

**LIVING ANNUITY APPLICATION**

To be completed by employer and member

- All sections must be completed in full using BLOCK LETTERS.
- Please indicate all options selected by means of a cross (X).
- To enable Acravest to process this form, please ensure that it is completed in full and that the information provided is accurate.
- Please sign next to any amendments made on this form.

**SUPPORTING DOCUMENTATION**

(Copies of the supporting documentation are sufficient as long as all text and photographs are clear and legible).

- The following outlines the supporting documentation required in terms of the Financial Intelligence Centre Act, No.38 of 2001 (FICA) as well as other documents required by Acravest. This documentation is necessary in order for the relevant Fund to verify the details as provided in this application.

- Copy of ID or Passport (for foreign national) bearing ID or Passport number and photograph
- Proof of SA income tax number (e.g. any SARS issued document bearing name and tax number)
- Proof of residential address (e.g. bank statement, utility bill or telephone account less than three months old)
- Proof of banking details (e.g. bank statement or cancelled cheque less than three months old)
- Statement by transferring fund (complete section F)
- Recognition of transfer (or such other form or information as may be required by the South African Revenue Service)

**FUND (TRANSFERRING TO)**

- iRetire Pension Fund
- iRetire Provident Fund
- iRetire Retirement Annuity Fund

**INVESTOR DETAILS**

New investor  Existing investor  Investment number

Full names

Surname

ID or Passport number (if foreign national)

Date of birth         South African resident: Yes  No  Gender: M  F

Are you a registered taxpayer? Yes  No  If yes, specify income tax number

Physical address

Postal address

Telephone number  Cellphone number

Fax number

E-mail address

**ACTING ON BEHALF OF AN INVESTOR\***

\* e.g. Guardians/Persons with Power of Attorney or mandate acting on behalf of disabled or insolvent persons. Please forward proof of authorisation.

Full names

Surname

ID or Passport number (if foreign national)

Physical address

Postal address  Postal code

Telephone number  Cellphone number

Fax number

E-mail

**DEPOSIT DETAILS**

Lump sum contribution:

\* Pension consideration RANDS  CENTS

\* Date of deposit/transfer

Please note: The Fund requires proof of transfer or deposit before this application can be processed. Electronic transfers may not reflect immediately.

**TRANSFERRING FUND DETAILS**

**Transferred from:** Pension Fund  Provident Fund  Retirement Annuity Fund  Transferred from another insurer (Directive 135)

iRetire Retirement Annuity

Registered name of transferring fund/Insurer

Postal address of transferring fund /Insurer

Contact telephone number

SARS Fund approval number

FSCA Fund approval number

Name of administrator

Address of administrator

Details of any other condition set out by transferring fund

I, the undersigned, duly authorised, declare on behalf of the Fund that all the above information is correct and that the rules of the Fund permit the transfer to the iRetire Pension/Provident Fund or iRetire Retirement Annuity Fund.

Name  Signature

Capacity: Trustee  Fund administrator



## ANNUITY PAYMENT OPTIONS

A living annuity allows you to set your income level subject to constraints imposed by the authorities from time to time and allows you to select a wide range of investment strategies in respect of the capital that will generate the annuity.

The level of income you select is not guaranteed for the rest of your life. The level of income you select may be too high and may not be sustainable if:

- you live longer than expected with the result that the capital is significantly depleted before your death; or
- the return on the capital is lower than that required to provide a sustainable income for life.

It is your responsibility (in consultation with your financial advisor) to ensure that the income that you select is at a level that would be sustainable for the rest of your life. You need to carefully manage your income drawdown relative to the investment return on the capital in order to achieve this. The table below can be used as a guide.

Years before your income will start to reduce

		INVESTMENT RETURN PER ANNUM (BEFORE INFLATION & AFTER ALL FEES)				
		2.50%	5.00%	7.50%	10.00%	12.50%
ANNUAL INCOME RATE SELECTED AT INCEPTION	2.50%	21	30	50+	50+	50+
	5.00%	11	14	19	33	50+
	7.50%	6	8	10	13	22
	10.00%	4	5	6	7	9
	12.50%	2	3	3	4	5
	15.00%	1	1	2	2	2
	17.50%	1	1	1	1	1

It is important to note that the table above assumes that you will adjust your percentage income selected over time to maintain the same amount of real income (i.e. allowing for inflation of 6% per annum). Once the number of years in the table above has been reached, your income will diminish rapidly in the subsequent years.

Please ensure that your financial advisor has explained both the advantages and the risks of the living annuity and compared these against conventional annuities (where the insurer carries the full investment risk and the risk of you living longer than expected).

The table is a general guideline and should be considered taking into account each annuitant's financial situation and all other sources of income. It is an indicative guideline only, to assist you in making informed decisions in respect of your annuity.

SOURCE: ASISA Standard on Living Annuities; 2009

**Please note:** In terms of current regulatory requirements, the minimum annuity payment is 2.5% per annum and the maximum annuity payment is 17.5% per annum.

