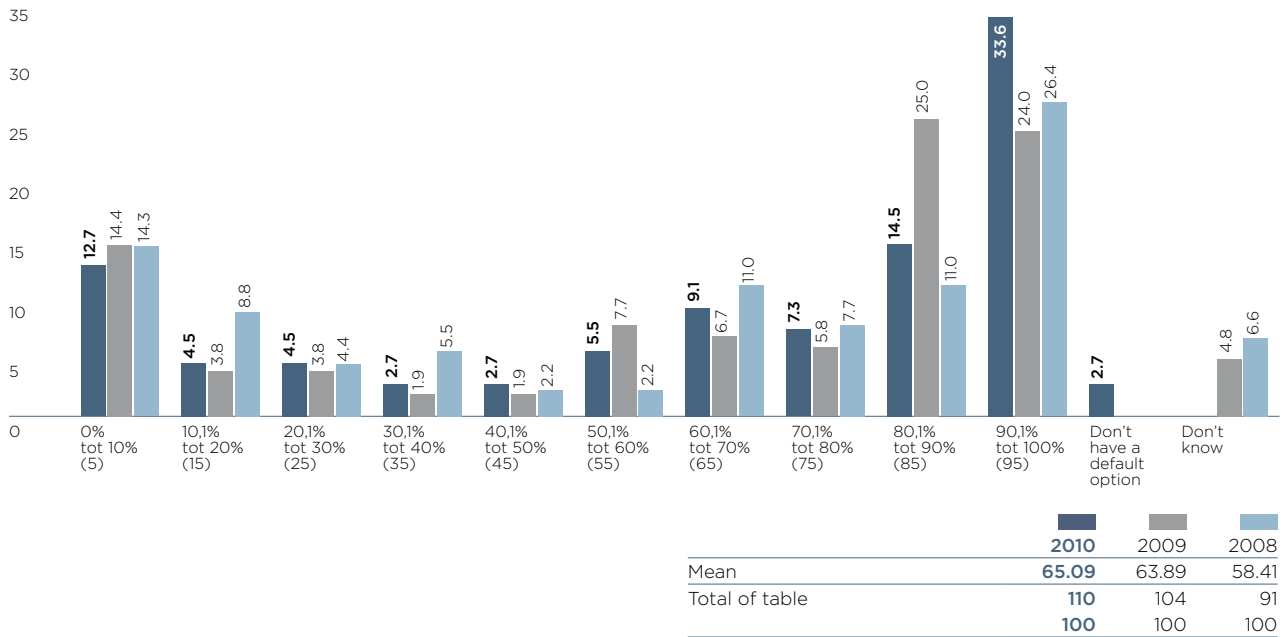
Q9.6a How satisfied are you that the fund's member investment choice range is sufficiently diverse to meet the needs of all members?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110	104	91
	100	100	100
Very satisfied (5)	62	50	38
	56.4	48.1	41.8
Satisfied (4)	38	44	38
	34.5	42.3	41.8
Neutral (3)	7	7	11
	6.4	6.7	12.1
Dissatisfied (2)	3	3	2
	2.7	2.9	2.2
Don't know			2
			2.2
Mean	4.45	4.36	4.33
SUMMARY			
Very/satisfied	100	94	76
	90.9	90.4	83.5
Very/dissatisfied	3	3	2
	2.7	2.9	2.2
Total of table	110	104	91
	100	100	100

Q9.6b Why do you say so?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
THOSE VERY SATISFIED/SATISFIED WITH THE FUND'S INVESTMENT OFFERING	100	94	76
	100	100	100
Good variety of choices	67	47	28
	67	50	36.8
Good investment returns / good performance	32	46	16
	32	48.9	21.1
Members are satisfied with the choices	23	18	16
	23	19.1	21.1
Members prefer greater levels of control	6	7	9
	6	7.4	11.8
Not too many choices-lessens the risk		1	1.1
Members allowed to switch		1	1.1
		1.1	
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
			5.3
Covers rises and falls in the market			2
			2.6
Fund is not complicated			3
			3.9
Based on good service received			4
			5.3
Well structured			1
			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	2		4
	2		5.3
Don't know			1
			1.3
Total of table	130	121	100
	130	128.7	131.6

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



Q9.7a Which one of the following investment profiles constitutes the Trustee choice or Default option?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110	104	91
Life Stage Mandates	51	49	34
	46.4	47.1	37.4
Individual Broker Mandates (LISP Environment)	1	1	1
	0.9	1	1.1
Cash /Money market	2	2	1
	1.8	1.9	1.1
Smoothed Bonus / Guaranteed	9	7	7
	8.2	6.7	7.7
* Smoothed Bonus - fully vesting (e.g. products which declare bonuses monthly)			4
			4.4
* Smoothed Bonus - partially vesting (e.g. the old style guaranteed products)			3
			3.3
Structured Products (derivative based)	2		
	1.8		
Absolute Return (CPI Type)	6		2
	5.5		2.2
* CPI plus 5% or less			2
			2.2
* CPI plus more than 5%			3
			3.3
Absolute Return (CPI Type - Pooled)		1	1
Absolute Return (other type)		4	3.8
Conservative Market Linked Portfolio (<40% EQUITY)	6	3	
	5.5	2.9	
* Single Managers (Segregated)		2	
		1.9	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110	104	91
* Single Managers (Pooled)		1	
		1	
* Multi-Manager		5	4
		4.8	4.4
* Unit Trust Mandates			1
			1.1
Moderate Market Linked Portfolio (40% - 60% EQUITY)	25	5	5
	22.7	4.8	5.5
* Single Managers (Segregated or Pooled)			2
			2.2
* Single Managers (Segregated)		1	
		1	
* Multi-Manager		12	7
		11.5	7.7
Aggressive Market Linked Portfolio (60% + EQUITY)	12	1	2
	10.9	1	2.2
* Single Managers (Segregated or Pooled)			2
			2.2
* Multi-Managers		4	5
		3.8	5.5
Others	3		1
	2.7		1.1
Don't have a default option	3	2	
	2.7	1.9	
Don't know	3	4	5
	2.7	3.8	5.5
Total of table	123	104	91
	111.8	100	100

