Umbrella Beneficiary Fund

June 2026

momentum
corporate

Message from the chairperson

Dear guardians, caregivers and members

Welcome to this edition of our newsletter. We're heading towards mid-year and I'm sure you'll agree that it feels as if the months are going by way too fast! Let's hope we can all achieve the goals we set for the year.

At the time of writing this message, the conflict in the Middle East is negatively impacting financial markets globally, and affecting our day-to-day expenses, like fuel. The investment summary on page 6 shows the impact of current global events on investments and how the Beneficiary Fund is mitigating these challenges.

The Beneficiary Fund's investments are well-governed. The investment strategy continues to prioritise protection and growth of members' money and the Board of Trustees regularly review the investment performance to ensure we are on track.

We are very pleased with Fairheads' *Khanya Nathi - 'Shine with us'* initiative which you will be hearing more about. Fairheads has identified areas where we can add value to members' lives, for example giving support for education and career choices. Last year, career guidance sessions were held at three of the Guardian Roadshow workshops in which members aged 15 and older explored their strengths, learning styles, and potential career directions in a fun and interactive way. Watch out for more news about Khanya Nathi on Fairheads' Facebook page **www.facebook.com/fairheadsbenefitservices** and website **www.fairheads.com.**

The Guardian Roadshows will be happening later this year in Mpumalanga, Limpopo, Lesotho and Eastern Cape. We will send SMSs to those members and guardians living in the areas where workshops are happening. We look forward to seeing you there.

We've included an article on the importance of having a will in this newsletter. If you want to protect your loved ones and ensure your assets are dealt with according to your wishes, it is very important that you draw up a will. If you don't have one or are not sure if yours is valid, read the article for guidance.

Please keep in touch with the Beneficiary Fund at least once a year. Find the contact details on the last page of this newsletter or go to **www.fairheads.com/contact-us/.** We wish you and your loved ones well for the rest of the year.

Kind regards

Hettie Joubert

Chairperson, Momentum Umbrella Beneficiary Fund

Momentum Umbrella Beneficiary Fund - working for members

From March 2025 to February 2026 the Beneficiary Fund made these payments for the benefit of our members:

- **±R29 million in payments for educational and other costs such as medical, accommodation, clothing etc.**
- **±R30 million in monthly or bi-annual payments for the day-to-day living expenses.**

Do these things to prevent delays in payments and communication

1. Contact us at least once a year so that we can update our records to show that the member is still in your care and that we're still making payments to the correct person.
2. Send in your requests for the 2027 school year as soon as you get the fees and requirements from the school.
3. Let us know immediately if your phone number, address, or banking details change.
4. Always state the reference code of the Beneficiary Fund sub-account, your identity number and your phone number when sending documents to us.
5. Send us your email address for faster communication.
6. Always have your ID or passport with you when you call the client service centre or visit one of our walk-in centres.

Protect your loved ones – draw up a will

Most people want to leave their possessions and money to their loved ones. To make sure that happens with the least problems and delays, you should draw up a will.

Here is some information to help you if you don't have a will or are not sure if your will is correctly drawn up.

Please note:
Fairheads Benefit Services and the Momentum Umbrella Beneficiary Fund do not draw up wills. You can get assistance from attorneys, banks, chartered accountants, boards of executors, insurance companies, trust companies and various individuals who have the necessary qualifications.

What is a will?
A will, also known as a testament, is a document in which a person sets out what must happen to their estate when they die. A person can also nominate the person or people, known as executors, who should administer their estate on their death.

A person's estate consists of all their assets (belongings, property) and liabilities (debts) which they had at the date of their death.

To administer an estate means to collect or take control of all the assets of the deceased, to pay the debts which the deceased left at the date of death, and then to pay the balance left for distribution to the rightful heirs of the deceased as determined in the will, or if they do not have a will, to the heirs as determined in terms of the rules of intestate succession.

What happens when you die without a will?

When you die without a will, you die 'intestate' – this means that your possessions are dealt with according to the laws of our country.

Some problems may arise if you die without leaving a will, for example:

- Your assets may not be left to the person(s) you choose.
- It can take a longer time to have an executor appointed.
- The executor who is appointed may be somebody you would not have chosen.
- There could be extra and unnecessary costs and delays.
- There could be unhappiness and conflict among members of your family as family members that you may not have been close with may inherit.

What makes your will valid?

The will must:

- Be in writing (handwritten, typed or printed).
- Be signed by you at the end of the will.
- Be dated.
- Be signed in the presence of two or more witnesses, anyone older than 16 years, if competent to testify in a court of law.
- Be signed by yourself and two witnesses on each page, if there is more than one page.

