

Liberty Corporate

At a Glance



BUSINESS

LIFE • HEALTH • INVESTMENTS • BUSINESS



LIBERTY

Own your life

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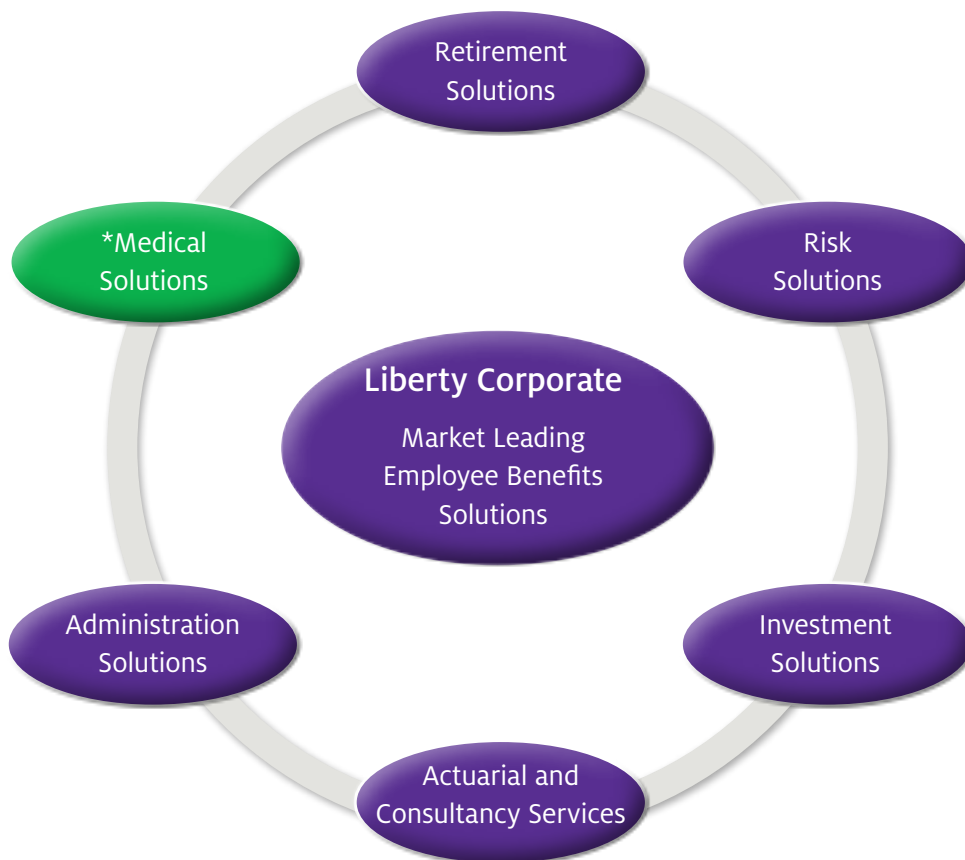
*Wherever you see
a successful business,
someone once made a
courageous decision.*

Peter F. Drucker



Looking at retirement funding for your staff? Look no further!

Liberty Corporate is a division within Liberty Group Limited and part of the Standard Bank Group. We are a market leading provider of employee benefits offering retirement, investment, risk, administration, consultancy/actuarial and medical scheme solutions. These services are provided through the advice of a country wide network of professional wealth advisers.



*Visit www.libmed.co.za for more information

*We're all working together;
that's the secret.*

Sam Walton

Why you need a retirement fund

There are a number of reasons for establishing a pension or provident fund. These are:



Attracting and retaining staff - winning the war for talent!

With a retirement fund in place, an employer's salary package offer looks much more attractive. Offering comprehensive benefits assists in not only attracting the best candidates, but retaining existing employees.

Taking advantage of tax concessions

The government provides a number of important tax concessions to retirement fund members which are aimed at reducing the number of people dependent on the social old age pension. This is to encourage employers to provide employee benefits to their staff – and for staff to also save towards their retirement.

Access to additional benefits

Retirement products such as pension or provident funds are generally more affordable for employees than making provision for retirement by means of a retirement annuity. In some respects a retirement fund may be the only savings your employees will make towards their retirement.

In addition, other benefits such as

- group life cover
- funeral benefits
- disability benefits
- dread disease benefits etc

which an employee may need can be included on a retirement fund on a group basis making it very cost effective .

Protection of funds

Due to the fact that a fund is a separate legal entity, the employee's benefits are separate from the financial well-being of the employer and will therefore not be affected if the employer runs into financial difficulties. Fund assets are protected from creditors in the event of the liquidation of either the employer or the insolvency of the employee.



Our main business is not to see what lies dimly at a distance, but to do what lies clearly at hand.

Thomas Carlyle

Do you have a retirement fund in place?

When last was your fund reviewed?

