

Affidavit

I, the undersigned, Lisa Pines, do hereby make oath and state as follows:

The contents of this affidavit are within my personal knowledge, unless otherwise indicated, and are both true and correct.

My name is Lisa Pines. From 2006 to 2011, I was the Managing Director of EMB SA Consultants and Actuaries (Pty) Ltd which was a participant in the Dynamique SA Umbrella Provident Fund. The company changed name to Towers Watson SA (Pty) Ltd in 2011. I was therefore involved with the fund both as a participating employer and as a member of the fund.

EMB joined the fund effective 1 February 2006 and was in the fund when according to my understanding AON took over the administration and we were still a participant at the time of the rebuild in 2010 when again according to my understanding 2,5% was deducted from all our fund credits. I left Towers Watson SA and the fund in 2011, subsequent to the rebuild, at which time I requested a withdrawal of my money. In approximately May 2012, Towers Watson made a decision to move all future contributions away from the AON fund to another fund.

I have records of receiving benefit statements from the Dynamique fund at the following effective dates:

- February 2006 (from Dynamique)
- October 2007 (from Dynamique)
- April 2009 (from Aon)
- February 2010 (from Aon)

I understand that AON took over the administration early in 2008. Although I did not check the benefit statements in detail, the amounts reflected seemed broadly consistent with my expectations.

In addition, we were paying commission to an experienced employee benefits broker from PSG named Mike Allen and his assistant Molly-ho to oversee the management of the fund.

I was therefore extremely upset when I received communication from the trustees advising that they were questioning whether the Dynamique values were correct and that they were going to be spending approximately R20m rebuilding all the records. This communication from the trustees was in November 2010. On receipt of the communication, I wrote to the Chairman of the Board of Trustees on 9 December 2010 raising my objection. I did not receive a response.

The communication from the trustees was totally unsatisfactory as far as I recall. No explanations whatsoever were given by the trustees as to what was not correct about our values and in fact no information whatsoever was given as to what process had been followed or why it was necessary to redo everything or why the cost was so high.

Handwritten signature and initials in the bottom right corner of the page.

On 8 February 2011, I submitted a complaint to the Pensions Fund Adjudicator raising my objections. I state that the fund had been maladministered, and that as a member I should not be required to cover the cost of the rebuild given I had already paid administration fees as part of my contributions.


As mentioned above in approximately late 2011 I left Towers Watson and the fund and requested a withdrawal. In early 2013 I had still not been paid my withdrawal value and so I wrote to the trustees in early 2013 via AON requesting information relating to the rebuild and my own withdrawal amount. I also appealed to the trustees in the interest of fairness to please exclude from the 2,5% charge the lump sum amount that I had transferred into the fund as there was no valid reason that this once off payment should incur that cost of 2,5%.

Despite a number of telephonic and email follow ups I received no response whatsoever from the Trustees despite AON confirming that my request had been forwarded to the Trustees.

When my withdrawal was finally paid by the liquidators I just received the value that was being paid out to me at that date without any explanations or reconciliations showing how that value had been calculated.

I contacted the liquidator to enquire how my fund value had been derived however he advised that all he had been given was the values and that he could not provide any supporting details as to how my value had been determined.

I don't understand how members can just be given a value without any explanation or supporting details. As things stand I am not able to verify if the value I have been given is correct or not. I am also not able to verify any amount deducted from my fund to cover the costs of the rebuild. This is a most unacceptable state of affairs.



DEPONENT

I hereby certify that the deponent has acknowledged that he knows and understands the contents of this affidavit, which was signed and sworn before me at JOHANNESBURG on the _____ day of _____ 2018 the regulations contained in Government Notice No R1258 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been complied with.

COMMISSIONER OF OATHS

FULL NAMES: PHINDILE IGNATIA MUTHALI
ADDRESS: NO 12 PATERSON ROAD NORWOOD
OFFICE: NORWOOD SAPS

