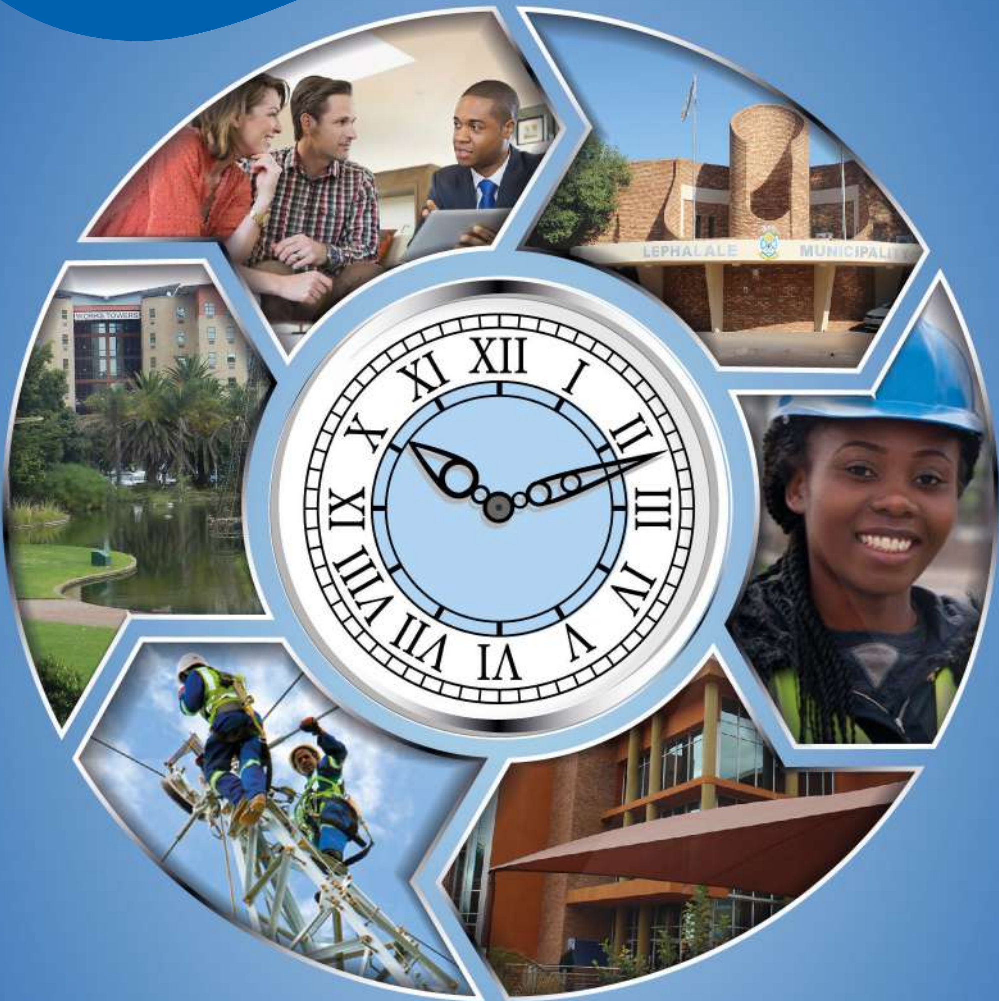
MGF

Wealth creator of choice



MGF Member Guide 2026

Municipal Gratuity Fund

41st Edition / April 2026

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1. MISSION

The Municipal Gratuity Fund (MGF) is committed to provide employees of municipalities with optimum financial security at retirement and superior related benefits.

The business of the MGF is to:

- ***Manage financial contributions and assets with the purpose of maximising returns,***
- ***Create and protect wealth for members,***
- ***Render prompt and excellent service.***

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2. VALUES

Our members are our most valued asset and are treated with:

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3. MEMBERSHIP

The MGF is a dynamic defined contribution fund with an asset value of about R35 billion and about 30 000 members employed by municipalities of Mpumalanga, Gauteng, North West and Limpopo Provinces.

- Employees older than 16 and younger than 65 years of age employed by a participating municipality may join.
- No proof of medical fitness is required.
- Once a member has joined the MGF there is a 3 month cooling off period during which such member may reverse his choice and leave the MGF. However, after such period the member can only leave the MGF upon termination of service with the municipality.

4. GOVERNANCE

Members at each participating municipality democratically elect member representatives and each municipal council appoints an employer representative. These employer and member representatives constitute the General Committee of the Fund which meets annually. At these annual meetings of the General Committee the member and employer representatives respectively elect Board members to serve on the Board of the Fund. The Board is the governing body of the Fund in accordance with the Pension Funds Act and the Rules of the Fund.

The Board is constituted as follows:

- 7 Member representatives
- 2 Employer representatives
- 3 Independent persons with special expertise in municipal matters, the pension fund industry or economic and financial matters, appointed by the other members of the Board.

