## REPORT ON TWO-COMPONENT RELATED COSTS AND FEES

March 2025



Be Alert Be Empowered Be Safe

## Contents

Executive summary	3
1. Background	4
2. Research methodology	5
3. Research findings	6
3.1 Once-off costs	6
3.2 Estimated ongoing additional costs	8
3.3 Ongoing administration fees	10
3.4 Savings withdrawal transactional costs	12
3.5 Manner in which a savings pot withdrawal can be requested	15
3.6 Measures taken to safeguard against fraudulent claims	16
4. Conclusion	16
APPENDIX 1: Survey Questionnaire	18
APPENDIX 2: Administrators who responded with fee information	19
APPENDIX 3: Comparison of savings withdrawal fee by administrator and self-administered fund2	20

## Tables

Table 1: Summary of once-off costs	6
Table 2: Expected methods of recovery	7
Table 3: Expected increases in administration fees	.10
Table 4: Expected method of recovery	.11
Table 5: Savings withdrawal fee by fund type	.13
Table 6: Variation in fee application across funds	.13
Table 7: Is there a specific fee dispensation for the withdrawal of small amounts?	.15
Table 8: Will you consider reducing the withdrawal fee in future?	.15
Table 9: Channels offered by administrators for savings withdrawals	.15

## Figures

Figure 1: Expected method of recovery	.8
Figure 2: Types of fees that are envisaged	10
Figure 3: Nature of administration fee increases	11
Figure 4: Savings withdrawal fee by fund type	13
Figure 5: Range of flat withdrawal fees charged (in Rand)	14
Figure 6: Range of variable withdrawal fees charged	14
Figure 7: Method available to request a savings component withdrawal	16

## **Executive summary**

The Two-Component System introduced changes which required benefit administrators and self-administered funds to split member records between the various components of the new system with effect from 1 September 2024. In addition, members with more than the minimum balance in the savings pot have the possibility to withdraw part of the balance in the savings pot as a cash payment once a year, intended to assist in a financial crisis. In order to maintain these detailed records and to be able to make the payments when these are requested, most administrators have incurred costs.

The costs relate to once-off updates to administration systems, ongoing additional costs to maintain the various components, member education and communication costs and processing cost for withdrawals. Most administrators and funds are recouping these costs through increases in ongoing monthly administration fees or as a transaction cost on a savings pot withdrawal or as a combination of these funding mechanisms. In some instances, the costs were absorbed by administrators (and may reflect as higher costs in future) or administrators have charged a once-off fee. The overall once-off cost of implementing the Two-Component System is estimated to be R1,629 billion, at an average cost per member under administration of R252. It should be noted that there is significant variance in the cost per member under administration, ranging from R3 072 per member to R0. This variation likely accounts for the different approaches adopted by administrators to recover costs.

The survey further probed the expected increase in the ongoing costs of administering the Two-Component System. It is difficult to draw clear conclusions at this stage, as there is uncertainty about the support and additional administration that will be required in future.

## 1. Background

The Two-Component System, which became effective on 1 September 2024, is an important retirement reform which seeks to balance a lack of preservation of retirement fund income (resulting from pre-retirement leakage) with a lack of access to retirement fund savings in cases of emergencies by members who are in financial distress, but who have assets in retirement funds. The reform provides individuals with immediate access to a portion of their retirement savings (initially the seeding amount, if applicable, and thereafter up to one-third of the retirement savings) contained in the savings, whilst preserving two-thirds of retirement savings in the retirement pot for members' long-term security.

The reform was enabled by legislative amendments in the form of the Revenue Laws Amendment Act, No. 12 of 2024, and the Pension Funds Amendment Act, 31 of 2024. It required retirement funds to amend their rules to accommodate the split of the retirement savings into an initial seeding component and into an ongoing split between the savings and the retirement funds component. The FSCA registered 90% of the fund rule amendments prior to 1 September 2024. To date, only 2% of the rule amendments are outstanding.

While the implementation of the Two-Component System is viewed as successful by all stakeholders, due to close collaboration between all the parties, certain stakeholders raised concerns about the fees that were associated with withdrawals from retirement funds.

