



The Preservation Pension Fund



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About this investment

Glacier Financial Solutions (Pty) Ltd (Glacier) is a licensed financial services provider authorised to act as an administrative FSP. Glacier will administer this investment through their Glacier Partners: Alexforbes division. We provide the investment platform and execute your instructions. You select the underlying investments and instruct us when and how to adjust your investment.

Your Alexforbes appointed financial adviser will provide you with advice and help you manage your investment to make sure that you stay on track with your goals.



What is it?

A secure, tax-efficient preservation vehicle that provides access to a variety of investment portfolios.



Who is it aimed at?

Members who want to preserve their fund benefit by transferring it from another pension or provident fund, tax free.



What are the tax benefits?

There is no income or capital gains tax on the investments in the fund.



Which portfolios can you invest in?

- You can choose a **maximum of five investment portfolios** to invest in.
- You can also switch between portfolios from time to time.
- Your investment portfolio selection must comply with the investment limitations set out in Regulation 28 of the regulations issued under the Pension Funds Act 24 of 1956 as well as the exchange control restrictions by the South African Reserve Bank.



What is the minimum investment?

R30 000 or more is accepted as a tax-free transfer from another fund.

What are the features?



Governance

This fund is registered and will be regulated in terms of the:

- Pension Funds Act
- Income Tax Act
- Financial Advisory and Intermediary Services Act

Investment choice

- You choose from a variety of investment portfolios to preserve your transfer amount.
- You can align your choice of investment portfolios to your personal financial goals and risk appetite.

Retirement

Depending on your age, if you opted into the two-component system or if you've changed funds, you may have retirement savings in some or all of these components. The table below illustrates your options at retirement.

"Your Components "	Members aged 55 years or older on 1 March 2021 that did not join the two-component system	Members aged 55 years or older on 1 March 2021 - that joined the two-component system	Members aged 55 or older on 1 March 2021 and have changed funds	Members younger than age 55 on 1 March 2021 automatically join the two-component system
Savings Component - One-third of your ongoing contributions from 1 September 2024	✗	✓	✓	✓
Retirement Component - Two-thirds of your ongoing contributions from 1 September 2024	✗	✓	✓	✓
*Vested Component contains the money you saved to 31 August 2024 (less seed capital)	✓	✓	✓	✓
Non vested money is the money you saved between 1 March 2021 and 31 August 2024 or 1 March 2021 to the date you changed funds	✗	✗	✓	✓

Withdrawal

- Once-off full or partial lump sum withdrawal before retirement.
- *You can make one withdrawal per tax year (1 March to 28 February) from your savings pot. Minimum withdrawal amount of R2 000 are allowed.
* All cash taken is subject to tax.
- On 1 September 2024 10% to the maximum of R30 000 of your vested pot (money you saved as at 31 August 2024 will be transferred to your savings pot. This is called seed capital.

Death

- You can nominate beneficiaries to receive your benefit in the event of your death.
- This assists trustees to allocate your death benefit, following their investigation to determine dependency in terms of Section 37C of the Pension Funds Act.
- Lump sum benefits above the legislated tax-free portion are taxed.
- If the beneficiary buys an annuity, the regular payment from the annuity will be taxed.

Security cession

You can't transfer this policy as security for any debts.

Outright cession

The policy can't be transferred by way of an outright cession.

Contributions

No regular or ad hoc contributions are allowed.



Are there any fees?



Fees are charged for the administration and management of your investment. The annual administration fee and the annual financial intermediary fee are deducted by repurchasing units from the investment.

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.

Administration fees

Standard administration fee (excluding VAT), based on percentage of assets under administration each year:

- 0.75% on the first R250 000
- 0.50% on the next R500 000
- 0.25% on the next R250 000
- 0.225% on the next R9 000 000
- 0.10% on the amount above R10 000 000
- Minimum fee of R30 a month

If you're invested in a select range of investment portfolios through Alexforbes Financial Planning Consultants, the below discounted administration (including VAT) fee will apply:

- 0.45% on the first R1 000 000
- 0.25% on the next R1 500 000
- 0.20% on the next R5 000 000
- 0.125% on the amount above R7 500 000

Notes

Investment management fees:

- The managers of the investment options you select will charge a fee. These fees are set out in fund fact sheets.

Value-added tax (VAT) payable on fees.

- VAT is payable on fees where applicable.

Important information

The Preservation Pension Fund is registered with the Registrar of Pension Funds and approved by the Commissioner of South African Revenue Services.

Registration number: 12/8/15227/1

Tax approval code: 18/20/4/011354

Registered address: Alexforbes, Glacier Place, 1 Sportica Crescent, Tyger Valley, Western Cape, 7536

The rules, financial returns and actuarial valuation of the fund may be inspected at the registered address given above.

Glacier Financial Solutions (Pty) Ltd administers the product and is a licensed financial service provider (FSP 770). A member of the Sanlam Group.
Reg No 1999/025360/07.

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