The Fund is registered in terms of the Pension Funds Act, under registration number 12/8/29256/2. The offices of the Fund are situated in Bedfordview with a limited staff component of 6 people. This front office is responsible for strategic communication, assistance to members in special circumstances, trustee services, secretarial services and monitoring of service providers.

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5. COMPLAINTS PROCEDURE

A member may lodge a written complaint with the Fund in terms of Section 15(3) in terms of the Fund Rules. The contact person is:

- ***The Principal Officer*** of the Fund; ***Mrs Christine Seierlein,***
- ***Tel no:*** (011) 450-1224

If the member is not satisfied with the outcome of the complaint or has not received the reply within 30 days such member may then lodge a written complaint with the ***Pension Funds Adjudicator (PFA).*** The contact details of the PFA are:

- ***Email:*** enquiries@pfa.org.za, ***Tel:*** (012) 346-1738, ***Fax:*** (086) 693 7472
- ***Address: Riverwalk Office Park, 41 Matroosberg Road, Ashlea Gardens, 0081.***

6. FUND ADMINISTRATION

The Board of the Fund outsourced the administration of the Fund to ***Sanlam Employee Benefits (SEB)***, a registered retirement fund administrator. They are responsible for all administrative functions with reference to the receipt and processing of contributions, payment of benefits, housing loans and updating member information.

Members can direct their enquiries regarding administrative matters to:

SEB at ***Tel: 0861 223 646***

Email: SanlamEB@sanlam.co.za

They can also be visited at ***Westend Office Park (Block D), 250 Hall Street, Centurion.***

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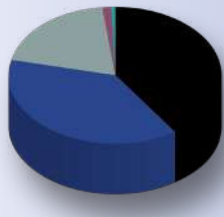
7. INVESTMENTS

Being a defined contribution Fund investment risk is carried by the member. This means that Fund Credit values are affected by market risks and members may sometimes experience negative return for short periods. In order to manage such risks the MGF adopted a Life Stage Model. ***Members are allocated to the following Life Stage portfolios depending on their age and term to retirement. Please see page 6 to 9.***

7.1 Life Stage 1: Aggressive Portfolio

MGF Aggressive Portfolio (AP): More money is invested in equities (shares) and less in fixed income investments and property. A greater return can therefore be expected but at an equally higher risk. A member, however, who is a long way from retirement, can tolerate such higher risk, as there is enough time to recover possible losses and create wealth.

- Inception Date: **01 July 2005**
- Fund Size as at June 2025: **R28.0 billion**
- Benchmark: **Inflation + 5%**



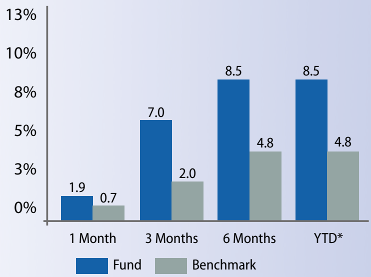
Asset Allocation

Foreign	**40.2%**	**SA Equity**	**39.1%**	**SA Bonds**	**17.5%**
Hedged	**1.5%**	**SA Cash**	**1.7%**		

Asset Manager Allocation

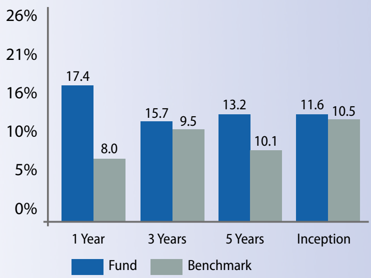
Asset Class	Manager	Exposure
Credit Funds	Futuregrowth	4.7%
Equity	ABAX, Allan Gray, Aluwani, Argon, Fairtree, Truffle	22.8%
Foreign Balanced	Allan Gray	4.7%
Foreign Equity	Coronation, Dodge & Cox, Edge, Franklin, Hoskings, Morgan Stanley, Nedgroup (Veritas), Ninety One, Sands Capital, Satrix	28.8%
Foreign Fixed Income Absolute Return	Brandywine	4.4%
Foreign Property	Nedgroup (Resolution)	2.3%
Fund of Hedge Fund	Edge Investments	1.5%
Infrastructure	Stanlib	2.3%
Mezzanine Debt	Vantage Capital	0.5%
Property	Sesfikile, SIM	3.9%
Renewable Energy	Green X Renewable	1.3%
SA Bonds	Ninety One, Sanlam	10.0%
SA Cash	ABSA, Futuregrowth, Green X Renewable, Stanlib, Vantage Capital	1.7%
SA Passive Equity	Satrix	11.1%

Short-term Returns



*Since January to Date

Long-term Returns



Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025
1.40%	0.19%	-0.24%	2.87%	2.06%	1.93%	2.29%
Aug 2025	**Sep 2025**	**Oct 2025**	**Nov 2025**	**Dec 2025**	**Jan 2026**	**Feb 2026**
1.41%	2.61%	1.92%	0.82%	1.74%	1.95%	3.02%

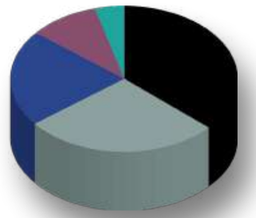
7.2 Life Stage 2: Moderate Portfolio

MGF Moderate Portfolio (MP): A more moderate investment approach is followed. Less money is invested in equities (shares) and more in fixed income investments and property. The return may be less but the risk is also lower. It is suitable for older members closer to retirement who should not be exposed to the higher risks of the Aggressive Portfolio.

