



 **FEDGROUP**  
CORPORATE PROFILE



# Who we are

**As South Africa's leading independent financial services provider, Fedgroup has carved a niche for ourselves by doing things differently.**



As a family-owned business, we still subscribe to the seemingly old-fashioned values of honesty, integrity and dignity, while at the same time developing a high-tech, streamlined approach to deliver the services our clients require as quickly and efficiently as possible.

Our unique approach allows us to put people before profit and take care of our staff members to ensure that they in turn take care of our valuable clients, who span the spectrum from high-net-worth individuals to some of the most economically vulnerable members of our society.

Fedgroup has noted a growing distrust in the financial services industry because of the proliferation of products that are deliberately complex, which does not serve the purpose of assisting clients in making informed decisions. We have therefore invested in making our products and services as easy to understand as possible. In addition, our investment in smart technology means that our clients can expect reliable and predictable service levels at all times.

Our commitment to innovation means that we continue to introduce new, exciting wealth creation products to the local market. We remain committed to grow the business through these advances, without ever losing the personal touch.

# Company structure

Fedgroup Financial Holdings Pty Ltd	
Fedgroup Asset Management Pty Ltd	Fedgroup Life Limited
Fedgroup Employee Benefits Pty Ltd	Fedgroup Participation Bond Managers Pty Ltd
Fedgroup Financial Services Pty Ltd	Fedgroup Trust Administrators Pty Ltd
Fedgroup Management Pty Ltd	

## Our offerings

Wealth	Life	Future
Secured Investment	Life Cover	Wills
Impact Farming	Funeral Cover	Trusts
Commercial Property Finance	Critical Illness Cover	Estate Planning
Beneficiary Care	Disability Cover	Estate Administration
Group Retirement Savings	Education Cover	Settlement Trusts
Retirement Unclaimed Funds		

# Product overview

## WEALTH

### Secured Investment

Our Secured Investment is backed up by participation bonds, making it a secure, interest-bearing investment. The risk profile is conservative, which makes Secured Investments popular with individuals of all ages – and especially retirees. Pension funds, trusts, fund managers, charities and schools can also benefit. Secured Investments are FSB-approved and registered collective investment schemes. Fedgroup has offered this product to our clients for the last 26 years, combining high interest returns with capital security.

### Impact Farming

Fedgroup's innovative Impact Farming concept allows investors to own a stake in groundbreaking farming ventures without the usual barriers to entry that exist in this space. This model does not require investor equity or the massive financial commitment that usually accompany investments into agricultural undertakings. Instead, investors own the individual revenue-generating assets that provide an income that is both competitive and sustainable.

### Commercial Property Finance

Through our innovative finance structure, Fedgroup facilitates the ownership of commercial property for business owners or investors who wish to diversify their portfolios to include a slice of the lucrative commercial property market. Fedgroup provides prospective property owners with loans of up to 75% of the property value. We are confident that we can structure a loan to meet your requirements. Because time is important, the turnaround time to provide prospective property owners with a loan decision is 48 hours.

### Beneficiary Care

Fedgroup continues to be a leader in the beneficiary fund space. Beneficiary Care presents us with the opportunity to make a lasting difference in the lives of some of the country's most vulnerable individuals, which is why it is often referred to as the emotional anchor of our business. As such, all decisions made around the product are taken with care in mind. Beneficiary Care is built on three pillars: simplicity, responsiveness and value. Our fee structure is transparent and contains no hidden fees or sub-minimums as one often finds in the industry. We have developed our bespoke administration management system in-house to improve our responsiveness. This single-view system provides our administrators with all the relevant information regarding our beneficiaries in real time, to massively improve turnaround times and ensuring that there are no delays in effecting payment. Our value proposition flows from our commitment to providing real and lasting care. As such, we do not merely see our clients as numbers on a screen, and numerous services are built into the product. These include financial literacy training, social worker assistance and partner discounts. Fedgroup also has no fund size minimums, as we believe that those with small contributions are just as likely, if not more so, to need financial care and assistance.

### Group Retirement Savings

Our Group Retirement Savings secures the retirement and group risk needs of smaller companies. The plans are well structured and cost effective, and aim to maximise the final payout for employees. Our pension and provident umbrella funds are defined contribution retirement funds that are registered with the Registrar of Pension Funds and approved by the South African Revenue Service. An employer may participate in either the pension or the provident umbrella fund arrangements.

## **Retirement Unclaimed Funds**

We establish unclaimed benefit funds to receive benefits due to fund members that could not be paid or traced within 24 months of the date on which it became legally due and payable. The main purpose of unclaimed benefit funds is to provide a vehicle to safeguard benefits and to trace members or beneficiaries in an effective and efficient manner, ensuring that the benefits get to those for whom they were intended.

