

Newsletter – Quarter 3 of 2025

VMPF

Vrystaat Munisipale Pensioenfonds-Aftreefonds

October 2025

The background of the entire page is a close-up photograph of various coins, including copper and silver ones, scattered on a surface. Overlaid on this image are several large, white, semi-transparent geometric shapes: a large 'V' shape on the left side and a large 'A' shape on the right side. In the top-left corner, there is a solid yellow rectangular bar.

NEW NAME **SAME GREAT BENEFITS**

As of 7 October 2025, the Financial Sector Conduct Authority has approved the Trustees' request to change the name of the Fund. The Fund will now be known as:

VRYSTAAT MUNISIPALE AFTREEFONDS

Please take note that there is absolutely no change to your benefits or membership in the Fund!

VMAF | Vrystaat
Munisipale
Aftreefonds ■



A word from the

Principal Officer

Welcome to the third quarterly newsletter of the Fund for 2025.

Management of the Fund in line with the fiduciary duties of the Board of Trustees, remains top priority and we will continue to serve you, our members, with utmost professionalism and ensure that any opportunities to improve your experience are identified and executed.

The Trustees have been hard at work fulfilling their duties to you as a member of our Fund, and this update gives you an overview of all the important matters and the current status.

Ensuring that your long-term financial future is secure, is in your hands, and I encourage you to take the time to read through this so that you keep yourself informed.

Hazel Hopkins (Principal Officer)
on behalf of the Board of Trustees

10.2025

The background of the slide features a close-up, shallow depth-of-field photograph of various coins (pennies, nickels, and dimes) scattered on a surface. Overlaid on this image are several large, semi-transparent geometric shapes: a large white triangle pointing downwards, a smaller white triangle pointing upwards, and a yellow rectangle in the top-left corner. The text is positioned on the right side of the slide, within the white triangular area.

What's Covered

1. Fund Management and Information
2. Pre-Retirement Advice
3. Investment Update
4. Fund Contributions
5. Important Updates Category A member choice
6. Death Benefits

Fund Management and Information

Front Office

Telephone number: +27 (0)56 212 6161
Email address: freepen@e3.co.za

Principal Officer

Email address: hazel@axiomatic.co.za

Fund Administrator (Robson Savage)

Telephone number: +27 (0)11 643 4520
Email address: vmaf@robsav.com

The Fund website for you to access general information and forms: <https://vrystaat-munisipale-aftreefonds.co.za>

Contact Information

Board of Trustees Composition

The following persons are currently confirmed as your Trustees:

Name of Trustee	Type of Appointment
Mr. Roelof Ter Stege (Chairman)	Member-Elected
Mr. Malcolm Campbell	Independent
Mr. Petrus Coenraad Faber	Member-Elected
Mr. Ewan Eloff	Member-Elected
Ms. M Setabela	Employer-Appointed
Mr. T Cunningham	Alternate Member-Elected

The Board is supported by the Principal Officer in ensuring that the Fund acts in the best interests of its members, pensioners and beneficiaries. The Principal Officer implements all Board decisions and gives effect to the Board's strategy as well as supports the Board with day-to-day operations.

Service Providers

The Fund makes use of service providers to assist the Board in fulfilling its fiduciary duties. All service providers are appointed through a competitive bidding process in accordance with the Fund's procurement process.

The current service providers used by the Fund:

Function	Service Provider
Actuarial Services	Simeka Consultants
External Auditor	PwC
Benefit Admin	Robson Savage
Investment Advisor	GraySwan
Investment Managers	Alexander Forbes Allan Gray Coronation Colourfield Ninety-One Prescient ABAX
Risk Assurer	Sanlam Group Risk

Complaints

If you have a complaint, please raise this in writing to the Fund. The Fund is obligated to respond to your complaint within 30 days. Should you receive no response, or are not satisfied with the response, you can lodge your complaint with the Pension Funds Adjudicator.

Unclaimed Benefits

There is still money in the Fund owing to former members. Please assist by informing former Fund members to check the FSCA database where all unclaimed benefits owing to former members of retirement funds are kept.

[Click here for the FSCA's database](#)



Pre-Retirement Advice

As a Fund aiming to give all our members the best possible retirement outcomes, we want to ensure that our members get unbiased advice when retiring.

We have therefore arranged that all members nearing retirement, will receive appropriate retirement benefit counselling. Mr. Ian Nieuwoudt has been retained to provide this service to our members.