- Inception Date: **01 July 2005**
- Fund Size as at June 2025: **R10.0 billion**
- Benchmark: **Inflation + 4%**

Asset Allocation

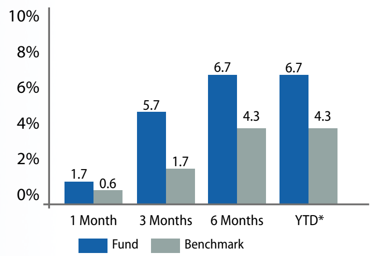
Foreign	**34.9%**	**SA Bonds**	**29.6%**	**SA Equity**	**23.0%**
Hedged	**9.5%**	**SA Cash**	**3.0%**		



Asset Manager Allocation

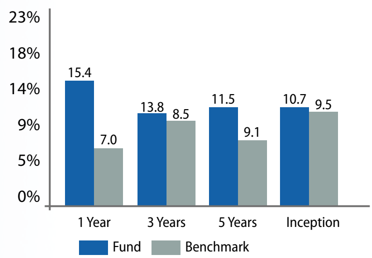
Asset Class	Manager	Exposure
Equity	ABAX, Allan Gray, Aluwani, Argon, Fairtree, GreenX, Truffle	10.7%
Foreign Balanced	Allan Gray	3.7%
Foreign Equity	Coronation, Dodge & Cox, Edge, Franklin, Hoskings, Morgan Stanley, Nedgroup (Veritas), Ninety One, Sands Capital, Satrix	20.8%
Foreign Fixed Income Absolute Return	Brandywine	3.9%
Foreign Property	Nedgroup (Resolution)	2.3%
Infrastructure	Stanlib	1.7%
Mezzanine Debt	Vantage Capital	1.1%
Property	Sesfikile, SIM	3.3%
Renewable Energy	Green X Renewable	1.7%
SA Absolute Return	ABAX, Alusi Managed Fund, Coronation, Sanlam	16.9%
SA Bonds	Ninety One, Sanlam	12.4%
SA Cash	ABSA, Allen Gray, Aluwani, Futuregrowth, Green X Renewable, Stanlib	5.0%
SA Hedge Funds	Amplify	9.4%
SA Inflation Linked Bond	Ninety One	2.7%
SA Passive Equity	Satrix	4.4%

Short-term Returns



*Since January to Date

Long-term Returns

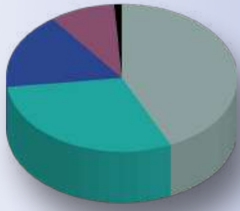


Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025
1.24%	0.23%	-0.50%	2.19%	1.69%	1.72%	1.92%
Aug 2025	**Sep 2025**	**Oct 2025**	**Nov 2025**	**Dec 2025**	**Jan 2026**	**Feb 2026**
0.81%	1.81%	1.79%	0.41%	1.23%	1.09%	1.95%

7.3 Life Stage 3: Conservative Portfolio

MGF Conservative Portfolio (CP): These members cannot be exposed to any significant risk and therefore their money will be invested in fixed income investments, structured products and cash with no equities (shares) in order to protect capital.

- Inception Date: **01 July 2005**
- Fund Size as at June 2025: **R4.0 billion**
- Benchmark: **Inflation + 3%**



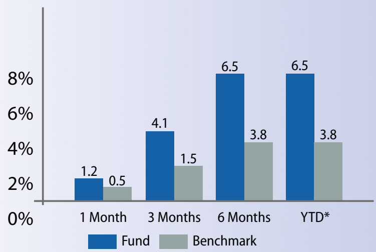
Asset Allocation

SA Bonds	**45.4%**	**SA Cash**	**26.4%**	**SA Equity**	**17.5%**
Hedged	**9.2%**	**Foreign**	**1.5%**		

Asset Manager Allocation

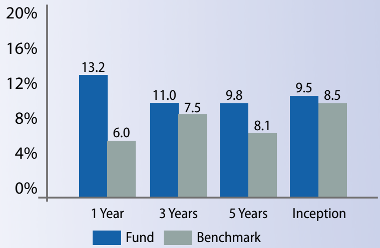
Asset Class	Manager	Exposure
Credit Funds	Futuregrowth	12.0%
Equity	Green X	0.2%
Renewable Energy	Green X Renewable	0.7%
SA Absolute Return	ABAX, Alusi Managed Fund, Coronation, Sanlam	58.4%
SA Cash	ABAX, ABSA, Coronation, Futuregrowth, Green X Renewable	17.2%
SA Hedge Funds	Amplify	8.7%
SA Inflation Linked Bond	Ninety One	2.8%

