



EMPLOYEE  
BENEFITS

# OUR BUSINESS

We live in an ever-changing environment with technology advancing at a rapid rate. M Cubed Employee Benefits is a registered 13B Administrator and is at the forefront of implementing efficient and effective employee benefit solutions.

We are a specialised retirement services platform providing innovative and customised financial solutions through an innovative administration system. We promote total independence through the quality, depth and diverse nature of our services. Our focus is to leave a legacy through our value-enhancing products by maintaining open communication and trust with our members.

We are a prominent leader in our market segment of small and medium enterprises and have a proven ability to provide highly flexible, comprehensive and cost-effective benefits. At the same time we meet the demanding initial design and subsequent servicing needs of our clients and consultants.

Our commitment to qualitative service is achieved through excellent leadership, effective people and process management as well as a state-of-the-art administration platform.



# EMPLOYEE BENEFIT PARTNERSHIPS

M Cubed is an administration platform to the broker market, providing support, structured advice and bulking across all service providers. We work to give employers access to all our services and products at competitive prices.

The criteria in our selection of our broker partnerships are that they are nationally based (like M Cubed) and offer the support of both fund consulting and individual member consulting.

M Cubed administer and support free-standing and umbrella pension and provident funds.

## **SERVICES OFFERED INCLUDE:**

Payroll  
Pension & Provident Funds  
Board of Management/ Trustee Training  
Member Communication & Support

# EMPLOYEE BENEFITS BUSINESS MODEL

## M CUBED EMPLOYEE BENEFITS

We provide a specialised retirement services administration platform to effectively manage pension and provident funds while acting as a supportive base to our diverse broker market. With online web access to our systems, we underpin our service delivery through a world class retirement fund administration service.

## M CUBED RISK SOLUTIONS

We provide our clients with death and disability cover through preferred risk providers offering a holistic risk management solution through a bulking arrangement. This arrangement offers a unit rate or % of payroll monthly cost structure. We provide the flexibility of both core and flex benefits.

## M CUBED ASSET SOLUTIONS

We provide investment portfolios that are regulation 28 compliant at competitive rates due to our bulking arrangement with our investment managers. We offer individual investment choice through investment performance comparisons, reporting and benchmark monitoring. Net replacement ratios are determined for members allowing them to "factor" their investment risk choice.

## M CUBED PAYROLL

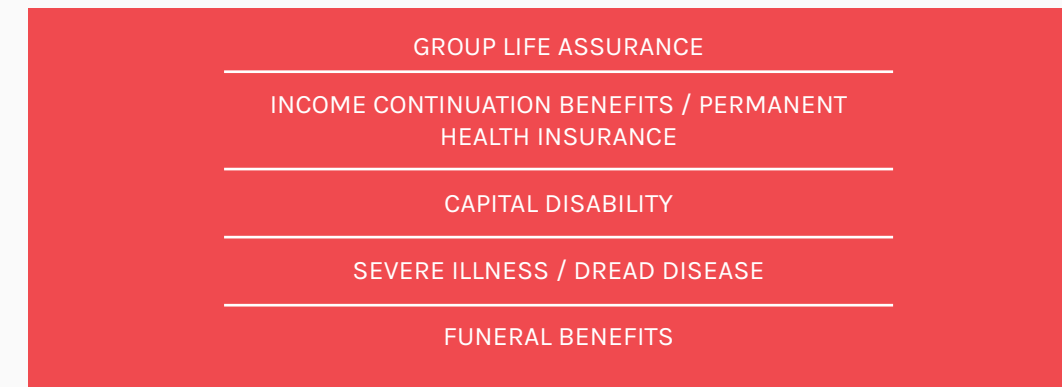
M Cubed Payroll's vision is to provide an integrated payroll solution to both new and existing M Cubed EB Clients. We aim to partner with our clients in providing effective and efficient remuneration functions using current best practice whilst understanding each client's unique requirements.

# EMPLOYEE BENEFITS RISK SOLUTION

The EB Risk Solutions includes the collection, payment and reconciliation of monthly risk premiums, and the management of all risk claims. These ensure that all members enjoy their full risk benefit entitlement while best competitive rates are obtained.

These holistic group risk management solutions are offered through either a pooling arrangement or free-standing and stand alone risk schemes. In addition the costing structure of all schemes can be managed on a unit rate basis or percentage of payroll-basis depending on the underwriter or the client's specific needs.

**The group risk pooling arrangement is currently underwritten by Discovery Life and Infinit Group Risk Solutions and offers the following standard group risk benefits:**



**Additional benefits offered to employers covered under such schemes include:**

Global Education Protector, Medical Aid Premium Waiver, Automatic Conversion options available to members on withdrawal or retirement, burial repatriation benefits.

