

The PULSE

EDITOR'S NOTE

2008 is proving to be a very difficult year, the economy is slowing down, interest rates have been increasing, inflation continues its upward trend, petrol prices have gone through the roof and we can't even be certain that we'll have electricity at certain times of day. When will things get better?

I can't answer the question, but I do know that South Africans are resilient people, so I have every faith that we will all pull through. There's no point in dwelling on things that are beyond our control, it's far more productive to invest our time and energy in things that we can control or at least influence.

In the 2nd edition of SF NEWS, you will be able to read about the resilience of spirit of a couple that recently attended one of our seminars, what people have been doing with their SF HELP loans – how about buying a generator to deal with the Eskom situation? – and many other interesting and useful articles. I hope that you enjoy this edition of SF NEWS, I'd love to hear from you if you have any feedback or suggestions regarding future editions of SF NEWS.

Yours sincerely

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The Editor

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FEATURE FILE

Mike and Irene Meintjes have lived in their home in Pinelands in the Western Cape for 33 years. They really love their home and the memories that it holds. It's an unconventional home by today's standards - nowadays most people have 8 feet high front walls that "hide" their properties from prying eyes on the street. Not the Meintjes, they have a largely decorative front wall that faces the street which is only 3 to 4 feet high! Not good for security, but by the same token, they have never felt like prisoners in their own home. Sadly, this is where things went wrong...

Mike was in Stellenbosch playing golf one day when two intruders gained access to their home and set upon Irene. While the experience must have been terrifying, Irene was fortunate that she blacked out during the ordeal, which appears to have startled the intruders who then panicked, ran away, and in so doing left behind the Meintjes' personal effects that they had intended to steal. We are happy to report that Irene has subsequently made a full recovery, although she admits to having been shaken by her living nightmare.

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SAHERPA KEEPS YOU SAFE, BUT ARE YOU?

To date, only two companies in South Africa claim to offer home equity release products, Seniors' Finance is obviously one of them!

Seniors' Finance successfully applied for accreditation by the South African Home Equity Release Protection Association (SAHERPA) late in 2007. SAHERPA's objective is to promote the well being of senior citizens by communicating the benefits of home equity release schemes in a responsible manner, and in accordance with SAHERPA's code of conduct. In order to be accredited by SAHERPA, companies that offer home equity release products need to be audited in order to confirm compliance with SAHERPA's code of conduct

Don't you think that it's a concern that consumers might apply for home equity release loans, when the provider of such loans has not been accredited by SAHERPA? Make sure your home equity release provider displays the following logo:

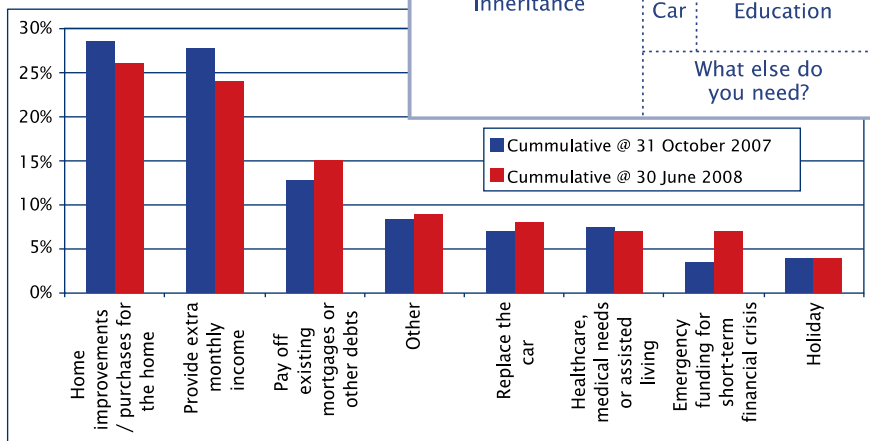


Visit www.saherpa.org.za for more information.