Short-term Returns



*Since January to Date

Long-term Returns



Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025
0.87%	0.57%	0.81%	1.39%	1.47%	1.17%	0.87%
Aug 2025	**Sep 2025**	**Oct 2025**	**Nov 2025**	**Dec 2025**	**Jan 2026**	**Feb 2026**
1.03%	1.66%	1.27%	1.06%	1.54%	0.97%	1.60%

7.4 Life Stage 4: Protected Portfolio

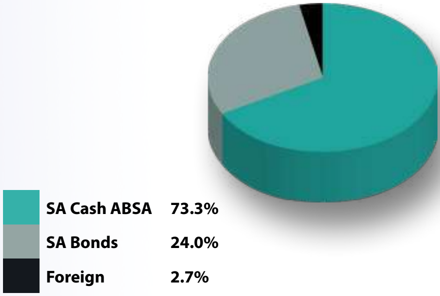
MGF Protected Portfolio (PP): These members cannot be exposed to any risk and therefore their money will be invested in money market instruments in order to protect capital.

- Inception Date: **01 September 2011**
- Fund Size as at June 2025: **R2.0 billion**
- Benchmark: STeFI

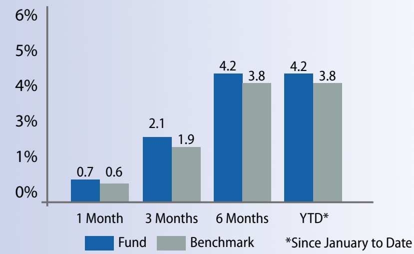
Asset Allocation

Asset Manager Allocation

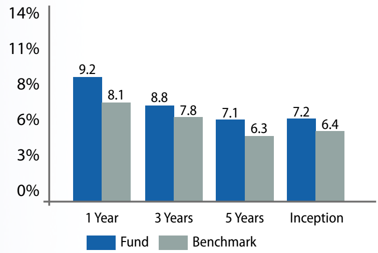
Asset Class	Manager	Exposure
SA Cash	ABSA, Futuregrowth	100%



Short-term Returns

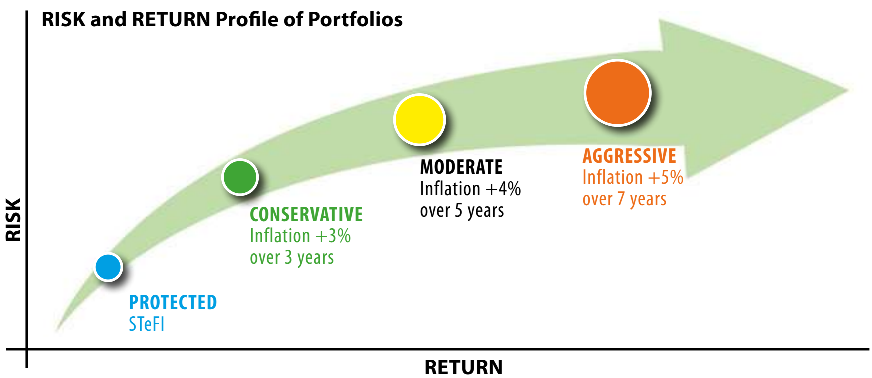


Long-term Returns



Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025
0.74%	0.62%	0.69%	0.68%	0.70%	0.69%	0.67%
Aug 2025	**Sep 2025**	**Oct 2025**	**Nov 2025**	**Dec 2025**	**Jan 2026**	**Feb 2026**
0.66%	0.68%	0.62%	0.60%	0.66%	0.60%	0.58%

The following is an illustration of where each of the four Life Stage portfolios lies along the risk- and- return spectrum.



7.5 Annual Performance by Financial Year (%)

The annual % performance per financial year since inception of the Life Stage Model is indicated in the following table. The return per annum over the 15 years is reflected in the last column.

Annual Performance by Financial Year (%)								
Portfolio	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
AP	10.23	16.43	26.83	4.94	7.22	4.05	10.38	4.43
MP	9.68	14.49	21.94	6.66	8.04	4.96	8.96	4.97
CP	8.63	10.46	14.85	7.84	6.50	6.44	8.29	6.07
PP*	4.98	5.96	6.04	6.64	7.53	8.58	8.22	8.55
Inflation (CPI)	5.47	5.57	6.61	4.74	6.27	5.09	4.57	4.46

Annual Performance by Financial Year (%)								Since Unitisation (15 Years) Annualised
Portfolio	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 **	
AP	4.28	18.85	0.85	18.29	11.49	17.41	16.89	**12.50%**
MP	4.75	14.00	2.68	15.14	11.03	15.38	11.53	**11.29%**
CP	2.50	10.43	5.93	9.27	10.56	13.22	10.43	**10.03%**
PP*	8.13	4.41	4.87	7.59	9.46	9.21	5.17	**7.65%**
Inflation (CPI)	2.22	3.50	7.17	5.26	4.5	3.02	3.26	**5.19%**

*The Protected Portfolio (PP) started in September 2011
**Year to date returns from July 2025 to February 2026

8. CONTRIBUTIONS

- ***MEMBERS:*** Members contribute at a minimum rate of 7.5% of their annual salary which contribution is allocated in total to the members' Fund Credit.