In response to these concerns raised, the FSCA undertook a broad review of the costs incurred for the implementation of the Two-Component System and how the industry is recovering those costs, with a view to assessing the reasonableness of the fees charged and the extent to which the boards of retirement funds had considered the fees, given their duty in terms of section 7C(2)(a) of the Pension Funds Act, 24 of 1956 to act in the interest of members at all times. Accordingly, the FSCA issued an information request on 13 September 2024. The FSCA indicated its intention to publish a report of its findings.

## 2. Research methodology

The research was conducted by means of a survey that was sent to 111 active registered section 13B benefit administrators and six self-administered funds. These institutions were selected due to the possibility of their direct involvement with two-component payments and their operations being impacted by the implementation of the Two-Component System.

Survey participants were contacted through an official communication sent out by the FSCA. On 13 September 2024, the FSCA published FSCA Communication 33 of 2024 (RF) and FSCA Information Request 2 of 2024 (RF) on the Authority's website. This communication outlined the request for information on administration fees related to the Two-Component System and instructed administrators how to submit the required data. Data was collected through a structured questionnaire (Appendix 1) that was attached to the FSCA Information Request 2 of 2024.

Administrators were required to complete and submit this questionnaire via email to a specified address (twopotfeequestionnaireadministrator@fsca.co.za) by no later than 30 September 2024. This method ensured a standardised approach to data collection, allowing for an efficient aggregation and analysis of the administrative fees incurred by members under the Two-Component System.

Responses were received from 83 registered administrators and self-administered funds. The responses relating to seven of these were removed from the survey considerations (one is in the process of cancelling their administration licence, two had no members under administration and the responses of a further four were blank or noted "not applicable"). This document therefore considers the responses of the remaining 76 administrators and self-administered funds. (Appendix 2 includes the list of these 76 administrators that responded to the information request with fee information.)

While this document collates the responses received, it should be noted that there were instances where responses to questions were not provided and where responses were obviously contradictory. For example, there were several instances where it was reported that no savings withdrawal fee was charged, but the same respondent would later indicate an amount for a savings withdrawal fee. Where possible, the data was adapted to better reflect consistency, although this was not always possible. The results are, therefore, applying best guesses as to incorrect or missing data. While this may result in the statistics not matching the responses directly, it is not expected to have a material impact on the overall picture.

## 3. Research findings

### 3.1 Once-off costs

The survey tested the once-off costs incurred by administrators and funds to set up for the administration of the Two-Component System. The once-off costs were split between the following components:

- Adapting the system to be able to administer the two-component system;
- Staff training;
- Additional staff;
- Setting up a two-component call centre;
- Drafting and sending member communication;
- Other

As is clear from Table 1 below, the actual costs incurred were extremely varied and extended over a very wide range. To facilitate comparison, the costs were summarised in bands.

to Sill	1	_	-	-	_	_	2
to 5.5m	1	-	-	-	-	-	2
10 5.511	1	-	-	-	-	-	2
to 6m	2	-	-	-	-	2	3
to 6m	2	-	-	-	-	2	3
to on	2					2	3
to 6.5m	2	-	-	-	-	-	2
to 0.511	2	1	1	1			2
to /m	-	1	1	1	-	-	-
to 7.5m	1	-	1	-	1	-	1
to 8m	-	-	-	-	-	-	-
to 9 5m			1				
10 8.5111	-	-	1	-	-	-	-
to 9m	1	-	1	-	-	-	-
to 9.5m	-	-	1	-	-	-	1
to 10m	-	-	-	-	-	-	2
Above 10m	12	-	1	-	2	4	14
Tabel Casta	1 052 104 745	20 000 420	205 622 700	20.270.001		464 444 550	4 630 646 634

#### Table 1: Summary of once-off costs

\* **Please note:** The individual administrators in each bracket are not the same individual administrators, which is the reason the total column is not the sum of the individual columns when counting the number of administrators in the range.

As expected, of the costs incurred, the largest part of the cost related to adapting the systems to be able to administer the Two-Component System (65%). The majority of the cost was incurred by 12 administrators.

Although a significant number of administrators indicated that they had no costs associated with system upgrades, this may be misleading. A number of the administrators with zero administration system upgrade costs noted that they use the system of a third-party administrator. The cost was, therefore, not directly their cost, although it is likely that the fee they pay to the third-party administrator for use of their systems will increase. As it is not a direct cost, they are not able to provide the cost.

