

Member Newsletter

Quarter 2 • 2010

Dear Member

In our Quarter 2 newsletter, we welcome and introduce the new member-elected Trustees who were nominated and voted for by members to serve a three-year term with the Fund. They are Inus van Zyl, Jacques Nel, Ronnie Gershman, Craig Watters and Simangele Lekena.

Find out more about them and what they'll be doing as Trustees. You can also find their contact details on page 4 and are encouraged to contact them about Fund issues, queries, etc.

Happy reading!
Ed.

Meet the new Trustees

- **Inus van Zyl**
- **Jacques Nel**
- **Ronnie Gershman**
- **Craig Watters**
(Alternate)
- **Simangele Lekena**
(Alternate)

transformation from rudimentary manual processes, to the current highly automated and specialised environment."



What were some of the highlights for you?

Three years ago some of my work colleagues encouraged me to stand for election as a Trustee because they were aware of my keen interest in investments. I was fortunate to be elected and have been privileged to be part of the investment committee for that period. The direct contact with a variety of experts in the field of investment has been the highlight of my pension fund work.

Being a Trustee of the pension fund carries the responsibility of working towards a well-funded retirement

for all the members. The challenge of long-term investing is the delicate balance between focusing on growing the investments, while at the same time protecting the Fund against investment losses.

What do you want to achieve during your term?

In the next three years I want to expand my knowledge of the pension fund industry so I can contribute more to several of the non-investment aspects of fund management.

Jacques Nel



Jacques is a passionate retailer who believes in exceeding customers' expectations. "I do this through

trust, honesty, discipline, punctuality and integrity. I respect what others value and am committed to fairness.

Why did you want to be a Trustee?

I believe that I will be able to

Inus van Zyl

Inus has been a loyal Woollies employee for more than 30 years. "After working in 13 stores across all four of the old provinces in a 3 year period, I ended up as manager of the original Cape Town branch. During my time in stores, I found the foods ordering process always the most interesting aspect of the work. I transferred to the foods group at Head Office and have been involved in foods systems ever since. It has been fascinating to be part of the

continued on page 2

"Saving today for financial independence tomorrow"

continued from page 1

connect with all levels of staff in and around the Gauteng area as I am well known in the area. Our Gauteng stores are in close proximity and it's easier to get close to staff on all levels. Since I received the news that I'd been elected, I have felt like there's new life in me.

What do you hope to achieve personally as a Trustee?

I am excited about the opportunity to learn from and engage with people from other businesses to not only build networks, but to understand the bigger picture behind retirement funds. I started investing at a very early stage and made some bad decisions that could have been prevented if I had known more. I believe that the knowledge I'm going to gain will help more people than just me – at the end of the day it's about others too.

What you would like to do for members?

I'd like to be the voice, ears and heartbeat of the members in Gauteng, to get close to them to

understand their needs and to simply be available when they have questions.

Ronnie Gersham



Ronnie has been with Woollies for almost 25 years and is a qualified chartered accountant, although he

confesses that he should maybe have been an electrician or a plumber as he enjoys working with his hands. He is married with two children, has two dogs and reckons he's ranked 6th in the household!

What do you enjoy about being a Trustee?

It has been a privilege to have been elected as a Trustee for a long time now with the continued support of the members. I enjoy all the interactions I have with members, other board members and the

multitude of professionals that either advise or consult to our retirement fund.

Understanding, listening, learning and being involved in the decision making on behalf of the Fund is what excites me. I am passionate about ensuring that our Fund is well managed and looks after its members at all times, even when external forces beyond the Fund's control come into play.

What do you want to achieve as a Trustee?

It's all about the long-term strategy and giving all our members the opportunity to understand that every decision they make is vitally important for their future well-being.

However, every member must take control of their own destiny and I would like to think that as Trustees, we can guide them as much as possible and provide opportunities and alternatives to suit their own circumstances, all the while ensuring that the Fund is well managed to provide growth and security.

Craig Watters

(Alternate Trustee)

Craig has been with Woolworths in Cape Town for five years and is a self-confessed foodie - "I love the speed and intensity that the foods environment offers."

Why did you want to be a Trustee?



I think mostly because I noticed a need for a better understanding of the Retirement Fund among our in-

store members. I have a passion for finance and enjoy budgeting, investing, trading and planning for one's future with regard to achieving one's financial goals. Ultimately, my purpose as a Trustee is to better equip myself and in so doing

educate others to increase their knowledge of the importance of securing their future. It starts right now and as I've learnt – better a little caution than regret.

What would you like to achieve during your term?

To facilitate a structured, store-based education system that focuses on enhancing members' knowledge regarding finance, more specifically of their retirement fund. This would involve formal sessions in stores to train and inform staff, Q&A sessions, market information, etc. It might seem like a long shot, but if you want to move a mountain you must first begin by carrying away small stones.