- Is it structured efficiently for the size and nature of your business?
- Are you maximising the tax relief available to employers who contribute to retirement funds.
- Are your employees receiving regular communication in respect of their benefits?
- Do you know who administers your fund? Are you satisfied with your current service levels?
- Do you have information readily available e.g. up to the minute returns on investment portfolios and immediate access to member and fund information?

What if you had no retirement fund in place?

Your business could be impacted

- Has your company ever had to provide some sort of benefit when a staff member has retired, died, become disabled or been retrenched? If so, what impact did it have on your bottom line?
- If a valued staff member retired, died or became disabled and you could not provide any benefits to them or their family, consider the impact it would have on the morale of the rest of your staff.

What should you consider when establishing a retirement fund?

An employer will strive to provide employees with the best available options at a reasonable cost, but there are important issues to be considered such as;

- How will a reasonable package be structured?
- Will the retirement fund be legally compliant?
- Where will the assets be invested
- Who will oversee the administration and the day-to-day running of the fund?



*Our attitude toward life
determines life's attitude
towards us.*

Earl Nightingale

A business is successful to the extent that it provides a product or service that contributes to happiness in all of its forms.

Mihaly Csikszentmihalyi



Flexible employee benefits solutions

As a business owner, you can participate in our Corporate Selection umbrella fund or establish a stand-alone fund. There are several differences in the way which umbrella funds are managed as opposed to stand-alone funds. There are also different benefits depending on whether you choose a pension or provident fund.

What is an umbrella fund?

An umbrella pension or provident fund is a single fund, established and managed by a retirement fund administrator (for example Liberty Corporate). Any employer or group of employers can apply to participate in this arrangement.

One advantage of an umbrella fund is that the employer joins a fund which is already registered and approved by the authorities and has an established board of trustees. Also, no general rules need to be drawn up for each employer, as a master set of rules already exists, which apply to all participating employers. Variations applicable to each participating employer (known as special rules) are registered and approved for each participant.

The umbrella fund trustees determine the fund's investment strategy but it should be noted that the Corporate Selection umbrella funds are still flexible enough to offer member level investment choice within an approved selection of investment portfolios.

Although umbrella funds are slightly less flexible than stand-alone funds, a major advantage is that they are less expensive as certain costs are shared amongst all the participants in the umbrella fund.

What is a stand-alone fund?

Employers who opt for a stand-alone retirement fund need to set up a board of trustees, who determine the scheme rules and manage the fund in line with their fiduciary responsibilities, which include appropriate management of investments. The trustees of stand-alone funds determine their own investment strategy independent of Liberty and are able to select from a wide range of investment portfolios.

Stand-alone funds offer a high degree of flexibility, but are more expensive. This is due to costs being carried by the fund alone as opposed to umbrella funds, where costs are apportioned across all participants.

What is a pension fund?

A Pension Fund is set up by an employer for the benefit of its employees and governed by the Pension Funds Act. The object of this fund is to provide annuities (pensions) for the members (employees) upon retirement. The members may elect to take a portion up to a maximum of one third of their retirement benefit as a cash lump sum. If a portion of the benefit was taken as a lump sum, the balance of the benefit must be used to buy an annuity. Alternatively, the member may use his / her whole benefit to buy an annuity. Should a member die prior to reaching retirement age, the accumulated value of their savings in the pension fund will be distributed to the member's dependants and/or nominees by the fund's trustees.

What is a provident fund?

A Provident Fund is set up by an employer for the benefit of its employees and governed by the Pension Funds Act. The object of Liberty Corporate's provident funds is to provide annuities (pensions) for the members (employees) upon retirement. Alternatively, members can elect to receive the whole benefit at retirement as a cash lump sum or the members may elect a combination of an annuity and lump sum benefit. Should a member die prior to reaching retirement age, the accumulated value of their retirement savings will be distributed to the member's dependants and/or nominees by the fund's trustees.

*Refer to our All You Need to Know of Retirement Funds brochure for more information on additional tax benefits.



Liberty Corporate – What makes us unique?

Our focus and stability

- Liberty Corporate is a stand-alone division within Liberty Group with its own executive management team, accountable for performance to the Liberty Board.

Our service and accessibility

Liberty Corporate enjoys the support of a country wide network of accredited financial advisers. We are the only corporate business that offers a dedicated after sales servicing team.

Market leading systems include:

- The first company to introduce direct fund access for employee benefits
- Blueprint Corporate – We offer effective real time access to funds, fund data and reporting in the comfort of the client's office
- Payroll integration through our Liber8 system
- Electronic banking interface
- Work flow tracking; each transaction being fully auditable
- On-line tax applications
- Member benefit statements available daily from our website.

Winner of the 2009 PMR (Golden Arrow) award for “Large pension fund administrators and product providers”.

Principal officers and trustees of listed and large companies in South Africa rated (amongst other items)

- Accessibility to appropriate administrative personnel and knowledge of staff communication, administration and IT systems
- Relationship; service and product quality
- Flexibility and adaptability
- Power of staff to make decisions and the quality of problem resolution
- Speed and ease of claim settlements
- Value for money and value added initiatives

Voted 2nd in the 2009 Sunday Times Top Brands Survey – Best Business to Business Brand (insurance category)

Our Capital Alliance Group Risk business was short-listed as a final nomination in the Professional Excellence Risk Manager / Underwriter of the Year category at the 2009 Imbasa Yegolide Awards for Professional Excellence.