Q9.8 Which of the following best describes how the basic admin fee is charged in respect to member investment choice?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110	104	91
	100	100	100
All members pay the same administration fee regardless of whether they exercise investment choice or not	97	93	74
	88.2	89.4	81.3
Members who do not exercise investment choice pay a lower administration fee	12	7	8
	10.9	6.7	8.8
Not applicable		2	1
		1.9	1.1
Company pays the fee			4
			4.4
Others		2	
		1.9	
Don't know	1		4
	0.9		4.4
Total of table	110	104	91
	100	100	100

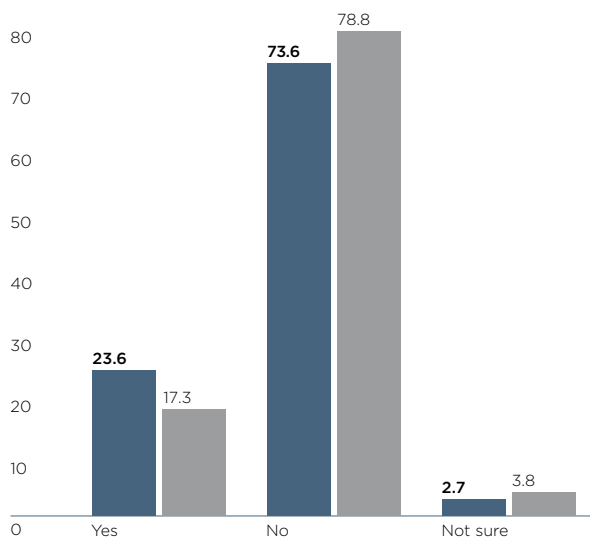
Q9.9 When the member chooses to switch his investments, who is responsible for the administration fee?

	2010 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110
	100
The member	41
	37.3
The fund	11
	10
First switch is free	50
	45.5
All switches are free	19
	17.3
Don't know	1
	0.9
Total of table	122
	110.9

Q9.10 How frequently is switching allowed?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
OFFERING MEMBER INVESTMENT CHOICE (MIC)	110	104	91
	100	100	100
Daily	38	26	14
	34.5	25	15.4
Weekly	1	1	1
	0.9	1	1.1
Monthly	25	28	27
	22.7	26.9	29.7
Quarterly	3	4	8
	2.7	3.8	8.8
Half-yearly	10	11	7
	9.1	10.6	7.7
Annually	31	32	29
	28.2	30.8	31.9
2x Month			1
			1.1
Never	1	2	3
	0.9	1.9	3.3
Don't know	1		1
	0.9		1.1
Total of table	110	104	91
	100	100	100

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



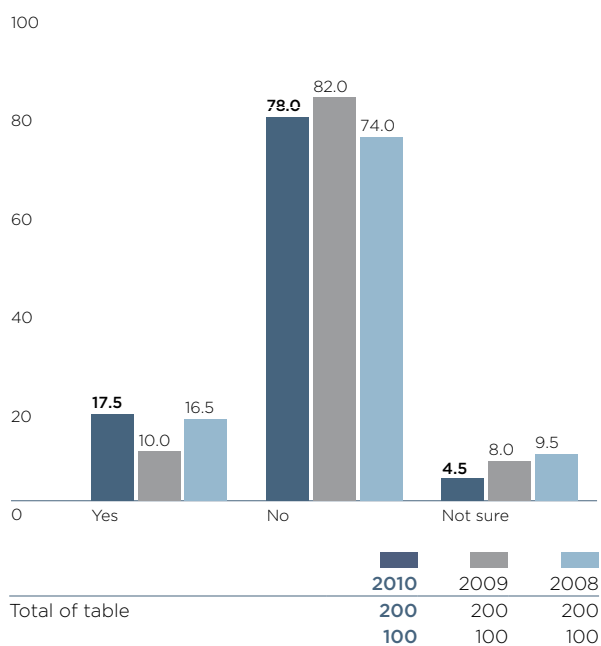
	2010 TOTAL	2009 TOTAL
Total of table	110	104
	100	100

Q9.11b Which portfolio is included?

	2010 TOTAL	2009 TOTAL
THOSE WHO INCLUDE A SHARI'AH COMPLIANT PORTFOLIO ON INVESTMENT SELECTION FOR MEMBERS	26 100	18 100
Oasis Crescent portfolios	15 57.7	9 50
Fraters		1 5.6
Old Mutual	2 7.7	2 11.1
Investment Solutions	2 7.7	
Alexander Forbes	1 3.8	
Advantage	1 3.8	
Momentum		1 5.6
Other	1 3.8	1 5.6
Unsure	4 15.4	5 27.8
Total of table	26 100	19 105.6

Caution: Low base.

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?