Further, several administrators that reflected no cost to upgrade the administration system note that these costs were "absorbed" by the business. It is expected that there was cost, however, they considered this to be within normal business practices and simply did not separately quantify this.

Lastly, it is noted that 5 administrators had no costs at all relating to the implementation of the Two-Component System. This was unexpected.

The next largest cost related to staff and staff training (20%). It is, however, noted that 35% of the administrators had no staff training costs and only 50% hired additional staff. For those that hired additional staff or set up dedicated call centers, these once-off costs are likely to be ongoing costs.

Only 4 administrators had no cost to draft and send member communication, although it is possible that this function was done by the fund or the consultant instead.

Respondents indicated a range of ways in which these once-off costs will be recovered from members. The intended methods for recovery include a once-off fee, a savings withdrawal fee, an increase in the administrative fee levied on the retirement funds and combinations of these fees. Table 2 below sets out the distribution of responses.

#### Table 2: Expected methods of recovery

Absorbed	31
From Members	7
No costs	1
No reply	2
Once off fee	2
Once-off fee & increase in admin fee	1
Savings Withdrawal Fee	13
Savings Withdrawal Fee & Increase in base admin fee	9
Increase in admin fee	10

As is clear from Table 2, many administrators (40%) noted that once off development costs will be absorbed by the administrator. It should, however, be noted that a number of these relate to self-administered funds, which ultimately means that the fund expenses increase, and the source of general expense funding will need to increase to cover the higher expenses. A number also noted that they will absorb part of the cost and recoup the rest by applying various recovery methods.

Figure 1 below provides an indication of the type of fees that funds intend to charge, where they have indicated that the costs will be recovered through additional fees.



#### Figure 1: Expected method of recovery

The administrators (35) that intend to levy a fee to recoup the once-off costs, expect to recover the costs over varying periods of time, with some indicating as little as three years, while others intend on spreading these over a period of five to 10 years.

### 3.2 Estimated ongoing additional costs

Many respondents did not provide an estimate of the expected additional costs over the next three years, because it is not applicable, they do not expect increased costs to maintain systems (since development is already done), or because they view this as part of the standard administration processes going forward. Several administrators indicated that this is not yet quantified and hence could not be provided.

Looking at the year-on-year projected costs versus fees for the next three years, the following observations are made:

- For some, the expected year 1 costs are much higher than the once-off two component costs noted to prepare for the implementation of the Two-Component System. It is unclear whether this might be due to the costs of the savings withdrawal payments being included in the ongoing costs, rather than being separated.
- In many cases, the year 1 additional ongoing costs are zero, although many administrators show that by year 2, an ongoing fee will be charged to cover these.
- The year 1 fee per member ranges from R3 to R312 (excluding the 46 administrators who did not show a fee in year 1).
- o In year 2, the fees expected to be charged compared to year 1 fees are also varied.
  - 49 administrators will continue not to charge an explicit additional fee.
  - 3 who had charged in year 1 will not charge in year 2.
  - 12 reduced their expected fees in year 2 from year 1, although a number of these reduced fees will still exceed the corresponding costs expected in that year due to two pots, in some cases very significantly.
  - 9 of the expected fees will remain the same, some below the expected costs in the year and some very significantly above the expected costs.
  - The fees in respect of 5 administrators will increase between 4% and 10% in year 2 with one expected to more than double.
- While some administrators (10) expect the costs in year 3 to have reduced from those in year 2, the majority expect an increase between 0% and 10% from year 2 to year 3.

When comparing the expected fees to be charged in year 3 to those in year 2, it is noted that only 2 administrators expect to charge lower fees in year 3 than in year 2, with 17 administrators expecting to keep fees the same, while six expect a fee increase of between 1% and 10% and 1 expects to increase fees by over 50%, though still recovering only a small proportion of the expected costs. In the case of the 17 administrators that expect to keep the fees the same in year 3, it is noted that a number of the fees for the year are above the expected costs for that year, as much as 1 550% of the expected cost.

In summary, the projected cost and fee figures show a picture of a short-term subsidisation of the once-off costs, but a longer-term attempt to recover these with fees significantly exceeding the year-on-year expected costs of two component system implementation. This implies that there will be a cross-subsidisation between generations of members. Further engagement with individual administrators is required to understand the rationale for the expected fees.

