

Sygnia Pension and Provident Preservation Funds

Preserve your investment capital

Product Benefits:

Tax-free growth

The perfect way to safeguard your retirement savings

Changing jobs? Retrenched? This fund is the perfect way to safeguard your retirement savings should you no longer be able to continue your membership in your employer's Pension or Provident Fund. By transferring your retirement savings to the Sygnia Preservation Funds you can preserve your investment capital, as well as the tax benefits you accumulated through your retirement plan.

Overview

Purpose	Preserve existing retirement benefits
Minimum Contribution	R50 000 initial
Access	One withdrawal pre-retirement allowed
Key Features	Ideal for job changes, maintaining tax benefits

Real people. Real Questions.

Who should invest?





The Sygnia Pension and Provident Preservation Funds are most suitable for:

- Individuals who are leaving employment as a result of resignation, retrenchment or dismissal and want to preserve their retirement savings;
- Savers whose employer has closed down their existing occupational retirement fund;
- Non-member spouses awarded a pension interest in a spouse’s retirement fund as part of a divorce order who wish to transfer that interest to a separate preservation fund.

What investments make up the Sygnia Pension and Provident Preservation funds?

Any unit trusts, unitised life funds, exchange traded Funds (ETFs) or exchange traded notes (ETNs) available on the Sygnia Investment Platform. Please note that your investment choice must comply with Regulation 28 of the Pension Funds Act. Once invested in the Sygnia Pension or Provident Preservation Fund, we will monitor the compliance for you on a monthly basis.

The key elements of Regulation 28 impose the following limits to your investments:

Strategic asset allocation	Percentage	Allocation
Domestic and international equity	75.0	
International investments	45.0	
Domestic and international property	25.0	
Hedge funds	10.0	

*Fund allocation will be split proportionately across all components

When can I withdraw from my investment?

Via a Savings Component Withdrawal. This gets processed from the funds in your savings component as per the two-pot retirement system. The Sygnia Preservation Funds also allow for one full or partial withdrawal from your investment prior to retirement from the vested benefit in your Vested Component. The withdrawal will be subject to the relevant withdrawal tax tables.

Are there contribution limits?

Minimum contribution of R50 000



When can I access my investment?

You can access your investment by retiring from the Sygnia Preservation Fund/s after your 55th birthday, or earlier if you are permanently disabled due to injury or illness. At retirement you may withdraw all the funds in your Savings Component in cash, or you can transfer the funds to your Retirement Component to purchase an annuity. All the funds in your Retirement component must be used to purchase an annuity unless the value of the Retirement Component plus ($\frac{2}{3}$) of the non-vested benefit in your vested component is less than R165 000.

You may also access 100% of the funds in your vested benefit as cash or use it to purchase an annuity. Up to $\frac{1}{3}$ of the funds in your non-vested benefit can be taken as cash, the rest would need to be used to purchase an annuity. At retirement the portion of your Sygnia Preservation Fund/s transferred to a post-retirement annuity, such as a Living Annuity, is free of tax. The portion taken as cash may be subject to tax.

What are the tax benefits of the Sygnia Preservation Funds?

The Sygnia Preservation Funds offer you the same significant tax benefits you obtain by saving through an occupational pension or provident fund:

- All taxable growth, including interest income, net rental income, dividend income and capital gains, is free of tax.
- At retirement from the Sygnia Preservation Funds, the portion of the accumulated benefit transferred to a post-retirement pension product, such as a living annuity, is free of tax. The portion taken as cash may be taxed.

Ready to apply?

Submit your application online by visiting our website and clicking on “Open an Account”. Alternatively, you can contact the Sygnia Client Service Centre on 0860 794 642 (0860 SYGNIA) if you need any assistance.

Required documentation

- Copy of South African green barcoded ID/ South African Smart ID Card, or valid passport (if a foreign national).
- Proof of residential address less than 3 months old.
- Proof of bank details not older than 3 months.
- Proof of deposit/transfer into the relevant Sygnia bank account.
- If a unit transfer is required, please provide a recent statement of your current investment.

I've already opened a Sygnia Preservation Fund – how do I transact online?

The Sygnia Alchemy Online Portal is a one-stop online solution to your investment and retirement planning needs. Visit our website and click on “Log in” to access your secure online account or to register.

Need more help?

Don't miss out on this opportunity to invest with confidence and serenity. Contact your financial advisor or visit sygnia.co.za to find out more about the Sygnia Pension and Provident Preservation Fund.

Disclaimer

All Sygnia Products named above and information provided is of a general nature and are not intended to address the circumstances of any particular individual or entity. We are not acting and do not purport to act in any way as an advisor or in a fiduciary capacity. No one should act upon such information or opinion without appropriate professional advice after a thorough examination of a particular situation. We endeavour to provide accurate and timely information, but we make no representation or warranty, express or implied, with respect to the correctness, accuracy or completeness of the information and opinions. We do not undertake to update, modify or amend the information on a frequent basis or to advise any person if such information subsequently becomes inaccurate. Any representation or opinion is provided for information purposes only. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from Sygnia Collective Investments (RF) Pty Ltd. Terms and conditions and all product marketing disclosure documents can be found on the Sygnia website. Additional information, including application forms and annual or quarterly reports can be obtained from the Manager, free of charge.