	2010 TOTAL	2009 TOTAL
THOSE WHO INVEST A PROPORTION OF ITS FUND ASSETS IN SOCIALLY RESPONSIBLE INVESTMENT PORTFOLIOS	35 100	20 100
50 to 59	2 5.7	
20 to 29		1 5
10 to 19	7 20	3 15
1 to 9	17 48.6	7 35
None	1 2.9	4 20
Varies on life stage mandate	1 2.9	
Don't know	7 20	5 25
Mean	9.3	6.27
Total of table	35 100	20 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very important (4)	105 52.5	124 62	113 56.5
Important (3)	56 28	51 25.5	59 29.5
Somewhat important(2)	27 13.5	20 10	20 10
Not important (1)	10 5	3 1.5	4 2
Not sure	2 1	2 1	4 2
Mean	3.29	3.49	3.43
SUMMARY			
Very/important	161 80.5	175 87.5	172 86
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	49 24.5	55 27.5	60 30
Good (4)	56 28	64 32	53 26.5
Moderate (3)	63 31.5	50 25	46 23
Poor (2)	17 8.5	13 6.5	12 6
Very poor (1)	3 1.5	3 1.5	4 2
Not sure/don't have	12 6	15 7.5	25 12.5
Mean	3.7	3.84	3.87
SUMMARY			
Very/good	105 52.5	119 59.5	113 56.5
Very/poor	20 10	16 8	16 8
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	26 13	32 16	33 16.5
Good (4)	84 42	62 31	83 41.5
Moderate (3)	47 23.5	56 28	39 19.5
Poor (2)	8 4	12 6	5 2.5
Very poor (1)	1 0.5		4 2
Not sure/don't have	34 17	38 19	36 18
Mean	3.76	3.7	3.83
SUMMARY			
Very/good	110 55	94 47	116 58
Very/poor	9 4.5	12 6	9 4.5
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	14 7	9 4.5	15 7.5
Good (4)	84 42	55 27.5	70 35
Moderate (3)	58 29	70 35	58 29
Poor (2)	6 3	14 7	4 2
Very poor (1)	1 0.5	2 1	1 0.5
Not sure/don't have	37 18.5	50 25	52 26
Mean	3.64	3.37	3.64
SUMMARY			
Very/good	98 49	64 32	85 42.5
Very/poor	7 3.5	16 8	5 2.5
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	30 15	26 13	20 10
Good (4)	75 37.5	62 31	72 36
Moderate (3)	62 31	56 28	53 26.5
Poor (2)	5 2.5	13 6.5	6 3
Very poor (1)	1 0.5	1 0.5	1 0.5
Not sure/don't have	27 13.5	42 21	48 24
Mean	3.74	3.63	3.68
SUMMARY			
Very/good	105 52.5	88 44	92 46
Very/poor	6 3	14 7	7 3.5
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very important (4)	48 24	78 39	72 36
Important (3)	56 28	49 24.5	62 31
Somewhat important (2)	47 23.5	41 20.5	38 19
Not important (1)	44 22	26 13	20 10
Not sure	5 2.5	6 3	8 4
Mean	2.55	2.92	2.97
SUMMARY			
Very/important	104 52	127 63.5	134 67
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	47 23.5	41 20.5	52 26
Good (4)	58 29	66 33	54 27
Moderate (3)	47 23.5	42 21	33 16.5
Poor (2)	15 7.5	5 2.5	13 6.5
Very poor (1)	7 3.5	3 1.5	3 1.5
Not sure	26 13	43 21.5	45 22.5
Mean	3.71	3.87	3.9
SUMMARY			
Very/good	105 52.5	107 53.5	106 53
Very/poor	22 11	8 4	16 8
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	16 8	20 10	27 13.5
Good (4)	88 44	67 33.5	77 38.5
Moderate (3)	45 22.5	49 24.5	35 17.5
Poor (2)	6 3	6 3	3 1.5
Very poor (1)	4 2	3 1.5	3 1.5
Not sure	41 20.5	55 27.5	55 27.5
Mean	3.67	3.66	3.84
SUMMARY			
Very/good	104 52	87 43.5	104 52
Very/poor	10 5	9 4.5	6 3
Total of table	200 100	200 100	200 100

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

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200 100	200 100	200 100
Very good (5)	8 4	4 2	9 4.5
Good (4)	65 32.5	53 26.5	57 28.5
Moderate (3)	64 32	61 30.5	60 30
Poor (2)	7 3.5	12 6	5 2.5
Very poor (1)	4 2	3 1.5	
Not sure	52 26	67 33.5	69 34.5
Mean	3.45	3.32	3.53
SUMMARY			
Very/good	73 36.5	57 28.5	66 33
Very/poor	11 5.5	15 7.5	5 2.5
Total of table	200 100	200 100	200 100