## 3.3 Ongoing administration fees

The responses to the wider question of whether there has been or will be any increase in the administration fee due to the Two-Component System can be classified as follows:

#### Table 3: Expected increases in administration fees

Has there been or will there be any increase in the administration fee due to the two-component system (in excess of any inflationary increase due at contract anniversary date)?

Vac	17
	17
No *	57
No response **	2
* Of those that answered "No"	
While noted that no admin fee will be charged, the projections per year reflect additional fees :	19
While noted that no admin fee will be charged, the questions about the additional administration fees reflect additional fees :	3
** Of those that did not respond :	
The administrator notes that no decision has yet been made and this will be reviewed based on experience :	1
The questions about the additional administration fees reflect additional fees :	1

It is noted that one administrator indicated a once-off fee in year 1 only, and further that many of those that show no administration fee indicate that a savings withdrawal fee will instead be charged.



#### Figure 2: Types of fees that are envisaged

Where an additional administration fee is charged, it is expected to be levied in the following ways:

Yes	10	4	1	5	1
No	66	72	75	71	75
	contributions	contributions	Share of Fund	of Fund	investment fees
	from	deducted from	the member's	member's Share	increased
	salary deducted	amount	a percentage of	from the	through
	percentage of	fee as a Rand	fee deducted as	a Rand amount	fee deducted
	fee as a	administration	administration	fee deducted as	administration
	administration	monthly	An additional	administration	An additional
	monthly	An additional		An additional	
	An additional				

Table 4: Expected method of recovery

When considering whether the same additional administration fee will be deducted from deferred and paid-up members for the 17 administrators who intend to charge an additional administration fee, 41% (7) of administrators indicated that it would apply, while 24% (4) indicated that it would not. The question arises as to whether it is fair to charge one group for the two-component functionality, but not the other group.

It was also asked whether the administration fee increase was consistent across all clients or whether this was negotiable. Again, this question was not answered consistently, since some administrators that had confirmed that there would be no increase, answered that this was negotiable. For those that had confirmed an administration fee increase, however, the relative answers were as follows:





\* Some of those that noted a consistent increase noted that there were a few exceptions to this.

For those that noted a consistent fee increase, a number did not provide the increase imposed (5 administrators), while one noted a once-off fee in year 1 only, and two applied an additional percentage of salary or a higher than inflation administration fee increase.

Of the 8 with negotiable administration fee increases:

- The range of increases was not provided by 3 of the administrators;
- Two of the administrators who noted that the increase was negotiable reflected the minimum increase and the maximum increase as the same, implying that it was in fact a consistent increase, rather than variable.
- For the three administrators that provided their range of increases, these ranged from 0% and the ranges were wide, implying that their clients are cross-subsidising one another.

Of the increases noted, using the midpoint increase where a range was provided, the maximum increase was 7%, the minimum was 0% and the median increase was 2%.

## 3.4 Savings withdrawal transactional costs

Consideration has been given to how the transactional fees related to the processing of a savings pot withdrawal will be funded. The extent to which the general administration fee (increased administration fee or not) will cover part of these costs and the quantum of the specific fee being charged to the individual requesting a savings pot withdrawal will determine the expected level of cross-subsidisation of those requesting a withdrawal payment by those maintaining their retirement savings. Ideally this cross-subsidisation should not be happening. However, the extent to which it does occur can be difficult to determine.

Appendix 3 summarises the data provided by each administrator relating to the savings withdrawal transaction fees charged. This should be considered linked to the general administration fee increases related to the Two-Component System, since the two recoveries would be expected to offset one another.

When asked whether the general administration fee increase covers part of these transactional costs, only 1 administrator noted that the general administration fee subsidises the transactional cost<sup>1</sup>. The response on whether an additional fee will be charged for members

<sup>&</sup>lt;sup>1</sup> The responses of only those administrators that noted an administration fee increase have been analysed here, although 5 of those that did not increase the administration fee responded that their general administration fee does subsidise the transactional costs.

who withdraw from their savings component was predominantly affirmative.<sup>2</sup> The request considered different types of funds separately and the replies are summarised in the table below.

#### Table 5: Savings withdrawal fee by fund type

	Standalone Umbrella Preservat		Preservation	Retirement
	Funds	Funds	Funds	Annuity Funds
Number of administrators	50	56	50	49
Savings withdrawal fee	29	39	24	22
No savings withdrawal fee	18	15	23	24
N/A	3	2	3	3

\* While two of these show 50 administrators, it is not the same 50 administrators relating to each fund type.

