

1st Quarter 2013

From the Editor

We give thanks to God almighty for seeing us through Q1 of 2013. Our deepest appreciation goes to all our clients whom have been with us all the way thus forging the foundation of our achievement.

In Q1, we focused on fine-tuning measures that were put in place in the last quarter of 2012 to ensure that our clients get the best of the industry and all it has to offer.

As is common knowledge, the Military as a body has rescinded from the scheme. The National Pension Commission has begun the process of refunding their monies. We have received two batches of names from PENCOM and have started paying.

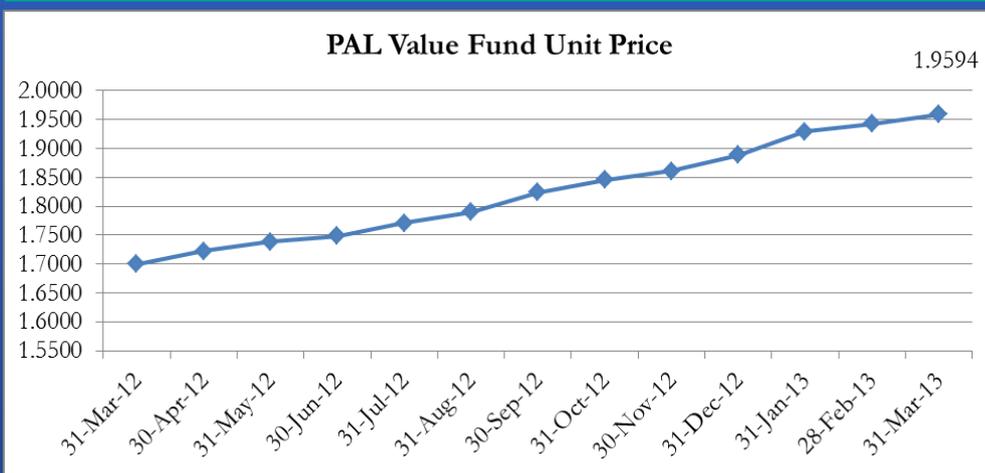
Also during the quarter we intensified the implementation of the new method of registering clients. One would ask... 'what is this new method of registration and how does it change anything?' Read on and be better informed.

PAL Value Fund

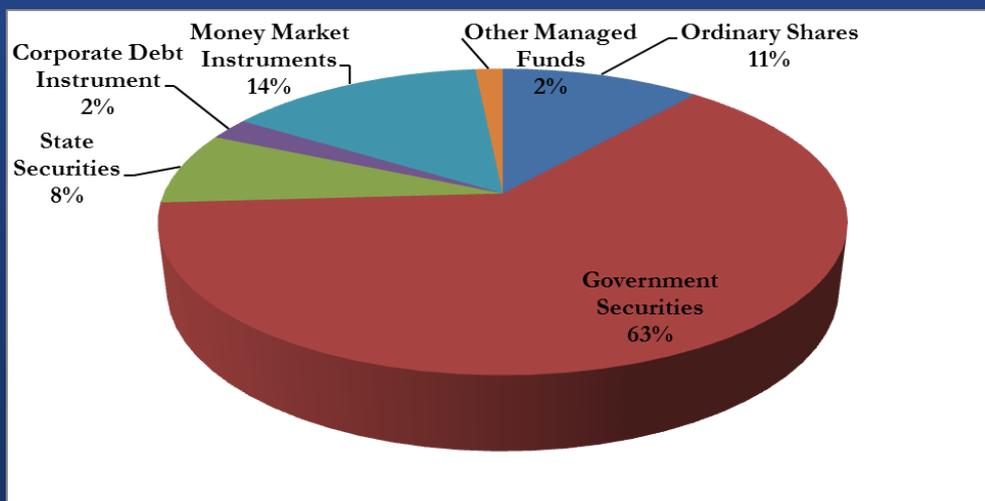
The PAL Value Fund opened the year with a unit price of N1.8887 and closed in the month of March 2013 with a unit price of N1.9594. This represents a year to date growth of 3.7%.

The PAL Value Fund Portfolio as at 31st March, 2013 comprised of the following asset classes: Government Securities (63%), Equities (11%), Money market instruments (14%), State Securities (8%), Corporate Debt Instrument (2%) and Other Managed Funds (2%).

PAVF Price Trend



PAVF Asset Allocation Structure as at 30th September, 2012



THE NEW ELECTRONIC REGISTRATION PROCESS

The opening of a Retirement Savings Account (RSA) begins with registration which involves the process of completing the RSA form accurately with clear and visible biometrics. Biometrics includes the applicant's signature, left and right thumb prints and a passport photograph. The RSA form elicits information ranging from personal data, employment history, to remuneration and next of kin details. The completed form is received by Pension Fund Administrator's (PFA) and the process of generating a Personal Identification Number (PIN) begins. The details on the form are uploaded sent to the PENCOM's server for the issuance of a PIN - the unique identifier of the RSA holder which he or she uses for life. The PIN is communicated to the client within an average of 48 hours via sms and a registration certificate is printed and sent to the client, either by courier or in some cases hand delivered by the PFA's representative.

As a growing industry, it has become apparent that the next level of success is to provide enhanced service delivery. With this realization, the new electronic registration process was introduced by PENCOM

The new electronic registration is an on line, real time transfer of the registration information to the PFA's server which is immediately transferred to the PENCOM server. The process involves the input of the client's details directly on a device. The information is immediately fed to our main servers online and thereafter forwarded to PENCOM's database at the click of a button for the purpose of receiving the required PIN for the Client. As a result, clients receive their PINs in record time as

against a time interval of 48 hours. This simply means that the process of electronic registration also ensures the client is advised there and then with his PIN.

This device is not for the sole purpose of registration and immediate advice of clients with their PINs, but it is also used to update poorly captured biometrics for existing clients. This is necessary because it is the most authentic basis to verify clients Identity at the time of retirement. Where the information of an existing client on the PFA's database was not previously captured properly e.g. thumb prints blurred, such information can be re-captured and immediately updated on the PFA's database at the click of a button.

The importance of clear and visible biometrics cannot be over-emphasized. At old age, while the signature of a client might be a bit shaky, irregular or may even be totally different the thumb prints will remain unchanged. When a client is due for retirement and desires to exit the scheme, it is the PFA's responsibility to ensure that the benefits are paid to right person.

With the introduction of this new system, the use of physical forms will be gradually phased out. Inevitably, the turnaround time for PINs generation will be reduced.

Laugh it off



The C.E.O was walking in the factory, he noticed a guy leaning against the wall, looking somewhere. He approached the man and asked him, "How much do you earn?" the guy was amazed and said "2000, sir".

C.E.O took out his wallet and gave the guy 6000 and told him "I pay people here to work not to waste time. This is your 3 months salary now get out of here and NEVER come back"

The C.E.O now looked at other workers and asked who that guy was.

Workers replied, "He was the pizza delivery guy sir...."

Quotable Quote

"Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen." -Winston Churchill.

Frequently Asked Questions



Q: For how many years will a retiree be paid after retirement?

A: Maximum of 18 years for a male and 20 year for a female.

Q: What happens to returned payments by banks due to dormant bank accounts?

A: The PFA is informed and the Client is contacted either to re-activate the dormant account or give us new bank details.

Q: How does PENCOM calculate and make payments on the accrued rights, Grade level or HATISS?

A: Using the nominal roll, they are able to follow up with the grade level and years of service.