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

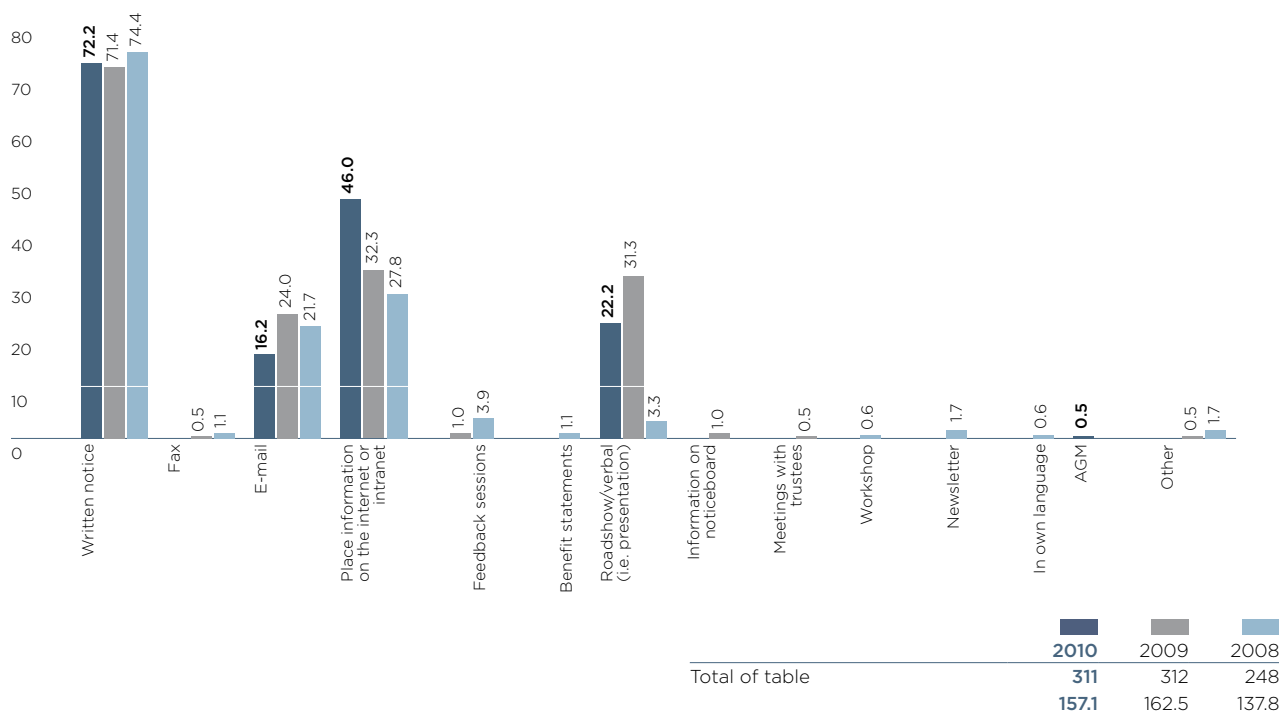
Absolute Return

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Very good (5)	22	15	10
	11	7.5	5
Good (4)	63	49	61
	31.5	24.5	30.5
Moderate (3)	64	57	52
	32	28.5	26
Poor (2)	8	12	9
	4	6	4.5
Very poor (1)	3	5	
	1.5	2.5	
Not sure	40	62	68
	20	31	34
Mean	3.58	3.41	3.55
SUMMARY			
Very/good	85	64	71
	42.5	32	35.5
Very/poor	11	17	9
	5.5	8.5	4.5
Total of table	200	200	200
	100	100	100

Q9.17 How frequently is investment feedback provided to members?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Daily	14	7	7
	7	3.6	3.9
Weekly	1	1	1
	0.5	0.5	0.6
Monthly	39	33	27
	19.5	17.2	15
Quarterly	61	72	63
	30.5	37.5	35
Tr- annually	2		
	1		
Half-yearly	31	30	22
	15.5	15.6	12.2
Annually	49	48	59
	24.5	25	32.8
On request only	1	1	1
	0.5	0.5	0.6
Not provided	2		
	1		
Total of table	200	192	180
	100	100	100

Q9.18 In which format does the fund provide investment feedback to members?

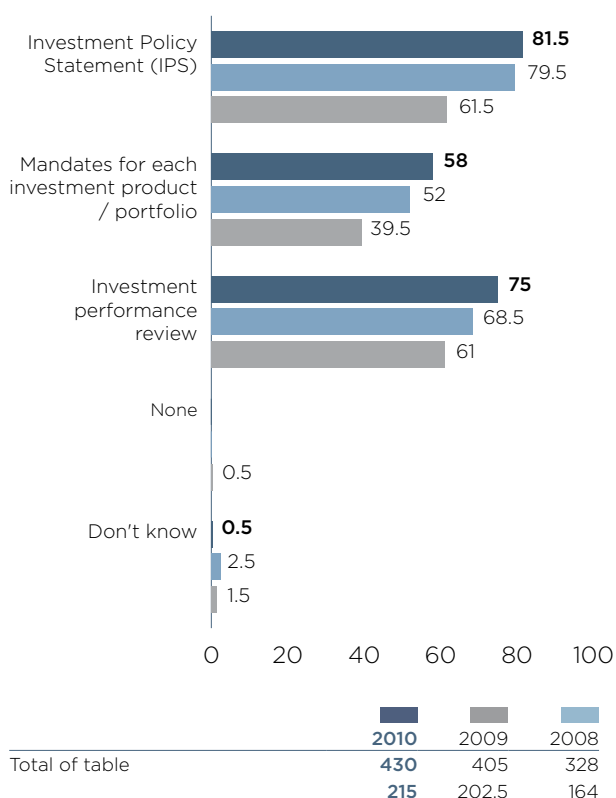


Q9.19 What is covered in the investment feedback?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND PROVIDES INVESTMENT FEEDBACK	198	192	180
Returns	166	141	135
	83.8	73.4	75
Returns vs. benchmarks	116	128	95
	58.6	66.7	52.8
Risk analysis	48	84	55
	24.2	43.8	30.6
Rule amendments			2
			1.1
Communication about the fund/ size of fund		2	
		1	
Market / Economic overview	111	6	10
	56.1	3.1	5.6
Investment management update/ changes/allocation			6
			3.3
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	
		0.5	
Asset component of portfolio		3	
		1.6	
Guidelines		2	
		1	
Info on asset managers		1	
		0.5	

	2010 TOTAL	2009 TOTAL	2008 TOTAL
FUND PROVIDES INVESTMENT FEEDBACK	198	192	180
Translation of key investment words into 6 languages		1	
		0.5	
Projected benefits		2	
		1	
Where the investment is		1	
		0.5	
Impact of global economy on retirement pension		2	
		1	
Current vs target exposure		1	
		0.5	
Peer performance		2	
		1	
Member choice decision-when it was taken away		1	
		0.5	
Ratios		1	
		0.5	
Success of trading		1	
		0.5	
Fund asset allocation	89		
	44.9		
Others	2	7	10
	1	3.6	5.6
Don't know	1	1	1
	0.5	0.5	0.6
Total of table	533	388	319
	269.2	202.1	177.2

Q9.20 Which of the following Governance Instruments relating to investments are used (and properly documented)?