National Wills Week

National Wills Week in South Africa is scheduled for 14–18 September 2026. During this week, participating attorneys nationwide will draft basic wills for free. Check the Law Society of South Africa's website **www.lssa.org.za/** later in the year to see the attorneys who are offering this service during Wills Week.

Important points

- The person who is nominated as executor should not sign your will as a witness.
- People who stand to inherit should not sign as witnesses, as this will disqualify them from inheriting.
- Update your will whenever your situation changes, eg divorce, children born, financial situation drastically changes.
- If you are the guardian or caregiver of a member of a beneficiary fund or trust, it would be wise to state in your will who should take over guardianship if you pass away.
- You can download an example of a last will and testament from the Legal Aid South Africa website **Legal Aid South Africa** or you can get an easy-to-complete will form from a stationery shop. If you draw up your will by yourself, make sure it complies with all the guidelines mentioned in this article.
- Once you have drawn up your will, keep it in a safe place, and tell someone that you trust where to find it.

Management fees explained

Capital introduction fee

We charge a once-off fee of 0.5% of the money that is placed in the account when we open the member account.

Annual administration fee

We charge a fee of 1.55% of the market value of the assets of each member account per year to look after the money in the member account.

Reporting and governance fee

We charge a fee of R29.47 per month for providing reporting and governance services to the Fund. These services include reporting to government agencies such as Sars and the Financial Sector Conduct Authority (FSCA). It also includes governance and compliance costs relating to capital payments and other termination transactions. On 1 March each year we adjust this fee by the previous year's December Consumer Price Inflation rate published by Stats SA.

Beneficiary Fund costs

- Bank charges are shared equally between the members.
- Audit fees are shared by the members based on the amount of money in their member accounts.
- Some of the costs relating to the independent trustee, principal officer, asset consultant, legal consulting, fidelity cover, communication, investment transition, tracing, statutory levies and taxes and any other Fund-related costs are shared equally between the members, and some are shared between the members based on the amount of money in their member accounts.
- The investment manager deducts fees directly from the investments.

From 1 March 2026, all fees are exclusive of Vat.

Market update: What happened and why it matters to you

As a guardian or caregiver, it can be confusing to understand how a war taking place far away can still affect your home and your budget and we know this places extra pressure on families who are already carefully managing their money and doing their best to provide for their children.

The past 12 months to March 2026 reminded us how global events can directly affect everyday life in South Africa. Rising geopolitical tensions, particularly in the Middle East, disrupted global oil supply routes, pushing fuel prices higher and placing pressure on household budgets.

What drove higher fuel and food prices?
When oil prices rise globally, the impact is quickly felt locally. Higher petrol and diesel prices increased transport and delivery costs, which filtered through to grocery prices and basic household goods. Even though inflation remained broadly under control, many South Africans felt day-to-day expenses rising faster than their income.

Key message:
Inflation reduces the spending power of your money, the same rand buys less fuel, food and transport over time.

How did investment markets react?
Financial markets dislike uncertainty. During periods of global tension, investors tend to become more cautious. This led to sharp but short-term market declines, particularly in March 2026. A weaker rand meant that offshore investments and gold helped cushion portfolios, while some South African assets temporarily struggled.

Key message:
Market ups and downs are a normal part of investing; they do not mean long-term plans are off track.

What this means for you
Despite a challenging year and rising living costs, well-diversified investment portfolios continued to grow ahead of inflation. Beneficiary Fund savings are managed with situations like this in mind. The trustees carefully look after the money by spreading it across different types of investments, helping to protect it from short-term ups and downs and allowing it to grow steadily over time. This approach is designed to make sure the money stays safe and available for future needs, even during uncertain times.

Key message:
Staying invested and diversified is one of the most effective ways to protect your long-term financial future. Market volatility and uncertainty are normal, especially during periods of geopolitical tension. Short-term negative returns do not mean your long-term retirement plans are failing. By exercising patience and discipline, your long-term investment objectives remain fully achievable, even in today's challenging environment.

Investment portfolio delivery (February 2026)

- The current environment presents many challenges and the best approach to mitigate this challenge is to invest in well diversified portfolios. Over the volatile year, the Momentum Target 5 Fund of Funds (B2 Class) benefitted from advances in growth assets and gained a phenomenal 27.9%, compared to CPI Inflation that recorded an increase of 3.0%. Over a measurement period of 3 years, the fund gained 15.8% on an annualised basis (CPI at 3.9%) and over 5 years, the fund returned 12.9% annualised, well ahead of inflation (+4.9%).
- The more conservatively managed Diversified Income Fund (B9 Class) gained 12.0% over 12 months, 11.1% over 3 years and 9.3% annualised over 5 years.
- The most conservative fund, the Money Market fund (C1 Class) gained 7.7% over 12 months, 8.4% over 3 years and 7.1% annualised over 5 years.