Any members approaching retirement will be engaged with at least 6 months before normal retirement age to provide all the information and options available at this very important time in life - the earlier we conclude the quicker we can process a claim.

We strongly encourage our members to make use of this service at no cost to you, and you will receive unbiased objective information to make the right decision for you.

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Investment Update

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Market Values

as at 31 August 2025

Asset Managers	Market Value in R Million
Allan Gray Global Balanced	292.22
Coronation Global Balanced	449.30
Ninety-One Global Balanced	210.97
Ninety-One Opportunities	153.45
Prescient Balanced	174.53
Prescient TAA	50.59
Total Growth Portfolio	1 331.06
Ninety-One Cautious Managed	24.94
Prescient Defensive Fund	6.35
Prescient Income Provider Fund	2.07
Abax Absolute Prescient Fund	15.99
Total Cautious Portfolio	49.35
AFI Banker	270.62
Total Cash Portfolio	270.62
DB Active – Colourfield	309.61
Pensioners	Market Value
Colourfield LDI	974.65
Total	Market Value
Total Investments	2 935.29

Fund Growth (before fees)

as at 31 August 2025

Active Members	1 Month	Quarter	1 Year	3 Years	5 Years	10 Years
Allan Gray Global Balanced	1.88%	6.11%	18.49%	15.73%	13.97%	9.55%
Coronation Global Balanced	-0.03%	4.74%	21.99%	16.97%	15.95%	10.10%
Ninety-One Global Balanced	1.22%	6.10%	18.24%	13.49%	11.17%	8.24%
Ninety-One Global Opportunities	0.18%	2.79%	15.33%	15.17%	11.40%	9.80%
Prescient Balanced	1.22%	6.12%	16.73%	15.51%	13.27%	9.75%
Prescient TAA	-0.74%	-	-	-	-	-
Total Growth Portfolio	0.75%	5.00%	18.16%	14.95%	12.87%	8.92%
Ninety-One Cautious Managed	0.27%	3.02%	13.44%	12.15%	8.82%	8.44%
ABAX Absolute	0.53%	3.58%	12.69%	12.28%	10.27%	9.30%
Prescient Income Provider Fund	0.64%	2.89%	10.90%	10.41%	8.71%	8.41%
Prescient Defensive Fund	0.67%	4.27%	12.73%	11.82%	11.19%	-
Total Cautious Portfolio	0.38%	3.22%	12.22%	11.39%	8.65%	8.18%
AFI Banker	0.63%	2.12%	9.11%	9.16%	7.48%	7.89%

Life Stage Model Reminder

CATEGORY B AND C MEMBERS

The Life Stage model takes into account the different risks and needs of investors close to retirement (5 years or less to retirement) and younger members still further from retirement age (more than 5 years). Because of the distinct difference in the risk appetite of members close to retirement (5 years or less) and younger members (more than 5 years from retirement), there are two separate portfolios utilised for both Category B and C members. **The two separate portfolios are:**

Free State Growth Portfolio

This portfolio focuses on long term capital growth and aims to achieve returns of inflation plus 5% over 5-year periods. This portfolio is utilised to manage members’ assets that are more than 5 years from retirement. In other words, all members aged 60 years or younger are fully invested into this portfolio.

Free State Cautious Portfolio

This portfolio is more focused on capital protection given the shorter investment horizon (for members who are closer to retirement age). In addition to the primary objective of protecting capital, the portfolio still aims to achieve returns of inflation plus 3% over 3-year periods. This portfolio is utilised to manage member’s assets that are less than five (5) years from retirement.

The table below explains how the life stage works:

Up to age 60	Age 60 to 63	From age 63
100% Free State Growth Portfolio	Transition quarterly over 33 months	100% Free State Conservative Portfolio
Capital Accumulation		Capital Protection

It is an important consideration of the Board of Trustees that members have different needs to each other. For this reason, you have the option to not have your investments form part of the default lifestage.

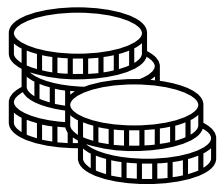
Should you choose not to participate in the default (de-risking into the cautious portfolio), you have the option to “opt out” of this and remain in the growth portfolio up until your retirement age.

If you do not specifically “opt out”, your investments will be a part of the de-risking approach described alongside.

If you are considering the option to “opt out”, we encourage you to obtain financial advice to ensure that you are making a decision that will ultimately benefit you financially going forward



Fund Contributions



As an active member, it is important that your monthly contributions are paid by your Employer to the Fund (as required by Section 13A of the Pension Funds Act).