Simangele Lekena

(Alternate Trustee)

Simangele has been with Woollies for 17 years and in her own words,

"I love this Woolworths!" She is a mother of five and an admin manager in the Southgate store. She



became involved with the Fund seven years ago when she was nominated by a colleague. "I always knew that someone, somewhere in Head Office was looking after my pension fund so I thought that I would go and attend the meetings for one term only. Today I am in my 4th term and still enjoy it."

What motivates you as a Trustee?

The fact that I can influence and be part of the decision-making team when it comes to our pension fund, drives me. Every time we receive statements and I see positive growth, I get the satisfaction of a job well done.

The education and training is also awesome! I work with professionals, financial “gurus” of note, actuaries, accountants, auditors and administrators. My goal now is to participate and contribute more meaningfully to the Investment committee.

What is your wish for your fellow members?

I grew up poor. My parents could not save for their pension because of conditions at the time. They rely on us, their children, to provide for them now in their old age.

I would not like to see any of my Woolworths colleagues having to go through that. I would be very happy if I could educate as many members as possible about preserving their Fund benefits and about the importance of saving.

Look after the financial security of your dependants

Your Board of Trustees has several important responsibilities. One of these is the payment of death benefits when a member dies.

When a member dies in service, the death benefit that is payable to his or her beneficiaries is distributed by the Board of Trustees in accordance with S37 C of the Pension Fund Act. Fund benefits do not form part of a member’s estate and are therefore not distributed in terms of a will. When dealing with the payment of death benefits, you do not necessarily have the final say.

The Board will take your Beneficiary Nomination Form and your wishes into account, but any decisions that are made must be fair and reasonable as the Board can be held accountable for any “wrong” decisions.

Identifying and tracing dependants

For every death benefit that is paid, the Board of Trustees will conduct a thorough investigation to establish who your dependants are and the extent of their dependency on you.

The Board is required to consider all your legal dependants, such as a spouse, customary law spouse, children, ex-spouse receiving maintenance, as well as any “factual”

dependants. Factual dependants are people who are financially dependent on you, although there is no legal obligation for you to provide for them.

For example, a mother or father who lives with you, a nephew or niece who you are assisting financially with education or other costs, etc. The Board must also consider anyone who would have become a dependant had the member not passed away, for example an unborn child.

Where a member has no dependants, legal or factual, it is appropriate for a member to nominate a beneficiary. Beneficiaries can include a person, a welfare organisation or anyone that you would like to receive part or all of your benefit. If there are no dependants or beneficiaries, the full benefit will be paid into the member’s estate.



Be clear about your wishes

When investigating cases, the most complex and therefore the most difficult ones to resolve, invariably involve children from previous relationships, more than one “family” living together, etc. Often the relationships are more complex than the Board could hope to understand, such as why family trusts have been established. In these cases, it is necessary for you to attach explanations to your Beneficiary Nomination Form so that the Board can make its decisions with the full knowledge of your intentions or wishes.



You can help to speed up the process



With complex cases, it can take several months for the Board to gather all the information that

they may need to make a decision. However, the Board must allocate the benefit within a year of the death of the member.

Such a drawn-out process often causes financial hardship for those left behind, but the Board has a duty to act in good faith and it would be acting irresponsibly if it was to overlook a dependant purely to make a quick decision. You can, however, help to speed up the process by ensuring that your Beneficiary Nomination Form has been completed properly and is updated whenever your family circumstances change.

Update your Beneficiary Nomination Form when your personal circumstances change, for example:

- When you get married
- When you get divorced
- When you have a child
- When a dependent family member dies, etc.



You can get a Beneficiary Nomination Form from the *Imbizo* website.

Trustee Corner

The Fund's member-elected trustees are available if you would like to talk to them about Fund issues, queries, etc. Please feel free to contact them via phone or e-mail – their details are listed here.

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Craig Watters



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Keeping track

Portfolio	Returns for 3 months ended 31 March 2010	Returns for 6 months ended 31 March 2010	Returns for 12 months ended 31 March 2010
Woolworths High Growth	3.93%	9.18%	27.02%
Woolworths Growth	3.67%	8.65%	25.14%
Woolworths Medium Growth	3.30%	8.01%	22.36%
Woolworths Medium Conservative	3.18%	7.48%	22.22%
Woolworths Conservative	3.04%	6.97%	19.62%
Woolworths Stable	2.80%	6.79%	19.69%
Prescient Pensioner	2.59%	-	-
Banker	1.96%	4.01%	8.64%

The above returns are net, i.e. investment fees have been deducted.

Woolworths Group Retirement Fund

WOOLWORTHS Making the difference to your retirement

Let us know if you want us to cover particular topics, if you would like to know more about something, or want to raise a concern.

We'd like to hear from you!

E-mail us at:
jennywolhuter@woolworths.co.za

Or write to the Retirement Fund Post Box at:
Woolworths Group Retirement Fund,
PO Box 680, Cape Town 8000

Fund queries: For more information about the Fund or for Fund queries, you can also contact us on 021 407 2699.

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