Industry recognition - Let's talk about awards

Winner of the 2009 FIA Employee Benefits Product Supplier of the year Award

The Financial Intermediaries Association of Southern Africa (FIA) represents over 12 000 independent advisers across the whole insurance industry and the award measures “Overall Satisfaction” as an aggregate across three criteria:

- Relationship quality
- Service quality
- Product quality



Administration solutions - What can we do for you?

Where administration is concerned, here are a few examples of the services we provide:

- Installations and documentation
- Premium collection
- Compliance
- Fund administration
- Competitive claim turnaround times

What is Blueprint Corporate?

Blueprint Corporate (BPC) is an online, real time administration system that places fund administration firmly in the hands of employers and Advisers. For more information, contact your Liberty Corporate Specialist or Client Servicing Consultant.

More about Blueprint Corporate

- Installation and training is provided
- Contact Centre assistance is available on 011 408 2999
- Enjoy access to all fund data



Liberty Group – our legacy

History in the making

- Liberty sold its first policy to Taki Xenopoulos, founder of the Fontana food business on 1 October 1958
- Liberty was the first life insurance company to list on the JSE with assets exceeding R1 million in 1962.
- In 1986, we launched the concept of retirement planning in South Africa
- In 1995, Liberty was the first company to introduce Blueprint; the first computer based financial needs analysis
- Liberty was the first insurance company to build shopping centres in South Africa with its ownership of Rapp & Maister Holdings
- Liberty (by virtue of Liberty Properties) is the largest property developer in South Africa
- Liberty (by virtue of its ownership of STANLIB) is the largest unit trust company in South Africa

No hidden agendas

- We were the first insurance company in South Africa to publish claims figures, thereby highlighting our commitment to excellent service and transparency to our policyholders
- Liberty recently won the Investment Analyst Society of South Africa (IASSA) Best Reporting and Communications award

Medical matters

- Liberty was the first company to introduce 'Nurses on the road' to offer customers the convenience of doing their medicals at their place of work or home – including blood tests.

Corporate Social Investment (CSI) - What we have done...

Introduction

Liberty's engagement in social involvement started in 1971.

Liberty is committed to supporting development in South Africa and Africa. We believe that our CSI initiatives should contribute to building a thriving economy that is vital to our collective destiny, which will light the way to financial prosperity for generations of South Africans and Africans alike.

Rather than supporting short-term initiatives we are driven by a philosophy of long-term empowerment and sustainable development. We believe in empowering people from historically disadvantaged South African communities, so that they can make positive choices.

Liberty's focus areas

Education

Liberty's CSI mandate is shaped around the wider socio-economic needs of South Africa's national development agenda and the critical needs that exist in developing communities.

Education and skills development is vital for economic growth and the alleviation of poverty. Many South Africans need to be educated and equipped with the appropriate skills to proactively and constructively leverage the industrial and technological opportunities that are offered locally, as well as internationally.

Our main goal is to grow the pool of women and men who are able to succeed in careers that require mathematics and science education, such as the financial services industry. In doing so we hope to help raise the numbers of educated and skilled people in South Africa at a time when the maximisation of human potential is so critical. For this reason, education is a focus of Liberty's CSI mandate.

In addition to education, we believe in raising awareness around HIV/AIDS, Tuberculosis (TB) and child survival. The management of the HIV/AIDS pandemic and the treatment of patients are essential for progress. Our role is therefore not only to provide aid, but also to facilitate developmental upliftment.

Educational projects

The Foundation has focused the bulk of its CSI spend on education and is one of the largest private-sector

supporters of public education in South Africa. It conceptualised the idea of Mindset Network and facilitated its development by providing a grant of R35 million, as well as in-kind contributions of office space, infrastructure and administrative support, which amounted to a value of more than R60 million.

We have committed significant resources to support the Department of Education's mathematics, science and technology strategy. Since 1990, the Foundation has invested more than R400 million in mostly large-scale programmes to support government's investment in the national education system and to improve learning and teaching in South African schools.

In 2008, our spending increased from R20.5 million to R25.5 million, exceeding the suggested transformation targets of 1% of profit after tax.



Contact Us

To find out more about our flexible employee benefits solutions and how we can assist you, speak to your accredited Liberty Wealth Adviser or contact any of our Liberty Corporate team members below.

Ahmed Kolia
011 213 4000
084 511 9820
www.makolia.co.za
ahmed.kolia@makolia.co.za

Disclaimer

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LIBERTY

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LIBERTY CORPORATE
25 Ameshoff street
Braamfontein
Johannesburg, 2000
+27 (0) 11 408 2999
www.liberty.co.za

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