

## KNOW YOUR BENEFITS

### Benefits of contributing to a retirement fund:

Members belong to a retirement fund to help them **have a retirement income one day.**



Many employers also provide **insurance benefits linked to fund membership** which are payable on death or disability.



**Contributions are tax deductible**, so this lowers your annual taxable income.

**Tax exemptions apply** while retirement savings remain in a fund. No tax on interest, no capital gains tax and no dividend withholding tax apply. Tax applies when retirement savings are taken in cash when you leave your employer and when you retire.

**No estate duty is payable on retirement savings**, so this increases the benefits payable to your beneficiaries.

Retirement savings are generally **protected from creditors**.

**You benefit from lower costs.** The fees you pay through an employer-sponsored arrangement are normally much lower than you could get by saving outside the retirement fund.

**Compulsory savings are a benefit.** Most people depend on their retirement funds as their only source of savings. By not having a retirement fund, you may struggle to make ends meet when you retire.



### Could you list three benefits of belonging to the AFRF?

To make it easier for members to find and understand quick answers to questions about the AFRF, we are releasing a new benefits fact sheet. We show at a glance how both the AFRF and your employer help if you die or become permanently disabled.

We try to use everyday words to help you understand how the fund helps.



### Benefits FACT SHEET

Alexander Forbes Retirement Fund

Your employer	Sample Shoes
Type of fund	Pension
Investment strategy	Lifestage (balanced)
HR contact person	Jane
	Jones
	Jane@sampleshoes.co.za

*Together with a professional board of trustees, a management committee is looking after your money in the fund.*

Appointed by the employer	Thando Khumalo
	Susan Naidoo
	Jackie Lee
Elected by the members	Sipho Mavu
	Daniel Smith
	Brian Singh