\* This table excludes those administrators that did not include a response under the specific fund type, presumably because that is not applicable to their business.



#### Figure 4: Savings withdrawal fee by fund type

#### Table 6: Variation in fee application across funds

Has any transactional fee on a savings component withdrawal been applied consistently across all funds or could different f	ees be negotiated.
No	20
No answered but a fee provided	5
Yes	51

Considering the fees being charged per savings component withdrawal, it is noted that 28 administrators indicated that they charge NO transaction fee, while 37 administrators charge

<sup>&</sup>lt;sup>2</sup> It is unclear whether the "No" might be due to the particular administrator not having any of that type of fund under administration for example, a retirement annuity fund, while some administrators specifically noted "N/A" and others left some of the replies blank.

a flat transaction fee with fees ranging from R50 to R500 (average of R278). Figure 5 below shows the spread of fees, with the median range being R250 to R350.



Figure 5: Range of flat withdrawal fees charged (in Rand)

12 administrators charge a variable transaction fee. The ranges are very varied, from a percentage of the withdrawal with no minimum but mostly starting at R100, increasing to a maximum of R750, but mostly around a maximum of R350).





The transaction fee is deducted from the savings component in 46 cases that charge a transaction fee. Of concern was that 3 do not deduct this fee from the savings withdrawal component, which raises a concern given that this fee specifically relates to the saving withdrawal component. 6 administrators indicated that a specific fee dispensation is made for members withdrawing small amounts.

Table 7: Is there a specific fee dispensation for the withdrawal of small amounts?

n/a (no fee charged)	27
No	36
No reply	1
Said no but has variable fee	6
Yes	6

51% of administrators that currently charge a savings withdrawal fee indicated that they would consider a reduced fee in the future, once the number of savings component withdrawals is known.

#### Table 8: Will you consider reducing the withdrawal fee in future?

Yes	25
No	22
No reply	2

### 3.5 Manner in which a savings pot withdrawal can be requested

Although the responses provided were not always consistent, the survey indicates that the most commonly available method for requesting a savings withdrawal is a manual, paperbased request. 50% of administrators provide access on a member portal, while only 18% offer WhatsApp, mobile applications, or employer portal access.

#### Other Member Employer Paper WhatsApp mobile Email Intermediary Other based portal portal application 18% 17% 18% 50% 18% 82% 12% 5%

#### Table 9: Channels offered by administrators for savings withdrawals.

A number of administrators also indicated that the call center and/or walk-in centers were available to assist with communication and with submitting a claim.



Figure 7: Method available to request a savings component withdrawal

Most administrators indicated that they will not charge more for manual versus electronic claim processing. For the 6 that will charge more, manual processing costs between 14% and 71% higher, with an average fee that is 45% higher.

### 3.6 Measures taken to safeguard against fraudulent claims

82% of responding administrators indicated that they have fidelity insurance against fraudulent claims and 84% indicated what additional safeguards they have put in place to guard against fraud. The measures include authentication and verification protocols, claim verification and approval processes and compliance audits and checks. Some administrators included system checks and validations.

## 4. Conclusion

The survey responses reveal a wide range in the costs incurred by administrators, as well as in the manner in which these costs will be recovered. The longer-term implications and eventual impact on overall administration fees are still not known and may settle as time progresses and as the practical implications of the system are experienced.

The administration fees, as well as the cost of making a savings component withdrawal payment, have been spread in different manners and there are clear cross subsidies between

members that will request a withdrawal payment and those that will not, as well as between short and long serving members or members with larger or smaller benefits, depending on the fee methodology chosen by the administrator.

The FSCA will continue to apply its mind to the question whether the fees are justified by the costs incurred and will initiate engagements with the administrators that are the outliers – both those that appear to be charging disproportionate fees, as well as those that appear not to have made any investment in preparing for the Two-Component System.