The FACTS

THE MONEY MAPPER

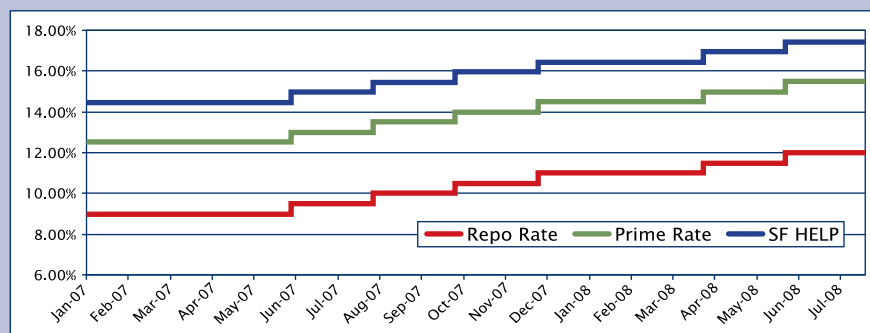
Let's see what borrowers have done with the proceeds of their SF HELP loans...



TAKING AN INTEREST...

A number of interest rate increases have been implemented by the South African Reserve Bank (SARB) over the last year. The supposed aim of these increases has been to keep inflation under control. Interest rates are simplistically the cost of money. SARB's increases in interest rates are then passed on to banks and credit providers, who unfortunately then pass these interest rate increases on to borrowers.

The graph below reflects changes to the Repo Rate (by SARB) and the effect that this has had on the prime interest rate, and in turn the interest rate applied to SF HELP loans in the year to 30 June 2008:



We are all hoping that interest rates will stop going up, and even possibly go down later in 2008, but who can tell what the future holds...?

WHAT'S ON THE GO? SEMINARS!

We held a number of successful client seminars around the country in the first half of 2008, and will do the same thing into the future. Keep an eye on our website for details...

In addition to our scheduled seminars, if you have a group of 30 or more people who would like to learn more about the concept of home equity release, give us a call - we would be happy to arrange a special seminar for your group free of charge! We also have DVD copies of a seminar we held in April 2008. So if you can't attend one of our seminars in person, we'd be happy to post you a DVD for you to watch.

PRODUCT PROBE: WHAT ARE THE MAIN FEATURES OF SF HELP?

To qualify	You and your spouse / partner must be 65 years of age or older. You must own and live in the property that you want to offer as security.
Loan Use	You can use the loan proceeds for whatever you choose - from meeting retirement needs to fulfilling retirement dreams.
Ownership	Seniors' Finance does not buy a share of your home. The loan is secured against your home. You continue to own your home, which means that you benefit from any future appreciation in its value, and you have continued rights of residence.
Drawdown Options	Lump sum or five equal annual installments. If you draw less than the maximum at the outset, and you set up an Express Top Up, you can access a portion of the remaining balance in the next five years. Additional loans may also be granted thereafter, taking into account your increased age and the increased value of your property.
No Regular Repayments	No monthly repayments need to be made, not even the interest, unless you choose to do so.
Interest	The loan rolls up over time as interest is added on a monthly basis. The interest rate is variable, and changes as the prime interest rate either increases or decreases.
Repayment	The loan will typically be repaid by your estate after you have passed away, which is why we describe SF HELP as a "lifetime loan". You can however repay the loan at any time that you choose, without any penalties whatsoever.
Loan Repayment Guarantee	As long as you have adhered to the terms and conditions of the loan, you will never have to repay Seniors' Finance more than the net sale proceeds of your property. We carry the risk for any short-fall.
Selling or moving	You would need to repay the SF HELP loan on moving, but could apply for a new loan using your new property.

GIFT HAMPER WINNERS!

Mike and Irene Meintjes were the lucky winners of a magnificent iKofi gift hamper containing a beaded coffee percolator, coffee, chocolate and biscotti, beautifully prepared and packaged by Johannesburg Child Welfare following their decision to share their story with our interested readers.

While their story is certainly traumatic and we hope that the police catch the perpetrators - they had not made any arrests at the date of publication of SF NEWS - the story thankfully did not have an entirely unhappy ending. We hope that the iKofi gift hamper, courtesy of Seniors' Finance, leaves a sweeter taste in the Meintjes' mouths than the bad taste that their scary story must have left.

Would you also like to share your story with us and our readers? If so, please contact the Editor (Nic Craig - telephone number (011) 269 0670). You could also win an indulgent iKofi gift hamper!

MEET DR. ALI BACHER

In every issue of SF NEWS, we profile different members of our team - our customers are then able to put a face to the people at Seniors' Finance that they have dealings with. In this issue of SF NEWS, we are proud to introduce Dr Ali Bacher, our Chairman. Dr Bacher has been involved in numerous exciting ventures over the years, for example he was the Managing Director of the United Cricket Board of South Africa, and an Executive Director of the 2003 ICC Cricket World Cup Organising Committee.



