

## Exciting New Developments for 2020

Dear Members,

The Board of Trustees is excited to share with members, two new benefits that will be added to the Agricultural Research Council Pension Fund in 2020. The effective dates of the new benefits will be communicated to members early next year, but will not be later than 1 April 2020.

### 1. Pension Backed Housing Loan Facility

The Trustees have approved Standard Bank as the provider of the Fund's Pension Backed Housing Loan Facility.

This facility can be used for the following purposes:

- Buying vacant land
- Buying a property
- Renovating an existing property
- Covering any housing-related shortfalls, like transfer costs.



The pertinent features of the ARC Pension Fund's facility are:

Interest Rate	Prime minus 1%
Minimum Loan Amount	R100 000
Maximum Loan Amount	Up to 60% of the members' withdrawal benefit, depending on affordability
Repayment Method	Monthly installment are deducted directly from your salary
Credit Life Cover	<b>Optional</b> cover is available which will repay your loan should you pass away or become disabled

Some other benefits include:

- No bond registration costs
- A convenient application process

- Approval within 5-10 days
- Face-to-face consultation with a Standard Bank consultant.

Standard Bank, together with the office of the Principal Officer, will prepare detailed communication to assist members who are interested in making use of the Pension Backed Housing Loan Facility. HR Practitioners will also receive training in assisting members with applications.

## **2. Optional Funeral Cover**



Secondly, the Trustees approved voluntary funeral benefits, especially for our non-union members, although the benefit will be available to all members. Cover is voluntary for all existing members of ARC Pension Fund, who are permanently resident within South Africa and who are below the age of 65. Each member has the option of joining the scheme, but only within 30 days of the scheme's inception. (We will communicate the official inception date early next year).

New members will also have the option of joining the scheme, but only within 30 days of becoming a member.

Cover will include funeral benefits for the member, 1 spouse and 5 children. Members can join the scheme up to the age of 64 and the maximum age at entry for a spouse is 84 years. The maximum age at entry for a child is 21, however the maximum age at entry will be 25 should the child be a full time student at a recognised educational institution of a public character.

The Cover Termination Age will be the last day of the month in which the member reaches the age of 65 years. Members have the option to convert their policy to an individual policy without being subject to a waiting period, upon withdrawal from the scheme provided the option is applied for within one month from the withdrawal date.

The following cover options were quoted to the Fund:

Immediate Family Benefits			
Benefit Option	Option 1	Option 2	Option 3
Principal Member	R 20,000	R 30,000	R 40,000
Spouse	R 20,000	R 30,000	R 40,000
Child age 14 to 21 years	R 20,000	R 30,000	R 40,000
Child age 6 to 13 years	R 10,000	R 15,000	R 20,000
Child age 1 to 5 years	R 5,000	R 7,500	R 10,000
Child age 0 to 11 months	R 2,500	R 3,750	R 5,000
Stillborn	R 2,500	R 3,750	R 5,000
Monthly Premium per Principal Member			
Monthly Premium	R 30.00	R 45.00	R 60.00

**Note:** The Fund must **select one option** that will **apply to all members** of the scheme.

The Trustees would like the input from members in deciding which option would be most suitable. Please send your preference to [info@arcpf.co.za](mailto:info@arcpf.co.za) before 20 December 2019. The Trustees will implement the majority decision, based on those members who respond.

We hope you are just as excited with the new developments coming next year and we look forward to a successful, savings-focused, 2020!

The Trustees and Fund Officials would like to wish our members and their families a save and joyful festive season!