Investment portfolio delivery (March 2026)

- The current environment presents many challenges and the best approach to mitigate this challenge is to invest in well diversified portfolios. Over the volatile year, the Momentum Target 5 Fund of Funds (B2 Class) benefitted from advances in growth assets and gained a phenomenal 19.7%, compared to CPI Inflation that recorded an increase of 3.1%. Over a measurement period of 3 years, the fund gained 13.6% on an annualised basis (CPI at 3.7%) and over 5 years, the fund returned 11.2% annualised, well ahead of inflation (+4.8%).
- The more conservatively managed Diversified Income Fund (B9 Class) gained 10.4% over 12 months, 10.5% over 3 years and 9.0% annualised over 5 years.
- The most conservative fund, the Money Market fund (C1 Class) gained 7.6% over 12 months, 8.4% over 3 years and 7.2% annualised over 5 years.

Queries and complaints procedure

Queries and complaints procedure
Always quote the member account reference code.

Dipotso kapa ditletlebo mabapi le tsamaiso
Ka nako tsohle kenya referense ya hao.

Inqubo ngemibuzo noma ngezikhalazo
Ngasosonke isikhathi veza lerifarensi yakho.

Who to contact with a query

Ke mang okamoletsetsang haonale dipotso

Ubani ongamthinta uma unombuzo

The administrator

Fairheads Benefit Services (Pty) Ltd: Tel: 0860 338 882 (Share call)
Email: queries@fairheads.com | Fax: 0860 219 0778 | Post: PO Box 4994 Cape Town 8000

Who to contact with a complaint

Motho eo o iteanyang le eena ha o na le tlelebo

Ubani ongamthinta uma unesikhalazo

The complaints officer

Momentum Umbrella Beneficiary Fund: Tel: 0860 338 882 (Share call)
Email: complaints@fairheads.com | Fax: 0860 219 0778 | Post: PO Box 4994 Cape Town 8000

We will acknowledge receipt of your complaint within 24 hours, if we have your contact details.

Re tla o tsebisa ka kamohelo ya tletlebo ya hao horeng tse 24, ha e ba re nale nomoro ya hao ya mohala/aterese ya hao ya poso.

Siyakukwazisa ukuthi isikhalazo sakho samukelekile ngemuva kwesikhathi esinganga mahora awu 24 uma zinazo izindlela zokuxhumana nawe.

If you are not happy with the way your complaint has been handled after 30 days, you can contact the **Pension Funds Adjudicator.**

Ha o sa khotsofalla dipatlisiso/tharabollo ya tletlebo ya hao ka moraho ha matsatsi amashome amararo, ona le tokelo ya ho ikopanya le **Pension Funds Adjudicator.**

Uma ungajabule ngemiphumela yesikhalazo sakho emuva kwezinsuku ezingamashumi amathathu, ungaxhumana ne **Pension Funds Adjudicator.**

The Pension Funds Adjudicator

Tel: 012 346 1738 | Email: enquiries@pfa.org.za | Fax: 086 693 7472 | Post: PO Box 580 Menlyn 0063

Stay in contact with us

Share call number	0860 338 882
Email	queries@fairheads.com
Facebook	@fairheadsbenefitservices
Fax	086 219 0778
Post	P O Box 4994, Cape Town 8000

Client contact centre hours

Monday to Thursday
07:30am to 5:00pm

Friday
07:30am to 4:30pm

FAIRHEADS
Benefit Services

Fairheads walk-in centres

Walk-in centres are open to client visits Monday to Thursday, 08:30 to 16:00 and Friday 08:30 to 15:30

Cape Town

15th Floor,
2 Long Street
Tel: 0860 338 882

Durban

Embassy Building
22nd Floor, Office no. 2217
199 Anton Lembede Street
Tel: 031 368 9260

Braamfontein

26 Ameshoff Street
Tel: 011 883 9755

You can visit a TEBA Ltd branch to collect, complete and submit documents you need to send to Fairheads. Contact us to find a branch near you.

O ka etela lekala la TEBA Ltd ho lata, ho tlatsa le ho fana ka litokomane tseo u hlokang ho li romela Fairheads. Ikopanye le rona ho fumana lekala haufi uena.

Ungavakashela igatsha le-TEBA Ltd ukulanda, ukugcwalisa bese unikeza izimpepha okudingeka uzithumele kwa-Fairheads. Xhumana nathi ukuthola igatsha eliseduze kwakho.

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06/2026