

The South African Reward Association

presents

in Durban

NEW TRENDS IN RETIREMENT FUNDS, RISKS AND SURPLUSES

by Dave Johnson of Fifth Quadrant Actuaries and Consultants and Chris Bosenberg of BSI Consulting

Date: Tuesday, 22 June 2004

Venue: Durban Chamber
Ground Floor
Chamber House
190 Stanger Street
DURBAN

Secure parking is available in Morrison Street and undercover parking at the ICC

Time: 14:30

Cost: Free of Charge

RSVP: Please RSVP to Gillian by 18 June 2004

The trend away from long term employment and the move to cost to company remuneration, has forced the retirement fund industry into numerous changes to keep up with the needs of employers and employees. These changes have included the introduction of Defined Contribution Funds, Member Investment choice, flexible risk benefits and a move away from single provider solutions.

As the industry adapted to introduce these changes, so there emerged increasingly complex legislation to protect the interests of members. The legislation not only looks forward, but also addresses past issues like the accumulation of surplus.

Dave Johnson of Fifth Quadrant Actuaries and Consultants and Chris Bosenberg of BSI consulting, will provide an over view of these changes and the related legislation (including the new Surplus legislation), with a particular focus on the role of the Human Resources practitioner in the new retirement fund industry. They will outline the HR responsibilities, the risks that the HR management face and the key aspects of any retirement fund solution that the HR management should ensure they understand fully. They will include a number of practical tips for the HR practitioner.

About the speakers:

Mr C.H. Bösenberg BSc Hons, A.I.A. FILPA, CFP

Chris Bösenberg is an independent consultant and Chief Executive of BSI Employee Benefits Consultants.

He holds a BSc Hons degree cum laude in Mathematical Statistics from UCT He is an associate actuary and Fellow of the Institute of Life and Pension Advisors.

Chris has been active in the retirement fund industry for 28 years, the last 4 of which he acted as an independent consultant at his firm BSI Employee Benefits Consultants. He became a pensions fellow of the Institute of Life and Pension Advisors in 1984 and has served the Institute as Chief examiner of the subject Fund Financing and investment and benefit structures.

He spent 11 years with Shepley & Fitchett Consulting Actuaries which later merged into Alexander Forbes where his main responsibilities were the valuation of pension funds and monitoring investment performance. He spent 14 years as part of Sanlam actuaries and consultant services. His main responsibilities were the valuation of pension and provident funds, surveying retirement and ancillary benefit needs of members, facilitating conversions from defined benefit to defined contribution funds, Facilitating mergers and transfers out of retirement funds and employees benefit surveys, Communicating both written and audio-visual the changes in benefit structure and new benefits to members and he was Sanlam's chief consultant for the last 6 years of his service. He was the "father" of Sanlam's biennial benefit survey of some 400 funds and was involved with 8 surveys over 14 years. This survey is regarded as the "bible" in the industry.

As an independent consultant some of the functions that he performs are:

- Assist in choosing an administrator, consultant and actuary
- Survey member needs,
- Provide investment consultancy
- Assist in the appointment of other product providers,
- Establish service agreements with administrator and effect performance monitoring and evaluation,
- Risk analysis,
- Provide independent advice on the ideas presented to trustees by salesman linked to product providers,
- Good governance issues,
- Claims against the fund by stakeholders
- Represent a stakeholder like the employer, members, pensioners or the Union in restructuring etc.

Dave Johnson B Bus Sci (Actuarial Science)

Dave is a consultant with Fifth Quadrant Actuaries and Consultants. Fifth Quadrant is an independent firm of actuaries and employee benefit consultants, established on 1 April 1998. Fifth Quadrant's core business is to provide independent and high quality advice in the following areas:

- Actuarial services – to provide actuarial services to several of the larger Funds in South Africa
- General consulting services to Retirement Funds (e.g. benefit design, governance models, etc.)
- Investment consulting – to provide investment consulting advice to Funds, which when their assets are aggregated amounts to some R75 billion
- Health benefit consulting; and
- Communication consulting – this is an important component of our business as in the implementation of our advice effective member communication is vital

Consistent with its value proposition Fifth Quadrant is independent of any investment manager and insurance company. Our ownership structure is also consistent with this proposition.

Dave has been active in the Financial Services industry for 22 years, working previously for Southern Life and Momentum Life.

While based in Cape Town, Dave currently consults to a number of employers in the Durban area.

*Gillian le Cordeur
Van der Walt & Co
General Secretaries, Accountants & Event Co-ordinators
Tel: (011) 789-1384
Fax: (011) 789-1385*