- **Job title:** Chairman of the Board & Independent Director of Seniors' Finance.
- **What is the best advice you have ever been given?** When I was still studying to become a doctor, one of our lecturers, Professor Du Plessis, told us that everyone is allowed to make a mistake, but one should not make the same mistake twice.
- **How has this advice changed your life?** I endeavour to live my life by learning from past experiences, and not living in the past.
- **What is the best thing about working with Seniors' Finance?** The product that we offer has, and still continues to benefit and change the lives of many retirees, who might not have had a chance to enjoy their golden years, had it not been for SF HELP.
- **Do you think there is a need for home equity release products in SA?** Yes, absolutely. Whenever I have hosted home equity release seminars around the country, consumers' relief is palpable in knowing that they now have another acceptable alternative in addressing their retirement needs or dreams. So, while peoples' circumstances differ, there has been an overwhelmingly positive response from consumers who now see SF HELP as a potential solution to their vastly different retirement financial circumstances.

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Horrendous events like this often give rise to people reassessing their situations, and the Meintjes were no different. Mike and Irene are however not the kind of people that dwell on the past, they try to make the best of every possible situation. They did not respond the way many South Africans seem to by immediately planning their emigration to Australia (which they could easily have done as one of their children lives in Brisbane), they rather decided to deal with the crux of the problem - improve their security at home!

The catch was that, like many of us, they did not have the cash that was necessary to install a new alarm system and put up a palisade fence along the front of their property. Mike tells us that he did not want to sell some of the shares that he owns, as markets had been under pressure, with the effect that if he had sold his shares to pay for the security upgrade, he would have effectively locked in a loss. As a result, the possibility of releasing some of the equity that was tied up in their home was certainly a viable alternative. The Meintjes would then be able to continue living in the home that they treasure, they could improve their security position at home by erecting the new palisade fence and installing an alarm, and their disposable income would not be impacted in any way as home equity release loans like SF HELP do not need to be repaid on a monthly basis, not even the interest!

We are relieved that Irene has survived her traumatic ordeal, but are equally heartened by the Meintjes' resolve to stay in South Africa (subject of course to them addressing their security concerns). It was also encouraging that Seniors' Finance was able to play a constructive role in offering a potential solution to the Meintjes' unique situation. Your situation will almost certainly be different to the Meintjes' situation, all the same, how could Seniors' Finance possibly help you....?

FEEDBACK FORUM

In the Feedback Forum, we like to give SF NEWS readers some of the feedback that we have received from customers in the context of their enquiries or applications for SF HELP loans.

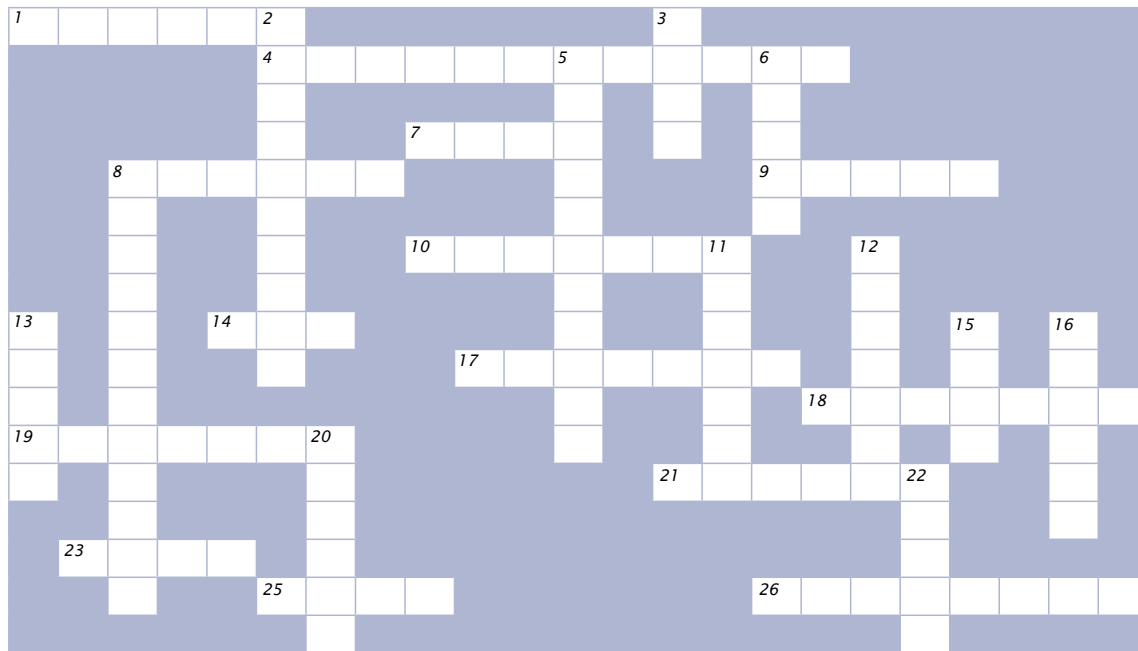
Ms B from Goodwood: "This will go a long way towards helping alleviate a personal financial crisis - ongoing since 2005"