- ***EMPLOYERS:*** For members who joined before 1 July 2012 the standard contribution rate of employers is 22% of a member's pensionable income. For members joining after July 2012 it is 18%. In total 4% of salary is utilised to finance risk benefits (3.6%) and administration costs (currently 0.40%). The balance of the employer's contribution is credited directly to the member's Fund Credit. Employers may, with the consent of members and the Board, contribute at a lower or higher rate, subject to such conditions as imposed by the Board.

continued on page 11:

8. CONTRIBUTIONS (continued)

CONTRACT APPOINTMENTS (TOTAL COST TO COUNCIL): Such members may structure their contributions according to their requirements but subject to the following minima:

- 4% (minimum) employer contribution.
- 7.5% (minimum) employee contribution.

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9. THE COMPOSITION OF THE MEMBER ACCOUNTS

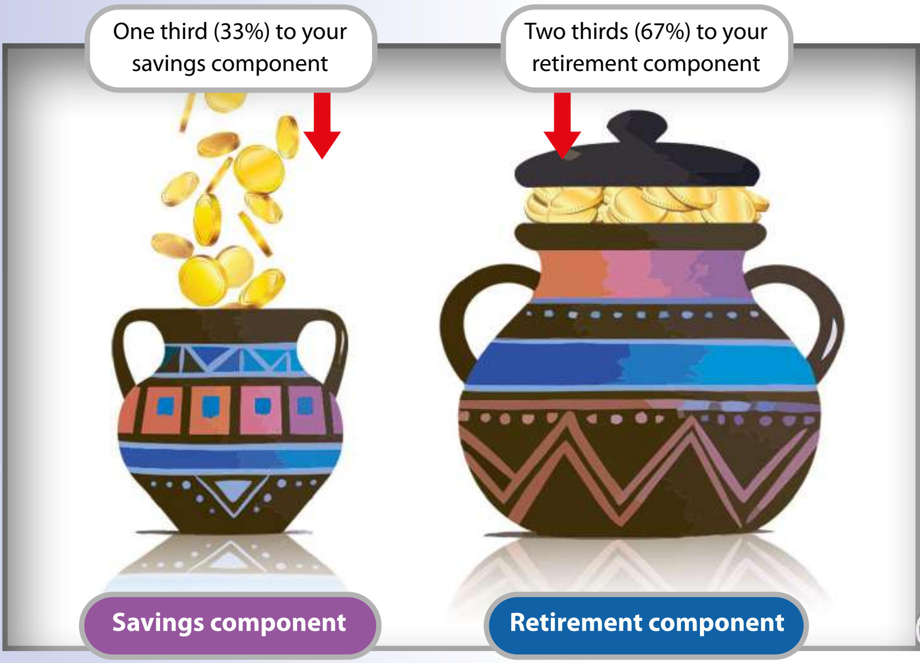
FUND CREDIT

All monthly contributions, excluding contributions to risk benefits and administration costs plus all investment returns be it positive or negative, are allocated to the Fund Credit account of members. Members will be able to see the value of their Fund Credit on a daily basis once they have registered on the website.

9.1 Two-Pot system from 1 September 2024

From 1 September 2024 all members will have three components i.e. vested component, savings component and retirement component. The value of these three components added together will be referred to as the member's Fund Credit.

The Fund Credit of all members, less the seed capital, as at 31 August 2024 will remain in the vested component. The August 2024 contributions received in September 2024 will also be invested in the vested component. Thereafter the vested component will receive no new contributions. ***From September 2024 all new contributions received will be split as follows:***



10. RETIREMENT AGE *(See also notes further on)*

- Normal retirement age is 65 years.
- Members may voluntarily retire from age 50.
- An extended retirement age, on condition that the employer and member mutually agree accordingly, is allowed. The usual contributions will continue. Members 65 years and older only enjoy funeral cover and no other risk benefits like additional death of disability benefits. In the event of death of disability only the fund credit is payable for this age group of members. Members 65 years and older do not contribute the 3.60% towards risk benefits, it is added to their fund credit.

Although the benefit does not differ whether a member retires or resigns it may be tax efficient to retire rather than to resign. More information is available on request.

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11. BENEFITS

The MGF is a defined contribution retirement fund (DC fund) where the member will always, even upon resignation, be entitled to at least all member contributions plus the contributions of the employer after the contributions for risk benefits and administration cost have been deducted plus or minus the net return. ***The way in which benefits are paid changes from 1 September 2024 as follows:***

11.1 RESIGNATION

What is payable at exit (withdrawal or retirement) and tax applicable in the three components:

Withdrawal:		
Vested component	**Savings component**	**Retirement component**
Full benefit is available to be taken in cash or invested.	If no withdrawal already made in the tax year the full benefit is available to be taken in cash or invested or partially taken in cash and partially invested. If already taken a withdrawal in the tax year and the amount exceeds R2 000 it has to be transferred to the new employer, preservation fund or annuity, if less than R2 000 it may be taken in cash.	No withdrawal is allowed it has to be transferred to the new employer, preservation fund or annuity.
Withdrawal tax tables are applicable.	Marginal tax rate of member is applicable.	Tax-free transfer to new employer, preservation fund or annuity.