Q9.21 How often is the Investment Policy reviewed?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
INVESTMENT POLICY STATEMENT (IPS)	163	159	123
	100	100	100
Monthly	2	1	
	1.2	0.6	
Quarterly	21	27	29
	12.9	17	23.6
Tri-annually	12	8	6
	7.4	5	4.9
Half yearly	8	5	4
	4.9	3.1	3.3
Annually	109	113	76
	66.9	71.1	61.8
Less often than annually	7	2	1
	4.3	1.3	0.8
Ad hoc	1	1	1
	0.6	0.6	0.8
Not reviewed	1		
	0.6		
Other		1	
		0.6	
Not sure	2	1	6
	1.2	0.6	4.9
Total of table	163	159	123
	100	100	100

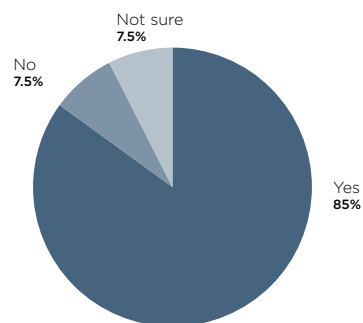
Q9.22 How often are performance and compliance with mandates reviewed?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
MANDATES FOR EACH INVESTMENT PRODUCT/PORTFOLIO OR INVESTMENT PERFORMANCE REVIEW	166	148	149
Monthly	9	10	8
	5.4	6.8	5.4
More often than monthly			1
			0.7
Every 2 months			1
			0.7
Quarterly	74	60	66
	44.6	40.5	44.3
3 x year	3	2	
	1.8	1.4	
Half-yearly	24	13	17
	14.5	8.8	11.4
Annually	45	54	40
	27.1	36.5	26.8
Less often than annually	4		
	2.4		
Ongoing		1	
		0.7	
Not reviewed	1	1	1
	0.6	0.7	0.7
Other		1	3
		0.7	2
Not sure	6	6	12
	3.6	4.1	8.1
Total of table	166	148	149
	100	100	100

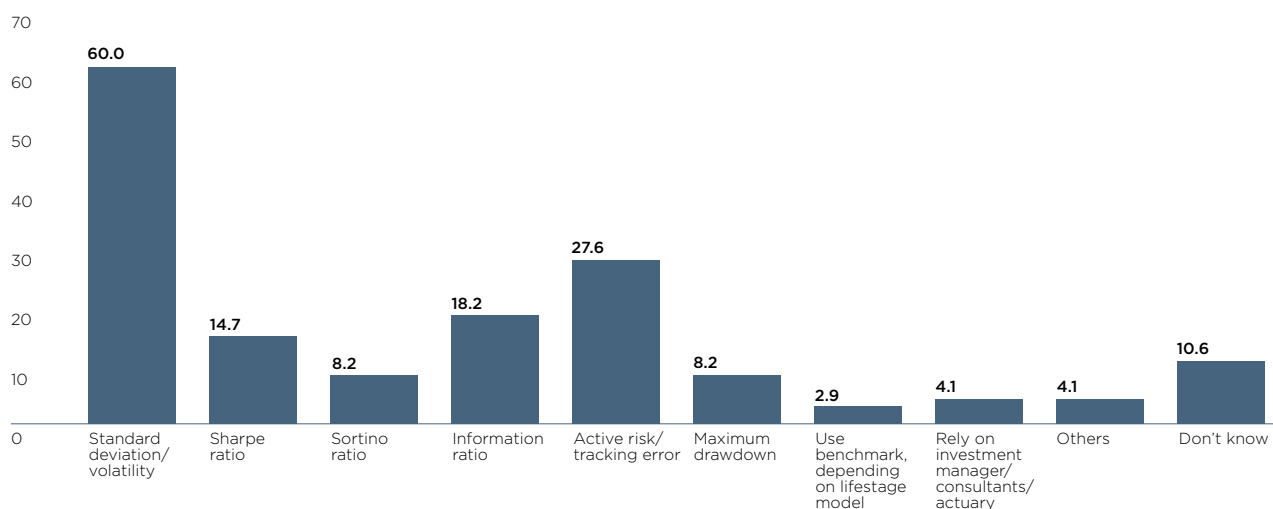
Q9.23a Does the Board consider investment risk in the various portfolios?

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100

Board consider investment risk in the various portfolios



Q9.23b How is this done?