## APPENDIX 1: Survey Questionnaire Two-Component System Fees Questionnaire 2024 for Administrators

Administrator Name : Name of Representative :							
Date of Completion :							
	QUESTION			DES	9E	—	
Administrator Costs Incu				KE5	52		
1	Please provide the estimated costs incurred in setting up to administer the two component system, relating to :						
1.1	Adapting systems to be able to administer the two component system					_	
1.2	Staff training						
1.3	Additional staff						
1.4	Setting up a two component call center						
1.5	Drafting and sending member communication						
1.6	Other costs						
2	Please comment on how these costs will be recouped (if they will not be absorbed by the business), as well as the period of recoupment						
-	Please provide the estimated annual cost relating to maintaining records in a manner aligned with the two-					-	
3	component requirements						
	Please provide the expected costs relating to the implementation of the two component system, separating this						
4	income relating to this.						
		Expecte	ed C	lost	Expe	cted F	ees
	Two-Component Set Up Costs					n/a	-
	Year 1						
	Year 2						
	Year 3						
5	Please provide an estimate of the number of members under administration for whom the two component						
	Does the Administrator have fidelity insurance to cover the cost of a fraudulent Savings Component withdrawal				 	-	
6	paid?						
6.1	What measures have been implemented to prevent the risk of fraudulent claims being paid						<u></u>
6.2	Under what circumstances will the administrator not compensate the fund for a fraudulent claim paid					_	
Administration Fee Increa							
7	Has there been or will there be any increase in the administration fee due to the two-component system (in excess of any inflationary increase due at contract anniversary date)?						
8	How will the increased administration fee be be recouped :						
8.1	An additional monthly administration fee as a percentage of salary deducted from contributions						
8.2	An additional monthly administration fee as a Rand amount deducted from contributions						
8.3	An additional administration fee deducted as a percentage of the member's Share of Fund						
8.4	An additional administration fee deducted as a Rand amount from the member's Share of Fund					_	
8.5	An additional administration fee deducted through increased investment fees					_	
8.6	Other (please specify)						
5	Where there will be an increase in the administration fee, will the increase been applied consistently across all					_	
10	funds or could different fees be negotiated.						
11	If the same increase will be applied :						
11.1	Please provide the administration fee increase applied (as a percentage)						
11.2	Please provide the Rand amount per member that this increase represents						
12	If the increase will not be the same across all funds :					_	
12.1	Please provide the minimum administration fee increase applied (as a percentage).					-	
12.2	Please provide the Rand amount per member that the minimum increase represents					-	
12.4	Please provide the Rand amount per member that the maximum increase represents.					-	
42	Does the general increase in administration fee include a part of the transactional costs expected on a savings					_	
13	component withdrawal request.						
Transactional Fee on Sav	rings Component Withdrawal				 		
		Standalone Funds		Umbrella Funds	Preservation Funds		Funds
14	Is there an additional fee that will be charged for members who withdraw from their savings component (or does						
	this form part of the general administration fee)?		_		 		
15	different fees be negotiated.						
	The transactional fee that will be charged on a savings component withdrawal electronic claim will be as follows						
16	(where different transactional fees have been negotiated, please provide detail on the maximum fees being applied):						
16.1	A flat fee per withdrawal (Rand value); or						
16.2	Fee on a sliding scale;						
	Please provide detail on the scale being applied						
	* Minimum band						
	* Intermediate band						
	* Maximum band						
16.3	If a different transaction fee methodology is applied, please explain the methodology and the fee applied.					_	
17	Please confirm that the transaction fee relating to a savings component withdrawal will be deducted from the savings component						
18	Is any specific fee dispensation made for withdrawals for members with a low amount being withdrawn?					_	
18.1	If yes, how will the administrator deal with members with a low amount being withdrawn?						
18.2	How will the cost of the transaction that is not covered by the reduced transaction fee be met?						
19	Will you consider a reduced fee in the future once the number of savings component withdrawals is known						
20	How can a savings component withdrawal be requested :						
20.1	Whatsapp						
20.2	Other mobile application						
20.3	Member portal						
20.4	Employer portal						
20.5	Paper based						
20.6	Other (please provide details)						
21	Will there be a price differential for manual versus electronic two-component claims processing?		.,				
21.1	If yes, what will the higher rate be?						

Note : Please show all figures including VAT.