Lump sums taken in cash are subject to tax as follows:

Lump sum withdrawal benefit	Tax liability
R0 to R27 500	**0%**
R27 501 to R726 000	18% of the amount above R27 500
R726 001 to R1 089 000	R125 730 + 27% of the amount above R726 000
R1 089 001 and above	R223 740 + 36% of the amount above R1 089 000

The tax-free threshold of R27 500 and tax table are cumulative and apply to the total amount of your withdrawals from funds in your lifetime. In addition, the tax concessions granted on early withdrawal (resignation) will reduce the tax concessions at retirement.

Tax rates and limits can change at any time, so make sure you get up to date information on the effect tax on your benefits before you make any decisions. Therefore, if you elect to take your resignation benefit in cash, not only do you severely prejudice your future retirement savings, but you also significantly reduce the tax concessions that you will receive at retirement.

11.2.1 RETIREMENT

From 1 September 2024 with the implementation of the Two-Pot system, members will no longer be able to take their entire benefit in cash.

Retirement:		
Vested component	**Savings component**	**Retirement component**
Full benefit is available to be taken in cash or invested.	Full benefit is available to be taken in cash or invested.	Transfer full benefit to a preservation fund or annuity. All three components must be invested in the preservation fund if preservation is chosen. If the amount is less than the de minimis of R240 000 it may be taken in cash.
Retirement tax tables are applicable, R550 000 tax-free over all three components.	Retirement tax tables are applicable, R550 000 tax-free over all three components.	Tax-free transfer to preservation fund or annuity. If less than the de minimis of R240 000 the retirement tax tables are applicable, R550 000 tax-free over all three components.

11.2.1 RETIREMENT continued...

The Fund also adopted an Annuity Strategy in terms of which a life annuity (guaranteed pension), subject to certain conditions, can be arranged by the Fund for the member with Sanlam. More information is available from the Fund. This option may be more tax efficient for the member - ***see table below:***

Lump sum cash retirement benefit	Tax liability
First R550 000	0% (provided you have not used this exemption before)
R550 001 to R770 000	18% above R550 000
R770 001 to R1 155 000	R39 600 + 27% of taxable income above R770 000
R1 155 001 and above	R143 550 + 36% of taxable income above R1 155 000

Please note that the R550 000 tax free, and the table, are applied to a person's cumulative lump sum retirement benefits from all funds i.e. will include both pension and provident sections and retirement annuities, over your lifetime. These tax rates and limits can change so make sure you get up to date information on the effect tax will have on your benefits before you make any decisions. Members who started their service before 1 March 1998 will also qualify for the Formula C tax-free portion, up and to this date.

11.2.2 SAVINGS COMPONENT WITHDRAWALS

Members will be allowed to make one withdrawal from the savings component every tax year, thus from March to February of each year. This once off withdrawal has a minimum amount of R2 000 per tax year and the maximum amount is the amount available in the savings component.

The two-pot retirement system has been implemented to provide a form of emergency cash available to retirement fund members. It is not proposed to be a form of extra income by way of an annual withdrawal.

While it is your right to make an annual withdrawal, please note that it will significantly reduce the income you can receive during retirement as you will have less assets to earn the long-term compounding investment returns that are needed for a reasonable retirement benefit.

Important information

- You have to be registered on the Sanlam Portfolio app to enable you to exercise your withdrawal option. If you are not registered on the Sanlam Portfolio app, please do so immediately at cp.sanlam.co.za to avoid any disappointment.

- Check your contact details on the Sanlam Portfolio app to ensure that it is correct. If not please ask your Human Resources to correct the information online, only contact details supplied by the employer will be used to prevent possible fraud.

- It is voluntary to exercise this annual withdrawal option, it is not compulsory and should be considered carefully, as it will could have a negative impact on your final retirement benefit.

- Members need to be registered tax payers to be able to withdraw from the savings component, as the member's marginal tax rate will be applicable, the retirement tax tables are not applicable.

- Withdrawals will only be online on the administrator's website and no manual forms will be accepted, thus important to ensure you are registered on the Sanlam Portfolio app.

- Payment will only be made into the banking details provided by your employer, thus the same bank account your monthly salary is paid into.

- Payment cannot be made into a joint bank account or into a third-party bank account like your spouse. The bank account must be in the name of the member, as the administrator will perform a bank validation, which will fail if the initials and surname and ID number do not match that of our member.

- If the bank validation rejects the employer and member will be notified.

- Early withdrawals will lead to less money being available at retirement, do not under-estimate the power of compound interest. It is in the best interest of members to consult a financial advisor prior to making an early withdrawal.

