



RFLAUN

Retirement Fund for Local Authorities
and Utility Services in Namibia

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MEMBER ALERT

FOR IMMEDIATE RELEASE

3 July 2023

Dear RFLAUN Member,

RFLAUN Direct Housing Loans

Towards the end of last year, we informed you of some interesting coming your way. The Trustees were investigating alternative arrangements that could be of immense benefit to you as members of the Fund.

It is thus with great excitement that we can inform you that the Trustees gave approval for **Direct Housing Loans** to be introduced in terms of the **Pension Backed Housing Loan Scheme** currently being provided by the Fund. The Direct Housing Loan is an option in addition to borrowing from the banks.

Under this Direct Housing Loan, you will be able to borrow a portion of your accrued Fund Credit for housing purposes as prescribed in terms of the provisions of the Pension Funds Act under the same conditions as is currently the case under the existing arrangement, **but now instead of paying the interest to the Bank, you will be paying the interest back to your own account.** The Pension Funds Act prescribes the interest percentage to be charged and as such unfortunately these loans will attract interest at the rate as indicated.

The "onboarding" of this Direct Housing Loan will commence on the 3rd of July 2023 and you will in due course be provided with detailed information in terms of exactly how the scheme will operate, as well as how you should go about in accessing this facility.

The Direct Housing Loan will also require each member to manage his/her own affairs insofar as building a house / making renovations to an existing property is concerned and we now already urge members to please act in a responsible and prudent manner in doing so. From the Fund's side everything possible will be done to ensure that the arrangement is not abused, but at the end of the day it will be up to each member taking a housing loan to ensure that it is being used for its intended purpose.

As already mentioned, further comprehensive detail in this regard will be provided as soon as the onboarding process has been completed, so please keep an eye out for any further notices, brochures and information in this regard which will be shared.

END

Issued by the Office of the Principal Officer



www.rflaun.com.na

All correspondence to be addressed to the Principal Officer