## APPENDIX 2: Administrators who responded with fee information

Administrator 10X Investments Acravest Alexforbes Invest Alexander Forbes Financial Services Assupol Life Limited Automated Outsourcing Services Pty Ltd Borwa Financial Services Broksure Administrators (Ptv) Ltd Cape Clothing Industry Provident Fund CRFund D and D the Cycle (Pty) LTd De Beers Pension Fund **Discovery Life Investment Services** Discovery Life Limited ELC PENSION FUND Employee Benefit Solutions Africa Ensimini Administration Services (Pty) Ltd Fairsure Administration (Pty) Ltd Fedgroup Employee Benefits **FNB** Investor Services FNZ SA Financial Administration Solutions (Pty) Ltd Furniture Bargaining Council GIB Financial Services (Pty) Ltd Glacier Financial Solutions (Personal Portfolios Retirement Annuity Fund, Personal Portfolios Preservation Pension Fund, Personal Portfolios Preservation Provident Fund, Absa Pension Preservation Fund, Absa Provident Preservation Fund & Absa Retirement Annuity Fund) Glacier Financial Solutions (The Alexander Forbes Retail Retirement Funds - The Preservation Pension Fund, The Preservation Provident Fund & The Retirement Annuity Fund) Global Fund Administrators (Ptv) Ltd GOM Fund Administrators (Ptv) Ltd GTC Employee Benefits Administration (Pty) Ltd Hollard Life Assurance Co Ltd Hollard Specialist Life Limited I&M Financial Services (Pty) Ltd Intembeko Investment Administrators (Pty) Ltd Liberty Group Limited Liberty - Retail LifeSense Financial Services Administration Division (Pty) Ltd MARRIOTT RETIREMENT FUND ADMINISTRATORS (PTY) LTD mCubed Momentum Metropolitan Life - Metropolitan Life Metal Industries Benefit Dunds Administrators Momentum Metropolitan Life Ltd - Momentum Retail (MMerge) Momentum Metropolitan Life Ltd - Momentum Corporate Momentum Metropolitan Life Ltd - Momentum Investments Momentum Metropolitan Life Ltd - Momentum Retail (Investo) Motor Industries Fund Administrators MULTILECT ADMINISTRATORS (PTY) LTD National Bargainig for the Clothing Manufacturing Industry NATIONAL BARGAINING COUNCIL FOR THE CLOTHING MANUFACTURING INDUSTRY - KWAZULU NATAL CHAMBER National Bargainig for the Clothing Manufacturing Industry NBC Fund Administration Services Ninety One NMG Consutants & Actuaries Administrators (Pty) Ltd, NMG Administrators (Pty) Ltd and Cedar Employee Benefits Oasis Crescent Reirement Solutions (Pty) Ltd OMLACSA PENPRO ADMINISTRATORS (PTY) LTD Peregrine Administration Services (Pty) Ltd Premier Benefits (Pty) Ltd Prescient Fund Services (Pty) Ltd/Prescient Fund Administration (Pty) Ltd PSG Invest (Pty) Ltd PSG Life Limited Rand Water **Retfund Consultants & Administrators CC** RFS Administrator (Pty) Ltd Robson Savage (Pty) Ltd SALT Employee Benefits (Pty) Ltd Sanlam Developing Markets Ltd Sanlam Life Insurance Limited Sanlam Life Insurance Limited SA QUANTUM EMPLOYEE BENEFITS SOUTH AFRICAN RESERVE BANK RETIREMENT FUND STANLIB Wealth Management (Pty) Limited (24/178) Tennant Administration Services (Pty) Ltd Transparent Financial Services (Pty) Ltd Verso Benefits Administrator (Pty) Ltd WA DAVIDSON PTY LTD Wealthport (Pty) Ltd WSM EMPLOYEE BENEFIT ADMINISTRATORS (PTY) LTD

