



7 Disa Road, Extension 8
Kempton Park, 1620
Gauteng, South Africa

Private Bag X36, Kempton Park
1620, Gauteng, South Africa

Tel: 011 578 5333
Fax: 011 578 5300

pension@akafin.co.za
www.mepf.co.za

FOR IMMEDIATE RELEASE

Municipal Employees Pension Fund (MEPF) Announces Successful Payment of Two-Pot Claims Amidst False Rumors

(Johannesburg, 18 December 2024)- The Municipal Employees Pension Fund (MEPF) is pleased to announce that 97% of Two-Pot claims received have been successfully processed and paid out. The remaining 3%, which accounts for a total of 113 members, have not yet been finalized due to various reasons, including pending divorce proceedings, outstanding claim documents that have been communicated to the members, defaulting members, defaulting municipalities, and cases where members withdrew their Two-Pot applications. Additionally, some members do not qualify for the Two-Pot claims as their seeding amount is less than R2,000, while others have passed away after submitting their applications, retired after applying for the Two-Pot, or declined the tax application and must visit SARS. The affected 113 members have been informed accordingly.

Akani Retirement Fund Administrators has worked tirelessly around the clock to ensure that all claims are processed efficiently. This achievement comes in the face of false and malicious rumours regarding the financial stability of the Municipal Employees Pension Fund (MEPF). These unfounded claims suggest that the Fund is not financially sound and is unable to fulfil Two-Pot claims. Such rumours have been propagated by individuals and entities funded by a disgruntled asset manager, Mergence Investment Managers, from whom the Fund parted ways in October 2023.

In the last inter-valuation period of 1 March 2020 to February 2023, the Fund has experienced significant growth, with assets increasing by R6.334 billion from R17.892 billion. This is a nominal increase of 35% in assets. This robust growth has resulted in the Board of Trustees making the decision to grant a 6.8% increase to pensioners this financial year. As of September 2024, the MEPF's assets stand at over R28 billion, with more than 100,000 lives under administration. This solid financial foundation underscores the Fund's ability to meet its obligations to members and affirms that the Fund is well and healthy.

The MEPF would like to address the ongoing attempts by detractors, including Mergence Investment Managers and the law firm Ndou Attorneys, to instil panic and chaos among our members through baseless allegations. Ndou Attorneys, who have claimed to be acting pro bono for members' interests, are actually funded by Mergence, a former asset manager of the Fund that was dismissed for exposing MEPF to unacceptable investment risks and failing to meet the Fund's directives among other things. Additionally, the same Ndou Attorneys' joinder application was dismissed by the Financial Services Tribunal (FST) and deemed as 'irrelevant and vexatious'. Members should be careful of accepting the lies he is preaching at the gospel truth.

In response to these defamatory claims, the Fund's legal representatives have formally instructed Ndou Attorneys to cease and desist from disseminating false and harmful information. We demand an unconditional public apology from the law firm and its director, Phumudzo Ndou, for their unlawful and malicious allegations that have unnecessarily caused panic and mistrust among our members.

Furthermore, it has come to our attention that Ndou Attorneys are currently embroiled in a legal dispute with the South African Municipal Workers Union (SAMWU) concerning R18 million that they have failed to account for while providing services to the union. The Legal Practice Council (LPC) has asked Ndou Attorneys to respond to the Union's allegations by mid-January 2025.

The MEPF wishes to reassure its members that the Fund is in a robust financial position. Recent valuations conducted by our actuaries confirm that the Fund remains financially sound. This stability has enabled us to provide our pensioners with a second increase of 6.8% this financial year, following a 3% increase granted in March 2024. We encourage all members to seek clarity through the appropriate channels and to disregard information from those with ulterior motives. The MEPF remains committed to serving its members with integrity and transparency.

For further inquiries, please contact:

Mathawe Matsapola
Marketing Manager
072 756 3777
Mathawe@akafin.co.za

END