## **LIFE**

### **Life Cover**

We offer Life Cover as a standalone product or as part of our award-winning group risk cover. There are two categories of cover: Defined Cover and Flexible Cover. All benefits are offered with Defined Cover, which ensures that employees enjoy a core level of cover. Life and capital disability cover are also offered with Flexible Cover, which allows employees to voluntarily extend their benefits at their own cost. Fedgroup's commitment to putting people first has been recognised by the industry, as was evidenced with a second consecutive Golden Arrow in the Group Life/Risk Products category at the PMR. africa awards in 2017. These awards are not open for entries and are instead the result of a national survey involving brokers and financial advisors, and are highly coveted in the industry due to their impartiality. We also won a Bronze Arrow in 2014 and a Silver Arrow in 2015 at the same awards.

### **Funeral Cover**

Our funeral cover requires no medical underwriting and funeral claims are usually paid within 48 hours. There is no waiting period on either natural or unnatural causes of death, which ensures family members can focus on making funeral arrangements with the financial support they need.

## **Critical Illness Cover**

Our critical illness cover employs an objective and fair system to assess a critical illness, based on medical impairment definitions and daily living. The impact that an illness, (or a combination of illnesses) may have on the daily life of a member is also considered if a claim does not qualify against a specified illness. We do not rate according to the severity of a critical illness. If an employee meets the clear, simple definitions, we will pay the full benefit. We will also pay out on multiple claims for unrelated illnesses, as the benefit doesn't fall away after an initial claim is made.

### **Disability Cover**

If an employee's injury or illness renders him or her permanently and totally incapable of performing the material and substantial duties of his or her own or any other occupation, our disability income cover can come to the rescue. It pays members a monthly income if they become injured or ill to such an extent that they're temporarily or permanently prevented from doing their job, until they recover, reach retirement age or pass away.

### **Education Cover**

In the event of an employee's untimely death, Fedgroup's education trust cover will pay a lump-sum amount into trust to safeguard the educational future of employees' children. Unlike an indemnity benefit that does not have a defined benefit amount, Fedgroup's education trust cover defines the benefit amount as a percentage of a parent's annual salary.



# Product overview

## Future

### Wills

The consultation for a will goes beyond the mere completion of an application form. Our wills drafters are trained to identify potential pitfalls and alert the broker and client. We offer a comprehensive will advisory and drafting service ensuring that the provisions of your will are linked to your overall estate planning needs.

### Trusts

Fedgroup specialises in both testamentary trusts and inter vivos trusts. Our trust experts are able to advise on the best way forward to safeguard assets.

### Estate Planning

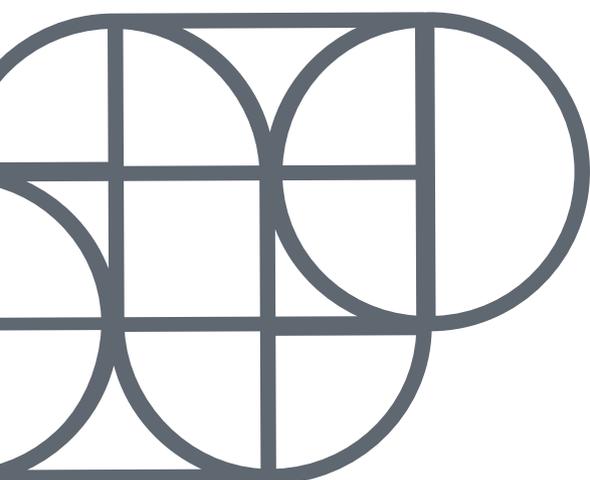
Estate planning is the continuous process through which one accumulates assets and manages financial affairs in order to increase, preserve and protect those assets for the maximum benefit during one's lifetime and to provide for the continued use thereof after death. Our estate planning service is aimed at the high-net worth individual. The first 40-minute exploratory consultation is free of charge and any subsequent consultations are offered at an hourly rate.

### Estate Administration

Fedgroup acts as executor and administrator of deceased estates to relieve the stress and burden that an untimely death places on family members and beneficiaries of the estate. Our professional administrators add a personal touch of care and compassion in the consultation with heirs, even to the extent of consulting with the family at their home.

### Settlement Trusts

Recipients of lump sum payments from the Road Accident Fund or a medical malpractice settlement require a suitable financial instrument to manage their financial payout. To ensure the benefits received meet their intended social mandate, a Settlement Trust is often the preferred option selected by advocates and attorneys to administer settlement payouts and manage the preservation of these assets. Our unique and proprietary Settlement Trust offering has been designed from the ground up to tackle this specific issue. The Fedgroup Settlement Trust will assist claimants or their guardians and beneficiaries in ensuring that they derive meaningful benefit that will provide a future income.



# Industry recognition

This year, Fedgroup was named the best provider in South Africa in the Group Pension and Provident Funds as well as the Group Life/Risk category at the coveted Professional Management Review (PMR.africa) Awards. This was the fifth consecutive award in the Group Life/Risk category. In addition, Fedgroup won a gold in the Investment Products category.

The awards recognise competitiveness, effectiveness, excellence, leadership and resilience, and set a benchmark in the industry. Because one cannot enter

into these awards, they are completely independent and based on industry role player feedback. Fedgroup can therefore rightly claim to be the country's leading independent financial services provider.

