



**Benchmark** Member Choice Living Annuity



**Benchmark Retirement Fund**

*Efficient. Trusted. Namibian.*

## Investment-linked living annuity

When reaching retirement age (depending on the rules of your current retirement fund), you can invest your accumulated fund credit in an investment linked living annuity in the Benchmark Retirement Fund to receive your monthly pension.

You can join Benchmark Retirement Fund on retirement. You do not already have to be a member of the Fund at that stage.

The monthly pension can be chosen by you, taking the requirements of the Income Tax Act into account. The monthly pension will be a function of the amount of capital available, the investment returns earned and the drawdown rate you choose from time to time.

## Investment portfolios

The Fund offers a range of investment portfolios across various risk profiles. The investment portfolios have been short-listed after careful consideration by the Trustees with input by the Fund's investment consultant. The member can focus on matching his / her risk profile to the risk profile of the investment portfolio instead of having to make a selection from a vast range of portfolios. Choosing from a short-list of suitable portfolios allows the member to stop second guessing whether the right choice was made.

- The member can diversify his / her investment risk by utilising more than one investment portfolio. Up to five portfolios can be selected (with a minimum of N\$50,000 per portfolio).
- Investment structures are transparent and not complex.
- Members can switch between investment portfolios.
- The portfolios are compliant with Regulation 28 of the Pension Funds Act
- Investments are managed in accordance with the Investment Policy as approved by the Trustees of the Benchmark Retirement Fund.

## Investment Returns

For a living annuity pensioner it is imperative to achieve a real investment return, i.e. a return in excess of consumer price inflation.

The member will have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns. It must be noted that the historic performance experience is not guaranteed to be achieved in future.

## Risk

The risk categorisation of an investment portfolio gives an indication of how volatile the investment returns may be, and therefore is also an indication of the risk that the investment return, according to the investment mandate, may not be achieved.

- **Moderate risk portfolios:** This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.
- **Moderate-low risk portfolios:** This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.
- **Low risk portfolios:** This type of portfolio should have minimal negative returns over a rolling 12-month period. When invested in the money market fund, there should be no risk of capital loss on a monthly basis.

Investment return and risk are correlated. While the correlation cannot be defined in absolute terms, it is generally accepted that an investor will require compensation in the form of investment returns in return for the investment risk taken.

## Why choose Benchmark?

### Affordability

- Administration fees are competitive.
- Members access the investment portfolios at institutional rates which are lower than asset management fees paid on retail products.
- The carefully selected investment portfolio range keeps investment administration fees affordable.

### Flexibility

- The monthly pension (drawdown rate) can be set between 5% and 20% of capital.
- The level of the pension can be changed at any point throughout the year by giving one month written notice to the administrator.
- The capital invested in the living annuity can be passed on to beneficiaries within the Fund.

### Regular feedback

- Benefit statements can be accessed via the internet.
- A monthly performance review reflects returns of the investment managers.

- A quarterly investment report assists you to review your investment arrangement.

### Professional administration & management

- The Fund is administered by the experienced specialists of Retirement Fund Solutions.
- RFS or a registered broker can help to determine the member's risk profile to assist the member in selecting the correct investment portfolio.
- The Fund has a track record of more than 16 years.
- The Fund has a membership in excess of 9,000 and assets of N\$2 billion.
- The Fund is subject to independent annual audit and actuarial valuation.
- The Fund is registered with NAMFISA.
- The Fund is approved for tax purposes by the Ministry of Finance: Inland Revenue.

## Investment portfolio range

<b>Investment Portfolio</b>	<b>Risk Categorisation</b>	<b>Return expectation based on historic performance</b>
Allan Gray Balanced Fund	Moderate	CPI + 5%-6%
Investec Managed Fund	Moderate	CPI + 5%-6%
NAM Coronation Balanced Plus Fund	Moderate	CPI + 5%-6%
Old Mutual Profile Pinnacle Fund	Moderate	CPI + 5%-6%
Prudential Balanced Fund	Moderate	CPI + 5%-6%
Standard Bank Managed Fund	Moderate	CPI + 5%-6%
EMH Prescient Absolute Balanced Fund	Moderate	CPI + 5%
NAM Coronation Capital Plus Fund	Moderate-Low	CPI + 4%
Prudential Inflation Plus Fund	Moderate-Low	CPI + 4%
Sanlam Inflation Linked Fund	Moderate-Low	CPI + 4%
NAM Coronation Balanced Defensive Fund	Moderate-Low	CPI + 2%-3%
Sanlam Active Fund	Low	CPI + 1%-2%
Money Market Fund	Low	CPI to CPI + 1%



# Benchmark Retirement Fund

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## How do I become a living annuity pensioner in Benchmark?

- Contact Retirement Fund Solutions, or a Benchmark Retirement Fund broker who will assist you to understand the product and your options.
- A Member Application Form must be completed and submitted to the administrator.
- Terms and Conditions apply which you must be aware of.
- A copy of your ID will be required.
- A Bank Detail Verification Form needs to be completed.

## Brokers

- Visit [www.rfsol.com.na/benchmark](http://www.rfsol.com.na/benchmark) for a list of brokers.

## Registration details

- Reg. no. 25 / 7 / 7 / 489
- Income tax ref. no. 12 / 1 / 12 / 462

## Contact details

- Website  
[www.rfsol.com.na/benchmark](http://www.rfsol.com.na/benchmark)
- Telephone  
+ 264 61 446 000

*Administered by*



**Retirement Fund Solutions**

Managed by Namibians. Trusted by Namibians.

*Please note:*

*Neither the Benchmark Retirement Fund nor its administrator, Retirement Fund Solutions Namibia (Pty) Ltd, nor the consultant can give any guarantees on future investment returns. Pension fund investments are of a long-term nature and investment decisions should not be taken on the basis of short-term considerations.*

*Investment manager fees apply.*