# TRUSTEE PERSONAL VAULT

The concept that carries the 2010/2011 communication strategy for our umbrella funds is "**ZERO TOLERANCE**". This concept came to life when we came to realise that the norm in the industry was to allow death claims to be left unpaid for a considerable length of time.



## Some of the biggest challenges in paying death claims are as follows:

- Inaccurate information from members
- Incomplete information provided by members
- Trust issues
- Confidential issues

In order to overcome these challenges, we decided to provide each member with a sealable envelope which contains all their personal, confidential and private information. With that, M Cubed Umbrella Funds developed the Personal Vault.

## The objectives were:

- Zero complaints to the Adjudicator on death claim distribution.
- Eliminating unnecessary calls by the beneficiaries

## The M Cubed Trustee Personal Vault

Winner of the IRF **2011** Communications Challenge for the Most Outstanding Campaign

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Winner of the IRF **2012** Communications Challenge for the Most Outstanding Campaign

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Stakeholder Communication - Best Communications Campaign Project

M CUBED

ASSET  
SOLUTIONS



M Cubed Asset Solutions is a registered financial services provider and supports the fund consultant and the Trustees within an advisory capacity on the assets to the participating Funds.

A comprehensive and defined investment process is followed to optimise an effective investment strategy to the benefit of members. Daily settling of trades, pricing and cash flows are incorporated into this process to ensure all investing and disinvesting happens effectively and smoothly. All the maintaining, checking and managing of the relevant asset managers, life licence

and all the trading ensures that we continually have an asset-liability match which in turn gives the members accurate units and corresponding value to their own investments.

Weekly and monthly economic overviews are compiled and circulated to all our clients, Trustees and Boards of Management. These detail market conditions and performances which in turn assist us in providing investment advice and aid asset related queries, in accordance with the fund's financial advisor, and all relevant parties.

## SERVICE OFFERING:

- Comprehensive investment process to ensure that all trading happens effectively;
- Investment strategies that are regulation 28 compliant;
- Many multi and single investment managers on the life license, providing a wide variety of choice for members;
- Quarterly investment report backs;
- Asset Liability matching;
- Maintaining, managing and negotiating with the life license and asset managers;
- Attending to the fund's quarterly submission of the South African Reserve Bank reports as well as making sure that all legal and compliance issues are adhered to;
- Reporting and providing statistics, on many different levels, to the Trustees of the fund as well as the consultants and participating employers;
- Completing due diligence and monitoring of current and future asset managers to always have options for better performance and service.



# NET REPLACEMENT RATIO (NRR)

The ratio of the member's retirement income in comparison to the member's final earning income immediately before retirement

The alpha tool makes us of the following projection assumptions to ascertain a result:

Current age

Current salary

Funding levels

Retirement age of the Fund

Investment allocation

Salary increase curve

Mortality tables

Annuity Factors

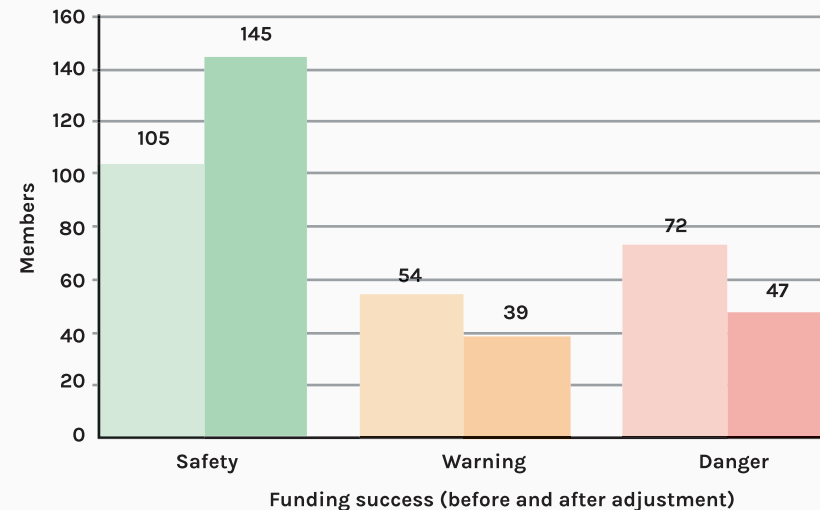
Post retirement rates

CPI

Contribution rate adjustments (if applicable)

Expense rate adjustment (if applicable)

Real return target adjustments.



This encourages members to make additional voluntary contributions or visit their risk profile in order to change their NRR.