Your monthly contributions and applicable fees are shown below as a percentage of your salary:

Category	A Defined benefit	B Defined contribution	C Hybrid
Employer Contributions	18.07%	18.07%	18.07%
Employee Contributions	8.50%	8.50%	8.50%
Life Cover Premium	N/A	-4,67%	-4.67%
Disability Cover Premium*	N/A	-0.71%	-0.71%
Total Contributions Invested	26.57%	21.19%	21.19%

* This premium is not payable after age 60 as the Disability cover ceases at age 60

As at end August 2025, the municipalities below were in arrears or had not submitted the schedule with contributions:

Municipality	Period outstanding	Comments
Kopanong	14 months	PFA determination
Mafube	Pre 2019	
Mantsopa	2 Months	
Matjhabeng	1 Month	
Mohokare	6 months	
Nketoana	5 months	
Masilonyana	5 months	

The Fund is focused on following up on all non-compliant Municipalities and continues to address these.



Important Updates

Optional Switch from Category A – Category B

From 1 October 2025 – 31 March 2026, Category A members are given the option to switch into Category B. Category A members should be aware of this option period.

The key differences between the categories, to help you decide what is best for you, are shown below:

	Category A Members	Category B Members
Retirement at age 65 (pension)	<p>Pension of 2.5% of final average emolument for each year of pensionable service at age 65. This benefit is adjusted for early and late retirement.</p> <p>Can commute the benefit at retirement.</p>	<p>Pension that is secured with your fund credit after any lump sum you have taken.</p> <p>Can commute the benefit at retirement.</p>
Retirement at age 65 (lump sum)	<p>A gratuity based 7.72% of final average emolument for each year of pensionable service at age 65. This benefit is adjusted for early and late retirement.</p>	<p>Depends on what amount is taken as a lump from your fund credit.</p>
Death in service (spouse’s pension)	<p>Pension of 1.2% of final average emolument for each year of pensionable service plus potential pensionable service to age 60 (or age 65 if you have been a member of the Fund since 31 December 1998).</p>	<p>Not applicable.</p>
Death in service (lump sum)	<p>6.72% of final average emolument for each year of pensionable service (subject to a minimum of half of pensionable emolument), plus (if younger than age 60) 1.5 times annual pensionable emolument.</p>	<p>Lump sum equal to five times annual emolument at date of death, plus share of fund if member is younger than 60. Only share of fund is payable after age 60.</p> <p>Benefit is reassured currently through Sanlam</p>
Death of a pensioner (spouse’s pension)	<p>The pensioners’ pension at date of death for the first year after death and 75% of that amount thereafter. This benefit is adjusted if there are eligible children.</p>	<p>Not applicable, unless a spouse pension was elected.</p>
Withdrawal	<p>Benefit will be the minimum individual reserve as outlined in the Pension Fund Act and the regulations.</p>	<p>Lump sum equal to your Fund Credit</p>

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Death Benefits

If you pass away while still employed and you are a Member of the Fund, your death benefits will be paid out to your Beneficiaries as shown alongside...



Beneficiary nomination form

Without a completed form, your wishes cannot be taken into account!

Please ensure that you have completed your beneficiary nomination form by visiting the new Fund website where all forms can be obtained –

<https://vrystaat-munisipale-aftreefonds.co.za>

Membership Category

Category B and C

There are 2 parts to your lump sum benefit (**Insured** and **Retirement Death Benefit**):

Insured Benefit

As part of the benefit of your membership (Category B and Category C members) of the retirement fund, you have group life cover in place that will pay out if you pass away. **You will now be covered until age 65!**
Note the disability cover ceases at age 60.

Retirement Fund Death Benefit

In addition to the benefit described above, your Fund value, will pay out.

Category A

In addition to the **lump sum death benefit** which is paid until age 60 and is payable to your dependents and/or nominees, there are also **monthly pensions payable** to eligible spouses and children as set out in the Rules of the Fund.

All death benefits are subject to tax.

Therefore, tax will be deducted before the benefit is paid out.

Your death benefits are paid in accordance with Section 37C of the Pension Funds Act. All factual and financial dependency on you is taken into account when determining the distribution of your death benefits.

In a case where there are no factual and financial dependents, death benefits will be distributed to your nominees. Your will has no effect in respect of the distribution of these benefits.