Ms H from Cape Town: "It is wonderful to know that people like yourselves take an interest in seniors citizens"

Mrs K from Durban: "We much appreciate the help, guidance and follow-up you provided... we wish you every success"

If you have any feedback - good or bad - we would like to hear from you. Please send your feedback to the Editor (see contact details on the first page of SF NEWS).

QUICK CROSSWORD



Down

- 2. german dish of pickled cabbage (10)
- 3. voice above tenor (4)
- 5. forewarning (11)
- 6. complain (5)
- 8. an advanced stage or system of social development (12)
- 11. person who is disloyal (7)
- 12. christen (7)
- 13. surprise greatly (5)
- 15. british slang for one pound sterling (4)
- 16. zulu slang for SA (6)
- 20. place of learning (6)
- 22. become less stiff or rigid (5)

Across

- 1. arrogant pride or presumption (6)
- 4. study of mankind (12)
- 7. lazy, not in use (4)
- 8. lemon, lime, orange, grapefruit (6)
- 9. written or spoken language (5)
- 10. composition for 5 voices or instruments (7)
- 14. squeeze tightly in one's arms (3)
- 17. creature with eagle's head and wings with lion's body (7)
- 18. alike (7)
- 19. enthusiastic (7)
- 21. famous national park in SA (6)
- 23. extinct bird (4)
- 25. head of catholic church (4)
- 26. make a hole by digging (8)

HEALTH SNIPPET: ORAL HYGIENE

Very often taking care of our teeth and gums is the last thing we think of, that is of course until the pain starts. The good news is that with the technological advance of dentistry and oral hygiene awareness, today seniors can expect to keep most if not all their own teeth. This makes it especially important to maintain regular oral hygiene habits and visits to a dental professional. As one ages, you can expect to make a few small changes in the way you clean your teeth and mouth.

Do I need to care for my dentures (or false teeth)?

Yes, you should treat your false teeth in the same manner that you care for your natural teeth. They should be cleaned each night and put in water. If there are any changes in the way your dentures fit your mouth you should see a dental professional.

Do I need to worry about getting cavities?

Yes, if you have one or more of your natural teeth, then you

still have a chance to develop a cavity. Seniors are more likely to have cavities develop around the root of the tooth. It is important to maintain a regular schedule of daily brushing and flossing throughout your lifetime.

What if it's too difficult to brush?

If it becomes difficult to hold a toothbrush or to floss, talk to your dental professional about finding an alternative that will work for you. There are modifications that can be done to make brushing easier for you.

Why is my mouth dry a lot of the time?

Dry mouth or xerostomia occurs when the glands that produce saliva stop working due to disease, medications or due to cancer treatment. This lower level of saliva or lack thereof can increase the potential of developing cavities because your saliva is a natural cleanser in your mouth and helps to wash away bacteria from your teeth.

Source: Health Canada

DID YOU KNOW: PENSIONER SPECIALS

Did you know that Alexander Forbes is one of Seniors' Finance's shareholders? One of Alexander Forbes' businesses is Alexander Forbes Insurance, a specialist, dynamic team focused on developing and marketing a range of personal insurance products (like home-owner's and household contents insurance) to individuals.

Alexander Forbes Insurance offer a product called "55 Plus" to qualifying customers. Some of the benefits of this senior citizen-orientated product include discounted premiums and really low excesses.

If you would like us to get Alexander Forbes Insurance to provide you with a no-obligation quotation so that you can assess the competitiveness of your existing cover, please call us on 0860 SENIOR / 0860 736 467.