
PRESS STATEMENT: CITY PRESS ARTICLE

Dear Clients,

1. The City Press Newspaper today published on its front page an article heading “**PENSION SCAM**” with a subheading titled – **Enchoes of Fidentia disaster as Bophelo Beneficiary Fund’s failure to pay workers pension money leaves families devastated**”.
2. We have noted with dismay the City Press article and write this statement to you to respond to certain allegations, assertions and false accusations that were made in the City Press newspaper article.
3. The allegations that we have lost R255 million worth of mine workers money under administration from the Anglo Platinum, are false, misleading, malicious and were made to tarnish the good name and reputation of Bophelo Beneficiary Fund and the entire subsidiaries within the Mvunonala Holdings Group.
4. At the onset, we must record that we were contacted by the City Press last week indicating that they are investigating certain allegations against us relating to Bophelo Beneficiary Fund “acquisition” of ownership of the

properties situated at 72 Grayston Drive and the Parktonian Hotel. In particular, we were asked questions such as when we allegedly acquired the property, how much was the purchase consideration, whether the values indicated in the year-end financial statements were monies paid for these properties and whether we owned these properties.

5. We were not asked neither was any explanation requested from us regarding the alleged missing R255m from the Amplats Group Provident Fund which are being administered by Bophelo Beneficiary Fund. In particular, we were not asked any questions regarding the alleged non-payment to the three (3) widows of the AGPF referred to in the newspaper article or any other third party for that matter.
6. Significantly, we also need to indicate that we never received any enquiries directly from the AGPF regarding the alleged non-payment to the widows identified in the newspaper article or any other third party. The only enquiries directed towards us by the AGPF and/or its attorneys pertained to access to general information of Bophelo Beneficiary Fund. In the interest of transparency, we attach herein for your consideration marked “**A**” a copy of the due diligence questionnaire which we received from AGPF. Without belabouring the point, please take note that there are no question(s) directed to us regarding the alleged non-payment to beneficiaries, widows or any other third party.

7. Notwithstanding that the City Press had an opportunity to do so, it failed to obtain our views regarding the alleged non-payment to these alleged widows or any other third party. The newspaper article reported as if it is a fact, that R255 million worth of mine worker's pension money has been lost. These allegations are unfounded, false, inaccurate, malicious and were made intentionally to tarnish our good name and reputation which we have worked extremely hard to earn over the years within the industry.
8. There is absolutely no truth to the allegations that we have "lost" any of the monies entrusted to us by the AGPF or that we have "cooked" our financial statements. In the audited financial statements referred to in the City Press Newspaper article, we had clearly indicated the investments by Bophelo Beneficiary Fund in these two properties an issue which is also permitted in terms of regulation 28 of the Pension Fund Act. In fact, the FSB attention was even drawn by us to these property investment in the audited financial statements and they (FSB) raised no queries about it.
9. We are advised by our legal representatives that the reportage by the City Press in the circumstances was done in gross violation of the Press Code and in the circumstances have given instructions to our legal representatives to refer the matter to the Press Ombudsman.

10. We would like to assure you, as our valuable client, that all the monies entrusted to Bophelo Beneficiary Fund, Mvunonala Asset Managements or any of the subsidiaries within the Mvunonala Holdings Group are fully accounted for and that these have received unqualified audit reports conducted by external auditors over years.
11. The administration and management of the funds within Bophelo Beneficiary Fund and Mvunonala Asset Management is done with due regard to the law, we will continue to do so with your best interest, as the client uppermost in how we conduct our business.
12. The beneficiaries and widows whom we continue to administer their funds, we assure you, will continue to receive their monthly payments timeously, as we have always done in the past and those whose pay-out will be due upon reaching the termination age will similarly receive their pay-out as and when they become due in accordance with the rules of the beneficiary fund.
13. Our financial position is accordingly sound and we refute in the strongest possible terms the allegations that we are experiencing any financial difficulties. We further wish to assure you that all monies under

administration by our beneficiary fund are safe and fully accounted for.

There are no lost or misappropriated funds under our administration.

14. As pointed out above, the City Press article was published without affording us an opportunity to answer to the allegations of mismanagement of any of AGPF funds and had we been afforded such an opportunity, we would most definitely have sufficiently demonstrated that we did not misappropriate any of the beneficiaries or mine workers widows monies under our administration.
15. In conclusion, we wish to make it known that we commit to fully cooperate with the Regulator in whatever investigation which we might be subjected to arising from the City Press article and will keep you, as our valued client abreast of all developments in that regard. We have no doubt that the Regulator will clear us all off these allegations of mismanagement or misappropriation of funds.
16. Kindly note that for further enquiries, please contact Mr Guqani Mhlongo on 011 772 1000.

Yours Faithfully,

MVUNONALA HOLDINGS

30 April 2017