

CABGOC Retirement Savings Plan

Frequently Asked Questions (FAQ'S)

1. Who is eligible to participate in the Retirement Savings Plan Program?

All Angolan payroll employees, under a permanent employment contract.

2. What is the range of percentage contribution allowed for participants?

Contributions can range between 3.3% up to 15% of your monthly basic salary.

3. When and how can I change my contribution?

You can change the percentage contributions every quarter (January, April, July and October). The cut-off date for submission is every 10th of the said months.

To change your monthly contributions, access the [e-benefit application](#) and submit the request under the Retirement and Savings plan module.

4. What is the company matching contribution?

The company will match employees' contributions with a fixed 6.7% of employee base salary.

5. What options do I have for investing my and the Company's contributions?

There are four available investment options in the plan:

- International Money Market Fund: the fund invests in market securities such as certificates of deposit. This fund has relatively low risk and return compared to the other investment options.
- International bond Fund: the fund invests in bonds with an average maturity between three and 10 years. It is a low to medium risk investment. The return is usually better than money market funds but less than equity funds.
- International Equity Fund: the fund invests in the stock. Is the most volatile of the three, with their value sometime rising and falling sharply over a short period.
- Chevron Stock Fund: the fund invests only in Chevron stock, and returns are based solely on the performance of Chevron. This fund has the highest risk.

6. When can I change the percentages in my portfolios?

You can change your investment allocations for both future contributions (new money) and existing balance (interportfolio transfers) once each quarter. Go to the [Futurix Portal](#) > Allocation instruction and enter the required information.

7. What is vesting?

Is the percentage of the Company's matching Funds and interest you will be entitled to when your employment with CABGOC ends. Vesting is based upon your years of participation in the Plan.

8. I lost my credentials. What should I do?

For security reason we do not have access to your login credential. You can request your credentials by accessing the [Futurix Portal](#). Please refer to the [Lost credential guideline](#) for more details.

9. What happens if leave CABGOC before I'm fully vested?

If your employment ends before you are fully vested (completed 10 years of participation in the plan), or you are dismissed for any cause, you will receive your contributions plus any earnings on those contributions and the percentage of company contribution that you are entitled to when your employment ends, plus any earnings on those contributions. Please see the vesting table for your reference.

10. When can I withdraw from the plan?

As the Savings Plan is for your retirement needs, contributions to the Plan are your retirement savings and participants are not permitted to withdraw their balances before their retirement or separation from the Company. However, as a participant you have the option to request a loan from your contributions to the plan.

11. What are the general rules regarding the loans?

Loans are permitted from the plan; however, you must meet the following criteria:

- Employee must have been in the plan for at least one year.
- There is a one year waiting period between each loan.
- Employee loan amount is taken from employee contributions only.
- The employee's balance must never be less than USD500.
- The minimum loan amount is USD500.

To request, go to the [Futurix Portal](#); > click on Loan request and enter the required information.

12. What are the disadvantages to take a loan from the plan?

There are some disadvantages to request a loan from the plan:

1. You will remove it from your investment in the market, forfeiting any potential gains.
2. You will contribute less to your retirement plan because a portion of the new contribution goes toward paying off the loan.
3. If you leave the company with an outstanding balance, you will have less money to take home.

4. When an employee takes a loan from their savings plan, generally, the interest is calculated based on the reduced balance.

13. What's is the impact of the 25% rule on my loan request?

There is no applicability to your loan as it is only applicable to the company debt; however, it will affect the available money you need to borrow due to the repayment amount and schedule.

14. What is the last date to submit a request (loan or allocation instructions) in the Futurix portal?

Any loan or allocation request must be submitted in the [Futurix Portal](#) by 25th of each month.

15. If I borrow/ withdraw funds from my Savings account, how long does it take to reflect in my bank account?

Funds may only reflect in the employee's provided bank account within 60 days of the request.

16. If I borrow an amount that my repayment schedule value, it's higher than my liquid salary what would happen?

The payroll administrator will look at your debit card contribution and/or Savings contribution to make provision for the payment.

17. If I request a loan of 70.000,00 from my savings account to repay in 3 years, how much I will be repaying and what is the impact in my salary?

Take home pay (net pay) is the net income amount paid to employee after withhold payroll deductions and voluntary deductions. The net pay formula is:

$$\text{Net pay} = \text{Gross Pay} - \text{Deductions}$$

To help you calculate net pay, you need to know how much to withhold in taxes and deductions.

Consider this example to help you figure out what your take home pay is:

Your base salary is \$9.000,00 a month and you receive a lunch allowance of 288.00. your total gross earning is \$9,288.00.

Your deductions are:

- *IRT = \$1,857.60*
- *Social security = \$278.64*
- *Housing debt = \$607.64*
- *Medical Copay = \$100*

- *Savings monthly contributions (15%) = \$1,350.00*
- *Debit card (15%) = \$1,350.00*
- *Loan repayment amount = \$1,944.44 (70,000.00 ÷ 36)*

Net pay = \$9,288.00 - \$1,857.60 - \$278.64 - \$607.64 - \$100 - \$1,350.00 - \$1,350.00 - \$1,944.44 = \$1,619.68

Your net pay is \$1,619.68

18. I have a family emergency and I'm already repaying another loan. Can I request another loan?

No. Hardship loans are not allowed.

19. Can I suspend my monthly loan repayment for a certain period?

No, the repayment will continue until the loan is repaid in full.

20. Can I readjust my loan repayment to finish payoff earlier or in full?

No, once your loan is approved, the deductions will be activated, and repayment schedule must be followed.

21. Why can't I request a loan as soon as I finish paying off the other?

In situations of distress, we may request a loan from our fund. The waiting period between loans from a retirement fund is designed to:

- prevent excessive indebtedness: It helps avoid the risk of taking multiple successive loans that could harm long-term retirement savings.
- administrative cost: Frequent loans can increase complexity and administrative costs, so the waiting period helps manage these costs.
- discourage mismanagement of funds: It ensures the retirement fund is used appropriately and not for short-term financial issues.

22. Why can't the percentage of the Savings contribution be increased to above 15%, for example, to 40%?

Savings plan is a corporate plan designed primarily to help employees save for retirement and provide a long-term return on investments made. For this reason, its creation and implementation considered the following:

- cash flow maintenance: It's important to maintain regular cash flow so that investments can yield returns in a timely manner.
- investment risk: Higher contributions, such as 40%, could significantly restrict a worker's ability to manage current expenses.