



Retirement

Unclaimed Benefit Fund



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Pension money (a benefit) is unclaimed when:

1

an active (contributing) member leaves a retirement fund but isn't paid the benefit

2

a beneficiary of the benefit is known but cannot be found and paid

If the benefit is not claimed within 24 months from the date that the member left the retirement fund, it becomes an **unclaimed benefit**.

An **unclaimed benefit fund** is a preservation fund that can accept unclaimed benefits from retirement funds (registered pension and provident funds or another preservation fund). The main aim of the fund is to find the member and pay the benefit due.

The unclaimed benefits can be accepted, regardless of whether they have been taxed. The previous employer does not need to participate in the **unclaimed benefit fund** for benefits to be accepted.

Benefits of the unclaimed benefit fund



Active tracing to find members and pay benefits – 25% success rate in tracing and paying benefits



Investment strategy protects and grows the benefit



A home for unclaimed benefits when funds need to close down

Tracing benefits

The fund uses a number of databases to trace the member with an unclaimed benefit. A private investigator is appointed to trace any benefits above R7 500 if database tracing is not successful.

If the member is traced and contacted but the benefit can't be paid because the member's tax affairs are not in order, the system is flagged to avoid future tracing.

Investment strategy

The fund invests the unclaimed benefits in the **Alexander Forbes Unclaimed Benefit Fund** portfolio. The portfolio aims to protect the capital while allowing it to grow above inflation.

Innovative investment strategy

The trustees together with Alexforbes use a reverse lifestage investment strategy to:

- grow the unclaimed benefit should the member or beneficiaries be found
- help transform the investment industry
- support social and economic development

Did you know?

First 24 months	After 24 months
Conservative portfolio	Growth portfolio

We have noticed that agencies are most likely to trace and find the member or beneficiaries during the first 24 months of a benefit becoming unclaimed. Therefore we invest the unclaimed benefit in a conservative portfolio to ensure liquidity and growth for the first 24 months. Thereafter we invest the unclaimed benefit in a growth portfolio that has a mix of private market investments and domestic B-BBEE managers.

Trustees

The fund is managed by professional, expert trustees. The three external trustees are John Liackman, Sandile Khumalo and Kevin Prinsloo.

The Alexforbes appointed trustees are Fiona Rollason, Bonga Mokoena and John Anderson.

Bulking and surplus benefits

Bulking and former member surplus allocations retain their tax-free status when transferring into the fund, and the growth on the investments is tax free. The bank account interest earned from the date of receiving a claim form from a member that has been traced to the date of payment is taxable.

Costs

Administration

There are no upfront fees and no fee for paying claims once member is traced.

Member assets	Monthly fee including VAT
Less than R100	No fee charged
R101 to R500	R2.30
R501 to R1 000	R4.60
R1 001 to R5 000	R6.90
R5 001 to R10 000	R10.35
More than R10 000	R13.80

There is no administration fee paid for unclaimed benefits arising from bulking in a fund administered by us.

Tracing

There is a cost for successful tracing only. The fee is deducted from the benefit before it is paid to the member.

unclaimed money in the fund less the tracing cost



Benefits
paid out



R301.90
if a database
trace is used



R1 811.25
if a private
investigator
is used

A tracing fee of **R301.90** (including VAT) is charged when a member is traced successfully through the database and the unclaimed benefit is paid out.

A tracing fee of **R1 811.25** (including VAT) is charged when a member is traced successfully by a private investigator and the unclaimed benefit is paid out.

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How to transfer benefits into the fund

- The rules of the previous fund must allow for transfers to an unclaimed benefit preservation fund.
- The trustees of the previous fund must confirm that they have tried to trace the member, unless this falls under their minimum tracing amount.
- The trustees of the previous fund must sign the application form.

Speak to your consultant or Shuaib Mohamed (telephone number **011 269 0391**) if you want to transfer unclaimed benefits into the fund.

Fund details

Registered address
Alexforbes
115 West Street
Sandton

Alexander Forbes Unclaimed Benefit Provident Preservation Fund

FSCA registration number: 12/8/37916
SARS approved number: 18/20/4/42157

Alexander Forbes Unclaimed Benefit Pension Preservation Fund

FSCA registration number: 12/8/37917
SARS approved number: 18/20/4/42122