	2010
Total of table	270
	158.8

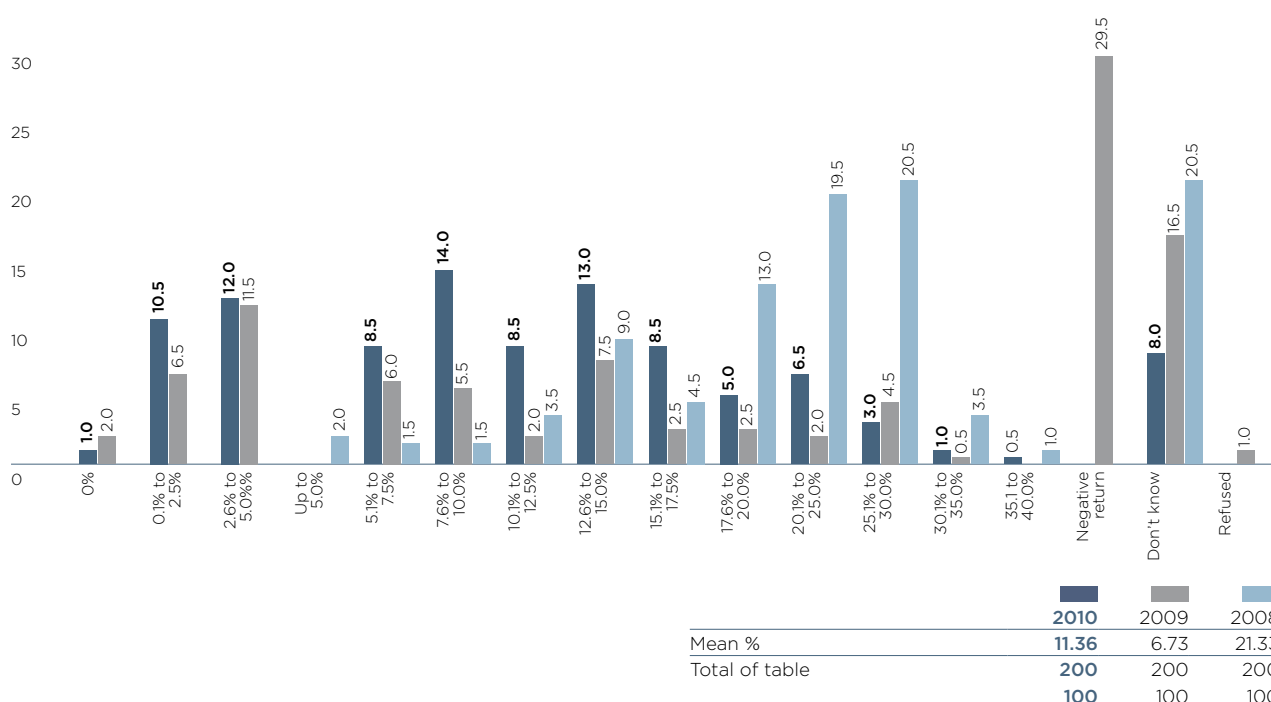
Q9.24a What benchmark is described in your investment mandates to assess your investment manager’s performance?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
Peer performance in a published survey	99	107
	49.5	53.5
Published Index e.g. FTSE/JSE All Share Index		71
		35.5
Published Index e.g. FTSE/JSE All Share Index or weighted combination of indices	99	
	49.5	
Inflation	88	69
	44	34.5
Weighted combination of indices		59
		29.5
Returns		2
		1
Agreed upon/specified benchmarks/target %/mandates		8
		4
Own benchmark	8	
	4	
Sanlam Survey/Alexander Forbes Watch	3	
	1.5	
Don't evaluate		1
		0.5
Others	2	10
	1	5
Don't use a benchmark in our Mandates	12	14
	6	7
Don't know	2	9
	1	4.5
Total of table	313	350
	156.5	175

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

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
	100	100
Benchmark - most important		
Peer performance in a published survey	80	75
	40	37.5
Published Index e.g. FTSE/JSE All Share Index		20
		10
Published Index e.g. FTSE/JSE All Share Index or weighted combination of indices	62	
	31	
Inflation	48	33
	24	16.5
Weighted combination of indices		28
		14
Agreed upon/specified benchmarks/target %/mandates		6
		3
Own benchmark	6	
	3	
Sanlam Survey/Alexander Forbes Watch	2	
	1	
Others	3	6
	1.5	3
Don't know	3	18
	1.5	9
Don't use a benchmark in our Mandates	14	14
	7	7
Total of table	218	200
	109	100

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



Q9.26 Do you expect investment returns in 2010 to be ...

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
	100	100	100
Better than previous year	119	41	14
	59.5	20.5	7
The same or similar to previous year	48	52	27
	24	26	13.5
Poorer than previous year, but still positive	29	63	139
	14.5	31.5	69.5
Poorer than previous year, and negative	2	35	13
	1	17.5	6.5
Don't know	2	9	7
	1	4.5	3.5
Total of table	200	200	200
	100	100	100

Q9.27 In a life stage vehicle members are switched to a less volatile phase in the investment portfolios for the period prior to normal retirement age. How many years prior to retirement do you start moving members to that phase, i.e. how long is the phase out period?

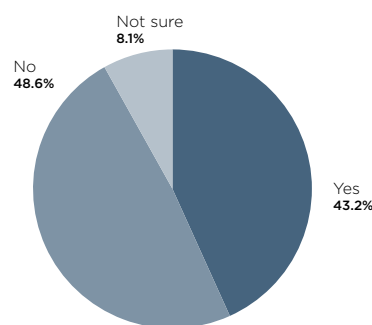
	2010 TOTAL
ALL THOSE WHO USE LIFE STAGING	74
	100
2 years	4
	5.4
3 years	2
	2.7
4 years	1
	1.4
5 years	32
	43.2
6 years	2
	2.7
7 years	13
	17.6
8 years	4
	5.4
10 years	11
	14.9
11 years	1
	1.4
13 years	1
	1.4
15 years	2
	2.7
16 years	1
	1.4
Mean	2.46
Total of table	74
	100

Q9.28 How frequently is the composition/ asset allocation of the lifestage model changed?

