



The Retirement Annuity 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?

This is a secure, tax-efficient investment vehicle that has access to a variety of investment portfolios priced similar to pricing levels paid by employer funds.



Choosing a portfolio

- 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.



Who is it aimed at?

Eligible individuals who:

- have not yet made provision for retirement and would like to start
- want to supplement their retirement funding with maximum tax efficiency



What is the minimum investment?

You can invest a minimum of **R500** each month and/or **R30 000** as a lump sum.



What are the tax benefits?

There is no income or capital gains tax.

What are the features?

Investment choice

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

Death

- Nominate beneficiaries who'll receive your benefit should you die.
- 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 tax-free portion are taxed.
- If the beneficiary buys an annuity, the regular payment from the annuity will be taxed.

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

Retirement

At retirement:

Vested pot - Money saved until 31 August 2024 - Less the seed capital

- You must use at least two thirds of this money to set up and income at retirement.
- You can take up to one third of this money in cash.

Savings Pot - One third of your ongoing contributions from 1 Sept 2024

- You can take all the money in cash or
- Use it to create an income for retirement.

Retirement Pot - Two Thirds of your contributions made from 1 Sept 2024.

- You must use this money to set up your income for retirement.
- If the amount in your retirement pot plus two thirds of your vested pot is less than R165 000 then you can take this money in cash
- All cash taken is subject to tax.

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

From 1 September 2024, one-third of your ongoing contributions will go into the savings pot and two-thirds into the retirement pot.

The money you saved, as at 31 August 2024 will remain invested and continue to grow. This is called your vested pot. You can choose from a variety of contribution rate options.

- You can change your contribution rate from time to time.

Withdrawal

- You can only withdraw your benefit on formal emigration from South Africa.
- * 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 take is subject to tax
- On 1 September 2024 10% to the maximum of R3000 of your vested pot (money you saved as at 31 August 2024) will be transferred to your savings pot. This is called seed capital.





Are there any fees?

Advice 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. e'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 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

Registration number: 12/8/16005/1

Tax approval code: 18/20/4/012633

Registered address: Alexforbes, Glacier Place, 1 Sportica Crescent, Tyger Valley, Wester 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 policy and is a licensed financial service provider (FSP 770). A member of the Sanlam Group
Reg No 1999/025360/07

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