# M CUBED PAYROLL

We are dedicated to ensure accurate data entries and provide flexible solutions to cater for small and large enterprises. The payroll outsourcing service aims to assist enterprises and manage personnel more effectively while providing the ability to retain focus on their core business activities.

## TIME SAVING

Management spends valuable time overseeing payroll personnel and performing payroll checks on payroll data at month end. Customizing, implementing and maintaining payroll software can be time consuming and does not always meet your unique requirements. Time out the office spent on training up latest industry trends and legislation can be cumbersome especially if close to pay date.

## COST SAVINGS:

There are ongoing stationary, administration, annual software costs and licensing fees. Training costs are incurred to keep payroll personnel up to date on constant legislative changes. Backup staff would need to be trained should the payroll administrator go on leave or is off ill.

## CONFIDENTIALITY AND COMPLETE SECURITY:

By outsourcing your payroll, you are guaranteed that all sensitive payroll information is inaccessible to other employees. Daily backups of the payroll software are made and can be easily restored. M Cubed Payroll minimises the risk of your payroll data being lost or your software being corrupted.

## CONSTANT LEGISLATIVE CHANGES:

M Cubed Payroll staff are constantly trained on new and amended legislation. We minimize the risk of your payroll not being updated immediately with legislative changes.

# OUR ADMIN PLATFORM

**MIP Employee Benefits (MIPEB) is a fully integrated employee benefits administration and financial system.**

It enables our clients to focus on retirement funds' members' interests with the added support of a flexible, process driven employee benefits system. MIP is a high integrity system, allowing for verified member records through daily management of member, accounting and investment data.

The design and architecture of MIP's administration and financial systems allow parameters to be set at various levels in order to meet the client's needs. These multi-level parameters cater for an extensive range of requirements such as multiple-choice investments, re-investments, risk premiums and the payment of benefits to members.

The parameters are defined at fund option level, member group / pay point / participating employer level, category level and member level. At these levels, various parameters are available,

including investment portfolios and exit categories (types), risk benefits and life stages.

MIP has a range of standard reports and also caters for our clients customized reporting. With web functionality the system allows clients real-time access to member benefit and investment statements. Integration to banks, investment houses, SARS and other 3rd party systems is available.

**With MIP, future retirement is supported by tomorrow's technology.**







## ADVANTAGES OF OUR PLATFORM

- Electronic data feeds directly from the client's payroll into our HUB, highlighting monthly changes and so reducing manual reconciliations;
- Online access to employee risk benefits;
- Online access to employee investment values;
- Integrated accounting and management reports;
- Unitized portfolio administration at individual member level with daily pricing;
- Individual investment choice or age banding into default portfolios complying with the proposed regulation 28;
- Competitive investment, risk and administration costs due to our bulking arrangements with all our service providers;
- Offering a unique partnership to the broker market while acting as a support structure to brokers allowing them private administration on their funds;
- Total flexibility and transparency through technological access while maximising communication to our members;
- Risk analysis and management;
- Investment analysis and management ;
- Benefit reviews;
- Risk Factor Profiling.



# PROFESSIONAL SERVICES

Drafting and registration of scheme rules;

Company installation of the monthly data feed in electronic format either via M Cubed;

XL payroll or the employer's own payroll system;

Facilitation of the investment strategy allowing for age banding or structured default portfolios and individual choice;

Providing investment reviews and up to date industry and legislative reporting;

High and increased levels of automation to ensure faster and accurate servicing turnaround times;

A comprehensive and competitive range of products, including various forms of retirement funding, death and disability benefits, as well as additional value-added services specific to the needs of our individual members;

Annual risk re-broking;

Legal services, incorporating training, drafting of documentation and reporting any changes in the industry;

Trustee / board of management and member training;

Pre-retirement planning and counseling;

Section 14 transfers in and out of our umbrella funds;

Umbrella and self-standing schemes;

Fund Audits and actuarial valuations.





# SO...WHY M CUBED

## IT'S SIMPLE...

We have a passion for the industry and simultaneously place a high value on our relationships with the membership and trustees fraternity of funds and products under our administration;

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We aim to achieve value added services to our clients / members and trustees;

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We understand our business and the industry;

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We are a learning organisation and we want to remain specialised and focused;

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Our philosophy of co-ownership and participation allows us to attract new talent;

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We provide cost effective electronic administration;

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We free the employer and its representatives to focus on their core business.

**We allow brokers to introduce their clients to private fund administration and maintain advisory interaction with members, with NO administration activities through the continued support by our partners.**



**m CUBED  
GROUP**

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