# APPENDIX 3: Comparison of savings withdrawal fee by administrator and self-administered fund

			_	For variable transaction fee	
	No	Flat	Variable		
Administrator	transaction	transaction	transaction	Minimum	Maximum
	fee	fee	fee	fee	fee
10X Investments		345			
Acravest	N = 6 = =	58			
Alexander Forber Financial Servicer	No ree		Variable fee	100	600
Alexander Foldes Financial Services	No fee		Variable fee	100	000
Automated Outsourcing Services Pty Ltd	Notee	500	variable lee		
Borwa Financial Services		500	Variable fee	200	375
Broksure Administrators (Pty) Ltd		345			
Cape Clothing Industry Provident Fund	No fee				
CRFund		260			
D and D the Cycle (Pty) LTd		200			
De Beers Pension Fund	No fee				
Discovery Life Investment Services		350			
Discovery Life Limited		350			
ELC PENSION FUND			Variable fee	150	350
Employee Benefit Solutions Africa			Variable fee	253	345
Ensimini Administration Services (Pty) Ltd		230			
Fairsure Administration (Pty) Ltd		300			
Fedgroup Employee Benefits	No foo	350			
FIND INVESTOR SERVICES	No fee				
First SA Filancial Administration Solutions (Fty) Eta	NU IEE	300			
GIB Financial Services (Ptv) I td		500	Variable fee	100	350
Glacier Einancial Solutions (Personal Portfolios Retirement Annuity Fund, Personal Portfolios Preservation Pension F	No fee		variable ree	100	550
Glacier Financial Solutions (The Alexander Forbes Retail Retirement Funds – The Preservation Pension Fund, The Pre	No fee				
Global Fund Administrators (Pty) Ltd		350			
GQM Fund Administrators (Pty) Ltd		288			
GTC Employee Benefits Administration (Pty) Ltd		173			
Hollard Life Assurance Co Ltd	No fee				
Hollard Specialist Life Limited)	No fee				
I&M Financial Services (Pty) Ltd			Variable fee	100	250
Intembeko Investment Administrators (Pty) Ltd	No fee				
Liberty Group Limited		175			
Liberty - Retail	No fee				
LifeSense Financial Services Administration Division (Pty) Ltd		240			
MARKIOTT RETIREMENT FUND ADMINISTRATORS (PTY) LTD	No fee	200			
McMoed		288			
Momentum Metropolitan Line - Metropolitan Line		300			
Momentum Metropolitan Life Ltd - Momentum Retail (MMerge)		300			
Momentum Metropolitan Life Ltd - Momentum Corporate		525	Variable fee	250	350
Momentum Metropolitan Life Ltd - Momentum Investments	No fee		variable ree	250	550
Momentum Metropolitan Life Ltd - Momentum Retail (Investo)	110 100	200			
Motor Industries Fund Administrators	No fee				
MULTILECT ADMINISTRATORS (PTY) LTD	No fee				
National Bargainig for the Clothing Manufacturing Industry	No fee				
NATIONAL BARGAINING COUNCIL FOR THE CLOTHING MANUFACTURING INDUSTRY - KWAZULU NATAL CHAMBER	No fee				
National Bargainig for the Clothing Manufacturing Industry	No fee				
NBC Fund Administration Services		403			
Ninety One	No fee				
NMG Consutants & Actuaries Administrators (Pty) Ltd, NMG Administrators (Pty) Ltd and Cedar Employee Benefits			Variable fee	85	600
Oasis Crescent Reirement Solutions (Pty) Ltd		400			
UMLACSA (This includes SARAF, and the funds administered by UM Corporate)		250			
PENPRU ADMINISTRATURS (PTY) LTD	No foo	200			
Peregrine Authinistration Services (Pty) Ltu	NO IEE	250			
Prescient Fund Services (Ptv) Ltd/Prescient Fund Administration (Ptv) Ltd	No fee	230			
PSG Invest (Ptv) 1td	No fee				
PSG Life Limited	No fee				
Rand Water	No fee				
Retfund Consultants & Administrators CC		165			
RFS Administrator (Pty) Ltd		403			
Robson Savage (Pty) Ltd		230			
SALT Employee Benefits (Pty) Ltd		287			
Sanlam Developing Markets Ltd		50			
Sanlam Life Insurance Limited		380			
Sanlam Life Insurance Limited -		380			
SA QUANTUM EMPLOYEE BENEFITS			Variable fee	259	690
SOUTH AFRICAN RESERVE BANK RETIREMENT FUND	No fee				
STANLIB Wealth Management (Pty) Limited	No fee				
rennant Administration Services (Pty) Ltd		350	Variable		750
Transparent Financial Services (Pty) Lto			variable fee	10	/50
VEISO DEHEHIS AUHIHISTIALOF (PLY) LLU WA DAVIDSON PTY I TD		200	variable tee	100	600
Wealthnort (Ptv) Itd		200			
WSM EMPLOYEE BENEFIT ADMINISTRATORS (PTY) LTD		115	Variable fee	100	300