	2010 TOTAL
ALL THOSE WHO USE LIFE STAGING	74
	100
Monthly	2
	2.7
Quarterly	5
	6.8
Half-yearly	4
	5.4
Annually	40
	54.1
Ad hoc	2
	2.7
Less often than annually	3
	4.1
Others	2
	2.7
Never	3
	4.1
Don't know	13
	17.6
Total of table	74
	100

Q9.29a Are the different end stage portfolios based on members' intended annuity selection at normal retirement age?

	2010 TOTAL
ALL THOSE WHO USE LIFE STAGING	74
	100



Total of table	74
	100

Q9.29b Which type of annuities do the different end stages allow for ?

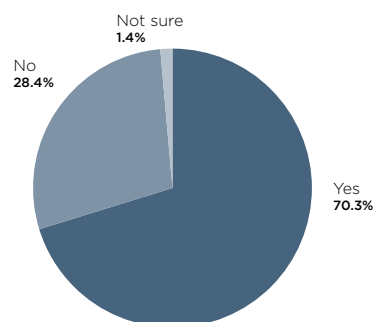
	2010 TOTAL
DIFFERENT END STAGES ALLOWED	32
	100
Guaranteed annuity (level or increasing)	15
	46.9
Living annuity (ILLA)	19
	59.4
Inflation linked	8
	25
With profit	5
	15.6
Not sure	3
	9.4
Total of table	50
	156.3

Q9.30 Which of the following asset allocations best describes the -final stage- in the lifestage option?

	2010 TOTAL
ALL THOSE WHO USE LIFE STAGING	74
	100
Cash (100%)	29
	39.2
Bonds (100%)	2
	2.7
Smooth bonus	8
	10.8
Conservative equity (<30)	26
	35.1
Moderate equity (30%+)	4
	5.4
Not sure	2
	2.7
Other	3
	4.1
Total of table	74
	100

Q9.31 Do members receive advice when they switch into this last phase of the life stage model before retirement?

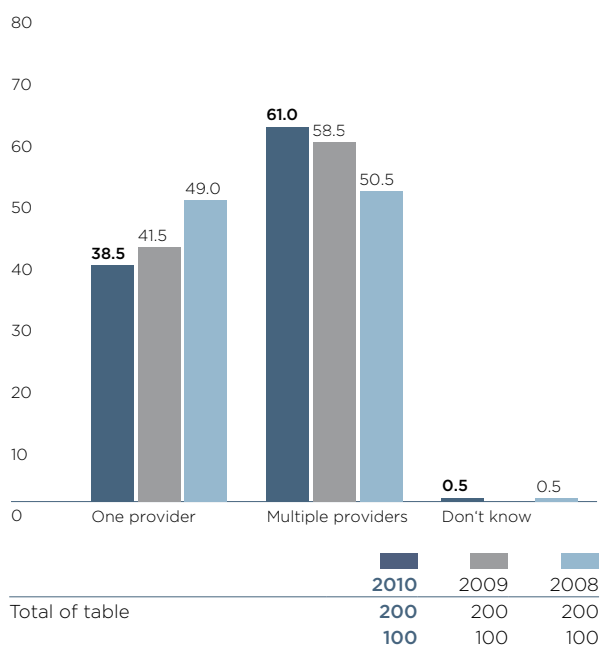
	2010 TOTAL
All those who use Life Staging	74
	100
Members receive advice	



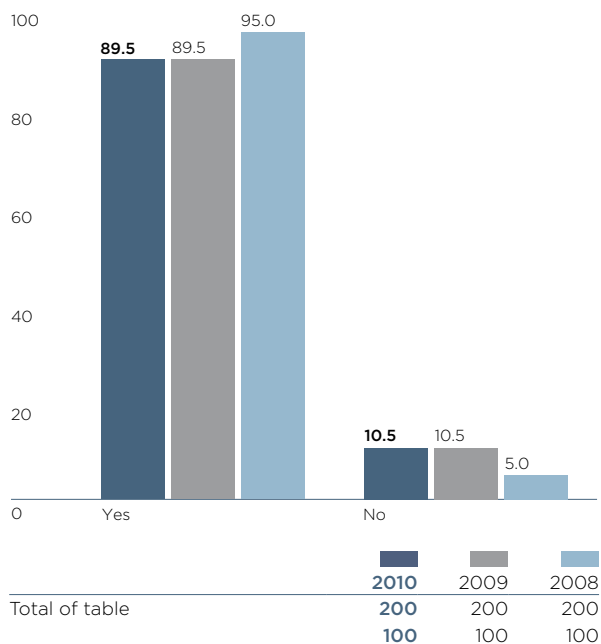
SECTION J

Special Topics

Q10.1 In sourcing fund management expertise, does your fund use the same provider for administration, benefit consulting, investments etc.



Q10.2 Does the fund have one -principal- consultant who takes a leading role in advising on fund management



Q10.3 And which company is this?

