



# Sanlam Personal Portfolios Preservation Funds

# Prepare for Retirement



Saving enough for retirement is one of your greatest priorities, and probably also one of your biggest concerns.

You can start laying the foundation for a bright future today with a choice of retirement saving solutions from Sanlam Personal Portfolios.

**Whichever option you choose, we will help you retire with confidence.**

**What do my intermediary and I consider before investing?**

- ① Your investment objectives
- ① Your time horizon
- ① Protection from inflation
- ① Investments that best suit your needs

## Preserve and grow your retirement savings when you leave your employer

Building wealth often requires a move from one employer to another. Preserve your existing retirement savings in a flexible investment and continue working towards your goal of a comfortable retirement.

### Preservation Pension Fund vs Preservation Provident Fund

Preservation Pension Fund	Preservation Provident Fund
Can only receive funds from an employer's registered pension fund.	Can only receive funds from an employer's registered provident fund.
Can pay up to one-third of the benefit as a lump sum on retirement. The remaining two-thirds must be used to purchase a product that provides an income, such as a living annuity.	Can pay the entire benefit as a lump sum when the member retires, although only one-third of this payment will be tax exempt.

2

## A sensible foundation for a comfortable retirement

You can invest the proceeds of your pension or provident fund in one of our Preservation Funds if you leave your employer. You cannot make regular contributions to your preservation fund.

The Sanlam Personal Portfolios Preservation Funds offer:

- ④ **Continuity:** Your accumulated retirement capital is preserved. On retirement, you can seamlessly transfer your retirement savings to a retirement income product, such as a living annuity, with Sanlam Personal Portfolios.
- ④ **Protection:** Your preservation fund investment will be protected against creditors.
- ④ **Tax-efficiency:** No tax is payable on interest, dividends or capital gains.
- ④ **Access to your money:** You can make withdrawals before retirement, but only within the first three years of your membership of the preservation fund. Although a withdrawal may not be advisable, you may withdraw all your money or part thereof within the mentioned three-year period. In accordance with legislation, no further withdrawals are allowed after the first three years.

## Making the investment

You can contribute to a preservation fund by transferring your benefits from another approved fund where your membership has been terminated. A minimum lump sum investment of N\$100 000 is required.

You can invest in a way that suits your particular tolerance for risk and unique financial circumstances.

## You have access to your funds

### Withdrawal

You are allowed to make unlimited withdrawals from the fund in the first three years. Up to 100% of the underlying fund value can be withdrawn. After the first three years no withdrawals are allowed, and any remaining amount will then remain invested until retirement, death or disability.

### Retirement (including early retirement due to disability)

You may retire from the fund at any time from the age of 55 until 70. In the case of a preservation pension fund, you will be able to take up to one-third of the benefit as a tax-free

lump sum payment, while you will be able to take up to 100% of the benefit as a tax-free lump sum payment in the case of a preservation ovident fund, although only one-third of this lump sum will be exempt.

Any remaining amount must be used to buy an annuity to provide you with an income during retirement.

### Death

If you die before becoming entitled to a retirement benefit, the value of the underlying investments will be available to the dependants. In accordance with law, however, the trustees of the fund make the final decision about how and to whom the benefit is to be allocated, after taking into account your dependants' needs.

## Tax will only affect your investment when an amount is paid out

Tax is payable when you exit the fund at retirement, disability or death, or if a portion of your investment is withdrawn.

### Withdrawals

A tax directive is required for any withdrawal from the fund above N\$50 000 per tax year. Withdrawals of less than N\$50 000 per tax year are taxed at the minimum individual tax rate.

## Administrative aspects

### You are in control

Sanlam Personal Portfolios, as the administrative financial services provider, administers the investment. We provide the investment platform and execute your instructions. You select the underlying investment options and instruct Sanlam Personal Portfolios, when and how to adjust your investment. Your financial intermediary will provide you with advice and help you manage your investment in accordance with your retirement objectives and tolerance for risk.

Within our retirement saving solutions, you can:

- ④ invest your money in a range of investment options;
- ④ structure your investment in accordance with the level of risk you are willing to tolerate;
- ④ switch between investment choices as your needs and circumstances change, and
- ④ obtain around-the-clock online access to view and transact on your investments.

## Available investment options

- ④ We offer a wide range of collective investment funds, managed by respected collective investment management companies, with exposure to a variety of asset classes.
- ④ You may also invest in wrap funds, managed by discretionary investment managers.

Investments may be subject to limitations in terms of the asset types and asset spread, and the percentage of local investment required by the Namibian legislature from time to time.

### We empower your intermediary to help you make appropriate decisions

Our research team conducts ongoing, robust fund research and provides valuable insights to help intermediaries make informed investment choices for their clients.

## Wrap funds

**A wrap fund is a portfolio consisting of underlying collective investment funds managed or “wrapped” according to a specific investment mandate.**

## Investing is not without risk, and returns are not guaranteed

Financial markets are unpredictable and fluctuate daily. The value of your investment can therefore rise and fall, and there is no guarantee, either with respect to the capital or the return on the investment. Your financial objectives and personality determine how much risk you are willing to take on, and your intermediary will help you determine the level of risk that is right for your personal circumstances.

## Fees and charges are payable

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

### Sanlam Personal Portfolios' administration fees

We charge an annual administration fee. If you wish to enhance your investment with wrap fund options, additional fees will apply.

### Financial intermediary fees

You and your financial intermediary agree on the fees for financial advice and services provided. You may renegotiate these fees at any time.

### Investment management fees

The managers of the collective investment funds in which you invest via our platform will charge a fee.

The fees are set out in the application form, investment confirmation, applicable mandates and fund fact sheets.

### Value-added tax (VAT) payable on fees

VAT is payable on fees where applicable.

# Let us exceed your expectations



We value our clients and want to provide you with the best service. That is why we welcome your feedback. If you are dissatisfied with any aspect of our service or products, please tell us. Our team will investigate and aim to resolve the matter in a fair and efficient manner.