Fedgroup's commitment to our trustees was confirmed through our recent IRFA Best Practices Industry Award in the Stakeholder Communications category. The prize was awarded to acknowledge our use of the latest technology to keep trustees up to date with the administration of our beneficiary fund.

# Governance and compliance

## Governance

Fedgroup is governed and regulated by two primary external parties, the Financial Services Board (FSB) and independent auditors. There are also extensive internal measures to ensure the security of clients' monies. Fedgroup carries sufficient professional indemnity, fidelity insurance and directors' and officers' liability cover.

The board of directors regularly reviews the mix of skills and experience of the administrators in order to assess the effectiveness of the administration offered. Fedgroup has an internal audit, risk and compliance committee that independently reports to the board of directors.

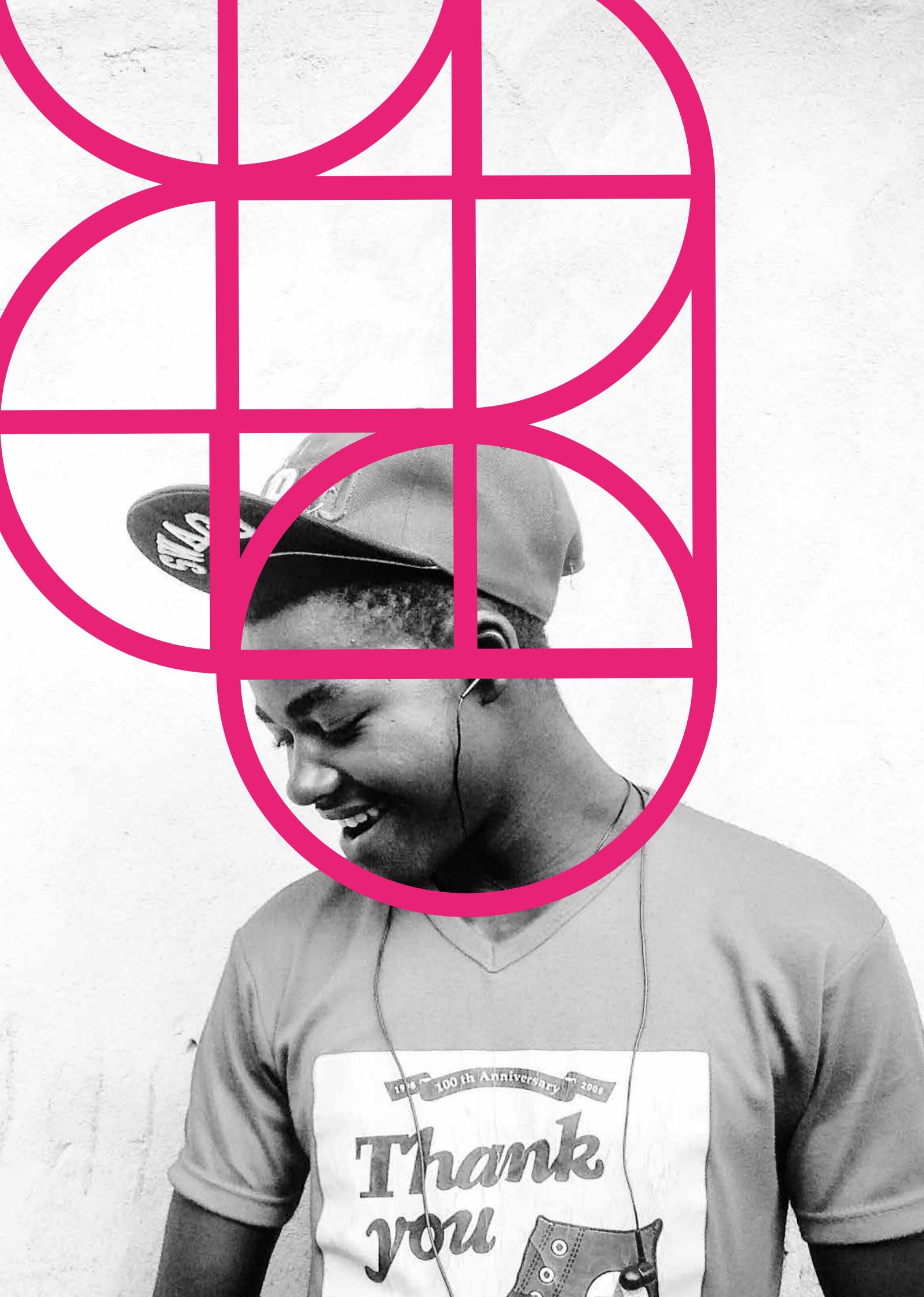
## Compliance

Fedgroup's complaints resolution policy complies with the Financial Advisory and Intermediary Services Act (FAIS). This allows clients to contact the compliance officer and management team directly.

In addition, Fedgroup uses the services of a company of external compliance specialists that reports independently to the Audit and Risk Committee.

## Internal Compliance Officer

**Email:** [compliance@fedgroup.co.za](mailto:compliance@fedgroup.co.za)



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Thank  
you



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