



April 2014

Old Mutual SuperFund: Evergreen transfer to SuperFund

Dear Member

Intended transfer from the Evergreen Pension and Provident Funds to the Old Mutual SuperFund Pension and Provident Funds

We're pleased to inform you that application will be made to the Registrar to transfer all members from the Evergreen Pension and Provident Funds to the Old Mutual Superfund Pension and Provident Funds with effect from 01 July 2014.

We initiated the process of consolidating our umbrella retirement funds into the Old Mutual SuperFund to ensure that fund members get the best value for money. We are now entering the final phase of this consolidation.

"All members in the Evergreen Pension and Provident Funds will be transferred into the Old Mutual SuperFund Pension and Provident Funds."

What are the benefits of consolidating the Funds?

- ✓ A consolidated fund is less expensive to run, because there is only one set of audit fees, FSB levies, valuation costs and compliance costs. Shared costs mean better value for you as a fund member.
- ✓ By operating a single fund, we can offer you improved service and ensure excellent governance practices.
- ✓ Consolidation supports the future objectives of Government's retirement fund reform.

“A consolidated fund will lead improved service, while member benefits and membership conditions will remain exactly the same.”

How will the transfer affect me?

The Management Boards of the two Funds (which consist of the same people) have worked hard to make sure that you will continue to enjoy:

- the same terms and conditions of membership,
- the same benefits and contribution rates,
- the same investment options and investment portfolios,
- the same insurance of death and disability benefits, and
- the same fee structure.

Members’ Accumulated Credits will be the same before and after the transfer. There are no costs involved for members and employers in this transfer. The Management Boards of the two Funds are satisfied that your rights and reasonable expectations will be identical before and after the transfer.

Investment options and fees:	UNCHANGED ✓
Terms of membership	UNCHANGED ✓
Contribution rates	UNCHANGED ✓
Insurance and death and disability benefits	UNCHANGED ✓
Additional benefits	UNCHANGED ✓
Fee structure	UNCHANGED ✓
Secure Services Access	UNCHANGED ✓
Administration	MORE EFFICIENT ✓

This transfer will follow the process set out in the Pension Funds Act and will be overseen by the Financial Services Board (FSB). A graphical representation of this process is set out in Annexure A. The Management Boards are applying for what is called a “prospective” transfer, i.e. one with an effective date that lies in the future, in the expectation that the Registrar will approve this transfer in advance of 01 July 2014 and the whole transfer can be achieved seamlessly during July 2014.

Annexure A sets out how we will continue to process benefits in the event that the Registrar has not approved the transfer by 01 July 2014.

Annexure B sets out the transfer process assuming the transfer is approved by 1 July 2014.

Where will my money be invested until transfer?

Your Accumulated Credit will remain invested in your current portfolio/s in the Evergreen Pension or Provident Fund until the FSB approves the transfer. On transfer, your unit holdings will be transferred directly to the Old Mutual SuperFund Pension or Provident Fund. This means that your Accumulated Credit will remain invested throughout the transfer process (i.e. no disinvestment will occur).

What if I leave my employer before my benefit is transferred?

Claims in progress - The Administrators of the Evergreen Pension or Provident Fund will continue to process all current benefit claims in progress, as well as any claims received before the effective date of transfer.

Claims after 30 June 2014 but before the actual transfer of your benefit – The portion of your Accumulated Credit in the Evergreen Pension or Provident Fund and the portion of your Accumulated Credit in Old Mutual Superfund Pension or Provident Fund will be paid separately by the Funds' Administrators. The total amount of the benefit payment will be unaffected.

Claims after the actual date of transfer - Once your Accumulated Credit has been transferred out of the Evergreen Pension or Provident Fund, all future benefits will be paid from the Old Mutual Superfund Pension or Provident Fund. You will have no further dealings with the Evergreen Pension or Provident Fund, which will be deregistered.

What if I am not satisfied with the transfer out of Evergreen?

You may object to the terms of a transfer, as long as your objection is received within thirty days from the date of this letter.

The Management Boards of the Funds will consider any objections lodged in writing by members. If need be, they may amend the terms of the transfer.

If you wish to lodge an objection to the transfer, you must do so in writing and send it either directly, or via your employer, to the Principal Officer or Administrators.

If you have any questions, please contact the Evergreen Service Centre

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Yours sincerely

The SuperFund Team

How will the transfer work?

OVERVIEW:

The Management Board takes a decision to transfer from the Evergreen Pension/Provident Fund (the current Fund) to the Old Mutual SuperFund Pension/Provident Fund (the new Fund)

You received this letter, explaining the process. You have up to 30 days to object.

The Management Boards of the current Fund and your new Fund complete the required documentation, and apply to the FSB for approval. You will be provided with a letter advising you of your Accumulated Credit as at the effective date of transfer.

The FSB approves the transfer (usually within two months).

Your Accumulated Credit must be transferred out of the current Fund within 60 days of FSB approval.

Your Accumulated Credit will stay in the current Fund until the FSB approves the transfer. It will remain invested in terms of your existing investment choice and will earn investment returns up until FSB approval. These returns can be either negative or positive, depending on market conditions. Thereafter, on FSB approval it will be transferred directly across to the new Fund. No disinvestment of benefits will take place. You will be provided with a Certificate of Transfer advising you of your Accumulated Credit as at the actual transfer date.

Your contributions after the effective date of transfer will be paid into the new Fund where they will be invested according to your instructions.

The management boards of the two funds (which consist of the same people) have endeavoured to preserve exactly the same terms and conditions of membership, the same special rules (i.e. the same benefits and contribution rates), the same investment options and investment portfolios, the same insurance of death and disability benefits, and the same fee structure. Members' Accumulated Credits will be the same before and after the transfer. There are no costs involved for members and employers in this transfer. If reserve accounts are held at sub-fund level before the transfer, these will be transferred across to identical accounts in Superfund after the transfer.

Effective date of transfer

Actual date of transfer

Annexure B

THE TRANSFER PROCESS

Application will be made to the Financial Services Board (the FSB) to approve the transfer of your Evergreen assets to the Old Mutual Superfund Pension/Provident Fund (“SuperFund”). This transfer will be made in terms of Section 14 of the Pension Funds Act. Once FSB approval has been granted, transfer will proceed in the manner as prescribed by that Act.

01 July 2014 is the *effective date of transfer*. The last day on which contributions will be payable to the Evergreen Pension/Provident Fund is 30 June 2014. Contributions due at the end of July 2014 in respect of salaries earned during that month will therefore be paid to Superfund.

The value of your Accumulated Credit in the Evergreen Pension/Provident Fund will be determined for Section 14 purposes at the *effective date of transfer*. It will remain in that Fund until the FSB approves the transfer. On FSB approval it will be transferred directly across to the new Fund. No disinvestment of benefits will take place.