- The replacement ratio calculated at 75% at retirement could be much less if withdrawals are done every tax year.

- Tax and an admin fee will be deducted from the withdrawal benefit, thus each member will receive less than the actual withdrawal amount requested. Arrear tax (IT88) will also be deducted by SARS.

- Only one withdrawal is allowed in a tax year. If a member exercises the once off withdrawal from the savings component and resigns in the same tax year, the balance in the savings component, if more than R2 000 cannot be taken in cash, but will have to be transferred to a preservation fund, annuity or the next employer's savings component.

- Members 55 years and older are included in this legislation and at retirement will not be in a position to take the retirement component in cash, if the retirement component is more than the de minimis amount of R240 000, then it will have to be transferred to an annuity.

- If a member is involved in divorce proceedings of which the Fund is aware, the Fund may refuse an application for an early withdrawal until the divorce payment had been finalised, as a divorce payment to the non-member spouse is payable from all three the components.

- All Section 37D deductions as per the Pension Funds Act will be deducted from all three components.

- Benefit statements will refer to "pots" and not components.

WITHDRAWAL PROCESS:

Withdrawals will only be allowed online to mitigate possible fraudulent claims. Ensure you are registered on the Sanlam Portfolio app. Withdrawals can be done by members themselves or with the assistance of their employer.

If the employer assists the member with the withdrawal process, the member will receive a SMS that a withdrawal from the savings component is being done on their behalf. If the member is completing the withdrawal online the member will receive an OTP via SMS and will have to insert the OTP to continue with the claim process. Sanlam will send the member a SMS that the withdrawal from the savings component is in process and keep the member updated via SMS until payment is made.

Once the member starts the process on the Sanlam Portfolio app to withdraw from their savings component, the member's banking details and tax number will appear on the screen. The banking details cannot be edited or changed, but the tax number can be edited or changed.

All members will be requested to enter their taxable income on the system, to enable SARS to generate a tax directive and that is the reason why only registered taxpayers can apply for the early withdrawal.

Each member will be able to see the available withdrawal amount on the screen.

11.3 DEATH OF A MEMBER *(See also notes further on)*

Members with more than 5 years' membership:

A lump sum equal to four times annual salary PLUS Fund Credit from all three or two components depending on when you joined the Fund.

Members with less than 5 years' membership:

Unnatural causes: A lump sum equal to four times annual salary PLUS Fund Credit from all three or two components depending on when you joined the Fund.

Natural cause: a lump sum equal to two times annual salary PLUS Fund Credit from all three or two components depending on when you joined the Fund.

11.4 FAMILY FUNERAL PLAN *(See also notes further on)*

Family Funeral Cover is paid to members and their families as follows:

Insured life	*Up to 31 July 2025*	*From 1 August 2025*
Member	R45,000	R52,900
Qualifying spouse	R33,500	R39,500
Qualifying child age 14 to 21 years	R22,500	R26,500
Qualifying child age 1 and older but younger than 14	R11,500	R13,500
Qualifying child younger than 1	R5,750	R6,800
Still-born qualifying child	R5,750	R6,800

The Benefits Claim Form is available from SANLAM. **It is of the utmost importance for all members to complete the Funeral Benefit Nomination Form** to prevent the funeral cover of being paid to the estate late bank account instead of the beneficiary.

The Funeral Benefit Claim Form is available on the Fund's website or from the Insurer, Sanlam Group Risk.

Email address for submission of claims is sgrdeathclaims@sanlam.co.za

Telephone is (021) 947-6437/4649

NOTE: ***A claim expires after 6 months.***

Funeral support and burial repatriation service is available on request from

The 24-hr call-centre on 0860 0004 080.

11.5 DISABILITY BENEFIT

Members who joined the Fund before 1 July 2023 and who qualify for a medical disability benefit will be entitled to receive the GREATER OF:

their Fund Credit

OR

four times/two times annual salary

OR

the new sliding scale benefit as shown below, up to the age of 60 after which the benefit scales down monthly up to the age of 65.

HOWEVER a member who has less than five years' membership and qualifies for a medical disability benefit due to an injury, illness or condition which he/she: ***knew about or could reasonably be expected to know about; was diagnosed with; was treated for; or displayed symptoms of;*** within twelve months preceding the commencement of membership of the Fund, shall be entitled to the greater of two times annual salary or Fund Credit.

Members who join the Fund on or after 1 July 2023

Members who join the Fund on or after 1 July 2023 will receive the new Disability Benefit that comprises your Fund Credit PLUS a scaled multiple of your salary *as shown in this table:*

Attained age at date of disability	Scaled multiple in excess of member share	Reduced multiple for members with less than 5 years' service with pre-existing condition
Up to age 30	4 times	2 times
Age 31 to 35	3.5 times	1.75 times
Age 36 to 40	3 times	1.5 times
Age 41 to 45	2.5 times	1.25 times
Age 46 to 50	2 times	1 time
Age 51 to 55	1.5 times	0.75 times
Age 56 to 64	1 time	0.5 times
Age 65 and older	No additional benefit	No additional benefit

11.5 DISABILITY BENEFIT continued...

The improved benefit will be payable to all disabilities approved with a date of disability (exit date) after 1 July 2023.

