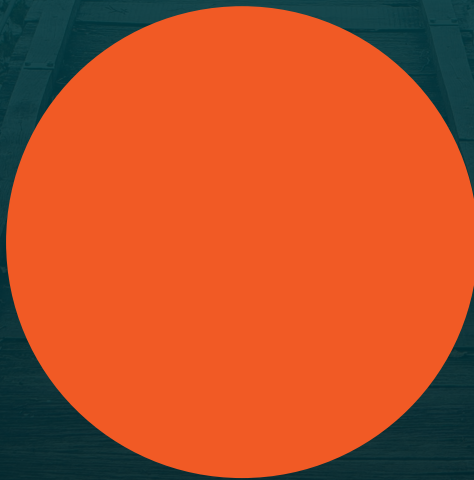




# Discretionary Income Plan



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# Discretionary Income Plan overview



## What is it?

- It's a unit trust wrapper with no administration fee.
- You can consolidate your discretionary investments on a single administration platform.
- The value of the investment and investment returns will depend entirely on your selection of unit trusts.



## Who is it aimed at?

The Discretionary Income Plan is restricted to any client (and their spouse) who has an existing AFICA product that pays an administration fee, including members of the Alexander Forbes Retirement Income Solution, the Alexander Forbes Retirement Fund (Pension Section) Living Annuity and Alexander Forbes Retirement Fund (Provident Section) Living Annuity.

**Note:** The plan is not offered as a standalone product.




## What is the minimum investment?

- You can invest a minimum of R500 a month and/or R 30 000 as a lump sum.
- Top-ups and transfers will be accepted.



## What are your tax liabilities?

- You'll pay income tax on income earned while invested. You'll pay capital gains tax when disinvesting or transferring.
- Alexander Forbes Individual Client Administration (Pty) Ltd will give you a tax certificate at the end of each tax year.

A photograph of three people kayaking on a river. The kayakers are wearing helmets and life jackets. The water is dark and rippling. The background shows a forested shoreline under a bright sky. The image is partially obscured by a large teal circle on the left side of the page.

## What are the features?

### Withdrawal

- You can make regular or discretionary withdrawals from a particular unit trust or a combination of unit trusts.

### Governance

This investment is regulated in terms of the:

- Collective Investment Schemes Control Act
- Securities Services Act
- Income Tax Act
- Financial Advisory and Intermediary Services Act

### Investment term

The investment term is flexible.

### Beneficiaries

- You cannot nominate beneficiaries.
- The investments will form part of your deceased estate if you pass away.

### Security cession

- You can transfer your investment as security for any of your debts.

### Outright cession

- You can transfer your investment by way of an outright cession.

### Contributions

- There's no minimum initial contribution, after which top-ups and debit orders will be accepted.

# Are there any fees?

## Administration fees

- There is no administration fee.

## Advice fees

- We'll deduct the advice fee you have agreed with your financial adviser.
- We'll pay your financial adviser this fee every month.

## Notes

### Unit trusts available

- There is a variety of investment portfolios available. For details of these, refer to your member application form.



## Benefits of consolidating with this plan?

- One combined unit trust statement
- One website to view all online values
- Easier to switch and rebalance unit trusts
- One income tax and capital gains tax certificate each year
- One income payment made from various unit trusts
- Access to more comprehensive holistic financial planning

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