	2010 TOTAL	2009 TOTAL	2008 TOTAL
RESPONDENTS SAYING FUND HAS ONE -PRINCIPAL- BENEFIT CONSULTANT WHO TAKES A LEADING ROLE IN ADVISING ON FUND MANAGEMENT ISSUES	179	179	190
100	100	100	
Alexander Forbes Actuaries & Consultants	58	57	58
	32.4	31.8	30.5
5th Quadrant	15	9	
	8.4	5	
JMA / Jacques Malan & Associates	7	5	
	3.9	2.8	
Liberty Life	3	14	9
	1.7	7.8	4.7
Metropolitan		1	5
		0.6	2.6
Momentum/Lekana /AdviceAtWork	9	10	8
	5	5.6	4.2
NBC	9	13	5
	5	7.3	2.6
Old Mutual	8	7	16
	4.5	3.9	8.4
Sanlam			9
			4.7
Simeka (Sanlam)	11	9	4
	6.1	5	2.1
Absa Consultants & Actuaries	16	12	
	8.9	6.7	
NMG	6	6	
	3.4	3.4	
AON	5	6	
	2.8	3.4	
Robson Savage	9		
	5		
Investment Solutions		2	
		1.1	
Other	23	28	75
	12.8	15.6	39.5
Refused			1
			0.5
Total of table	179	179	190
	100	100	100

Q10.4a In addition, does the fund make use of an independent investment consultant?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
100	100	
Yes	83	101
	41.5	50.5
No	117	99
	58.5	49.5
Total of table	200	200
	100	100

Q10.4b Who provides this service?

	2010 TOTAL	2009 TOTAL
THOSE WHO MADE USE OF INDEPENDENT INVESTMENT CONSULTANT	83	101
Alexander Forbes Asset Consultants	10	2
5th Quadrant	12	2
Liberty Corporate Benefits	19	17
JMA / Jacques Malan & Associates	22.9	16.8
Old Mutual	5	8
Simeka	6	7.9
Hollard	1	5
Momentum	1.2	5
Investec	1	6
Oasis	1.2	5.9
Investment Solutions	1	2
Coris	1.2	2
Allan Gray	1	1
Investment consultant/Independent broker	1	1
Novare Riscura	1	1
Absa Investment Management (AIMS)	1	1
Nedbank Growth Investments	1	1
Robson Savage	1	1
Other	21	38
Don't know	25.3	37.6
Total of table	89	101
	107.2	100

Q10.5 If the NSSS is implemented do you feel that ...

	2010 TOTAL	2009 TOTAL	2008 TOTAL
BASE: ALL RESPONDENTS	200	200	200
It should be compulsory for everyone earning above a certain income threshold	100	100	100
It should be compulsory for everyone earning below a certain threshold	13	16	16
Members should have the option to opt out of the NSSS if they wish	6.5	8	8
Compulsory for everyone-should contribute regardless of income	35	46	70
Compulsory for those not having retirement fund	17.5	23	35
Should be allowed to opt out if they belong to a well governed fund	126	112	98
Others	63	56	49
Not sure	8	16	10
Total of table	4	8	5
	7		
	3.5	1	
		0.5	
		1	1
		0.5	0.5
	11	11	13
	5.5	5.5	6.5
	200	203	209
	100	101.5	104.5

Q10.7 How did you obtain the most information on the NSSS in 2009?

	2010 TOTAL	2009 TOTAL
BASE: ALL RESPONDENTS	200	200
Consultant	100	100
Government	92	112
Industry	46	56
Media	7	23
Publications	3.5	11.5
BENCHMARK Study	31	24
Internet	15.5	12
Seminars/conferences on retirement	95	129
Trustee meetings	47.5	64.5
Administrators	34	54
Hot topics - Alexander Forbes/Jaques Malan	17	27
Other	2	
None	1	
Don't know/can't remember	2	
Did not know about it	1	1
		0.5
Total of table	296	357
	148	178.5

Q10.8 Do you believe that National Health Insurance (NHI) should form part of social security reform?

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
Yes	120
	60
No	70
	35
Not sure	10
	5
Total of table	200
	100

Q10.9 What do you understand to be the objective of the NHI?

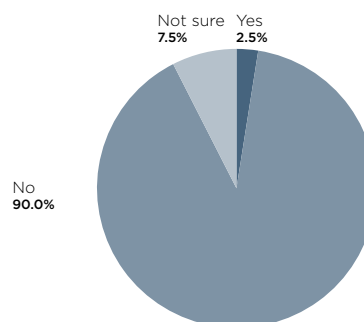
	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100
Affordable medical care	34
	17
Health care for the whole population/everybody/standardised	157
	78.5
Healthcare for lower income groups/rurals	17
	8.5
Quality/better health care	27
	13.5
Take pressure off the government hospitals	2
	1
Don't have to rely so heavily on the state	6
	3
Cross subsidise like Robin Hood	2
	1
Social security benefits to all	2
	1
None	5
	2.5
Additional indirect tax	8
	4
At great expense to those already paying	9
	4.5
Ruin the economy-make things worse	4
	2
Not sure if it will work	4
	2
Total of table	277
	138.5

Caution: Low base.

Q10.10a South Africa will host the FIFA World Cup this year. Have any members of your Board of Trustees been offered 2010 World Cup Soccer tickets?

	2010 TOTAL
BASE: ALL RESPONDENTS	200
	100

Members been offered 2010 World Cup Soccer tickets

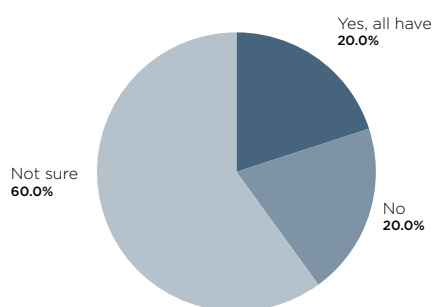


Total of table	200
	100

Q10.10b Have they accepted the offer?

	2010 TOTAL
MEMBERS OF BOARD OF TRUSTEES BEEN OFFERED 2010 WOLD CUP SOCCER TICKETS	5
	100

Accepted offer



SUMMARY	
Any yes	1
	20
Total of table	5
	100

Caution: Low base.

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