Members 65 years and older still do not enjoy any risk cover.

Members who joined the Fund before 1 July 2023 but become disabled after 1 July 2023

If current members of the Fund become disabled on/after 1 July 2023, the new disability benefit will apply BUT with the grandfathering rule (i.e. if the old benefit is higher, the old benefit will be paid even if the date of disability is after 1 July 2023). For them, it will be the maximum of the two disability benefit structures.

NOTES:

1. Risk benefits (death and disability) are subject to adjustment depending on the claims experience. The actuary of the Fund monitors this on a continuous basis to advise the Board to make adjustments timeously. Enquiries should be made to verify whether any changes were made in this regard since the date of the brochure.

2. In the event of the member joining the Fund after 26 April 2013 between the ages of 60 and 65 the death and disability benefits will be limited to 1 times salary and not 2 times salary or 4 times salary as mentioned hereinbefore. ***See also note 4 below.***

3. The benefit accrues as an annuity but the member may by prior notification to the Fund elect to take any portion, even 100% of the benefit as a lump sum payment.

4. In the event of members remaining in service after the age of 65, no contribution will be made in respect of risk benefits and therefore no risk benefits (death & disability) will be payable , except for funeral cover. The total contribution made by the member and an employer after 65, will be allocated to the member's Fund Credit except the portion utilized for the administrative costs, currently 0.40% of salary.

11.6 REDUNDANCY OR RETRENCHED

A member who becomes redundant or is retrenched is entitled to the member's total Fund Credit plus an additional amount financed by the employer. Payment of the relevant benefit is subject to receipt of the employer's contribution. The additional amount is determined according to years prior to normal retirement. The maximum additional amount payable is equal to the Fund Credit.

Retrenchment benefits for members appointed on contract may vary in terms of the contract entered into between the employer and the employee.

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12. HOME LOANS

The MGF used to grant home loans from the member's Fund Credit. This direct home loan scheme has been replaced from 1 June 2007 by a pension-backed home loan scheme. Standard Bank and First National Bank (FNB) have been appointed as service providers in this regard. A member may apply for a home loan with Standard Bank **OR** First National Bank (FNB) up to a maximum of 45% of the member's Fund Credit. The loan is granted against the security of the member's Fund Credit.

Members must comply with all the requirements of the National Credit Act to qualify for such loan.

Loan applications may be lodged with:

- ***Standard Bank*** telephone no. 0861 009 429 or
- ***FNB*** at 087 736 6000

Members with existing housing loans granted directly from their Fund Credits in terms of the previous dispensation may maintain such direct loans or transfer them to Standard Bank or FNB. A member may only have a pension home loan with either Standard Bank or FNB and not with both. Loans may be transferred between Standard Bank or FNB. Loans may only be used for housing purposes.

13. NOMINATION FORMS

Members should complete the prescribed Nomination of Beneficiaries form and submit it together with copies of certified I.D or birth certificates, if available, to:

Email: SanlamEB@sanlam.co.za

This will expedite the payment of death benefits. Please make sure that the total percentage allocated equals 100%.

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14. RETIREMENT BENEFITS COUNSELLING

Access to retirement benefits counselling is given as follows:

Toll free number: 0800 111 956

Email: retire-mate@sanlam.co.za

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15. MGF STAFF AT THE REGISTERED OFFICE OF THE FUND

Christine Seierlein - Chief Executive Officer

Hester van Rensburg - Personal Assistant

Lauren Smith - Senior Administrative Officer

Veronica Dumezweni - Administrative Officer

Stanley Muremi
Chief Communication Officer
Cell: 078 532 1912
Email: stanley.muremi@mgfund.co.za

Edith Da Cunha
Senior Communication Officer
Cell: 068 176 7230
Email: edith.dacunha@mgfund.co.za

16. CONTACT DETAILS

Registered Office

Street address

14 Bedfordview Office Park,

3 Riley Road, Bedfordview, 2007

Postal address

PO Box 1190, Bedfordview, 2008

Tel: (011) 450-1224/5

Website: www.mymgf.co.za

Fund Administrator

SANLAM EMPLOYEE BENEFITS (SEB)

Street address

Westend Office Park (Block D)

250 Hall Street, Centurion,

Pretoria, 0046

Postal address

Private Bag X14

Highveld Park, 0169

Tel: 0861 223 646

Website: www.retirementfundweb.co.za

Email: SanlamEB@sanlam.co.za

Home Loans

All enquiries about pension-backed housing loans must be directed to:

Standard Bank at telephone number ***0861 009 429***

or

First National Bank at telephone number ***087 736 6000***

Indemnity Statement

The MGF does not accept liability for any loss, damage or expense that may be incurred as a direct result or consequence of reliance upon the information in this document. If there is any conflict between the information in this document the Rules of the Fund will prevail.

MGF

Wealth creator of choice