Selected percentage: 2.5%  5%  10%  17.5%  Other   %

OR Selected rand value: RANDS  Selected rand value is gross of tax

Apply a special tax rate: Yes  No  If yes, specify rate   %

Income to be paid out:

Monthly  Quarterly  Biannually  Annually

Payments will be made on the first business day following the chosen period.

## INVESTMENT STRATEGIES

The investments held in your living annuity are made up of underlying types of assets. These underlying assets have different levels of risk and return associated with them. You should consider the overall composition of your living annuity in terms of these underlying assets. Too high a proportion of risky assets means there is a risk of losing capital; too low a proportion of risky assets means there is a risk that investment returns will be too low to sustain your income. The following is a broad reflection of the provisions of the investment regulations under the Pension Funds Act, and can be used as a general guide to assess the overall asset composition of your annuity.

- A maximum exposure of 75% to equity investment
- A maximum exposure of 25% to property investment
- A maximum combined exposure of 90% to equity and property investments
- A maximum exposure of 25% to assets outside of South Africa

Please refer to the Unit Trust Fee Schedule for a comprehensive list of available investment options. The available investment options may change from time to time.

**INVESTMENT STRATEGIES (CONTINUED)**

NAME OF PORTFOLIO	FEE %	% ALLOCATION (MUST TOTAL 100%)
<b>TOTAL</b>		<b>100%</b>

**Note:** For private share portfolio, please complete the relevant portfolio application forms that will be provided by your financial advisor/product provider.

\* All investments must be Regulation 28 compliant.

**INVESTOR BANKING DETAILS**

The details specified below must be in the investor's name and will be used for all future banking transactions until such time as the Fund is notified in writing of any changes.

Account holder

Name of bank  Branch

Account number  Branch code

Type of account: Current  Transmission  Savings

Signature of account holder/authorised person

Name of authorised person, if account holder is a non-natural person

Capacity of authorised person, if account holder is a non-natural person

**Please note:** A cancelled cheque or recent bank statement must accompany this application.

Any changes to the banking details must be forwarded in writing to the relevant Fund, together with proof thereof. Payments will not be made to third-party accounts, including credit cards and money market accounts.

Collection requests from a third-party legal entity account must be accompanied by a resolution, copies of the ID documents and signatures of the signatories of the third-party. In the case of the third-party individual account the request must be accompanied by a copy of the ID document and three specimen signatures of the third-party.

**BENEFICIARY NOMINATIONS**

You may nominate beneficiaries who may receive a benefit following your death. You may alter your nomination at any time by submitting a Beneficiary Nomination Form to AcraVEST. Beneficiary alterations received after the death of the last life assured will be treated as invalid.

	Beneficiary 1	Beneficiary 2	Beneficiary 3
Surname			
First name(s)			
Relationship			
ID/Passport number			
Percentage			
Postal address			
Contact number			



Beneficiary 4

Beneficiary 5

Beneficiary 6

Surname			
First name(s)			
Relationship			
ID/Passport number			
Percentage			
Postal address			
Contact number			

If there are additional beneficiaries, please attach this information on a separate signed page.

You may only nominate beneficiaries who are natural persons to receive a benefit in the event of your death before retirement from the relevant Fund. Please note that the allocation to beneficiaries is at the discretion of the Board of Trustees, based on the provisions of Section 37C of the Pension Funds Act, No 24 of 1956. Your nomination will serve to assist the Trustees in making these decisions although it may not be binding on them. You may alter your nomination at any time by notifying the relevant Fund in writing by completing a Beneficiary Nomination Form, which must be received by the relevant Fund before your death.

#### DECLARATION BY INVESTOR

I understand and agree to be bound by the provisions of this application form.

I understand and /or confirm that:

- I understand and agree that this application, the membership information summary and the rules of the relevant Fund (both as amended from the time to time) and any other related documents provided by me and accepted by the relevant Fund, constitute the entire agreement between the relevant Fund and myself.
- I understand that the choice of the investment options is solely mine and I will not hold the Trustees liable for the choice. I retain the risk of and remain responsible for the selection of the investment options at all times. I have taken advice where I considered myself requiring such advice.
- I authorise the relevant Fund to make all reports and statements pertaining to my investment available, in whatever format, to my appointed Financial Advisor, on his/her request.
- I hereby consent to the relevant Fund making enquiries of whatsoever nature for the purpose of verifying the information disclosed in this application and I expressly consent to the relevant Fund obtaining any other information concerning me from any source whatsoever to enable the relevant Fund to process this application.
- I authorise the relevant Fund to accept instructions by facsimile or such other electronic means provided and hereby waive any claim that I may have against the relevant Fund and indemnify the relevant Fund against any loss incurred as a result of the relevant Fund receiving and/or acting upon such communication. I accept the risk of the communication method selected and understand that the Fund shall not be liable in the event that the Fund has not received the a communication whether due to the failure, malfunction or delay of any networks or electronic or mechanical device or otherwise.
- Provided that the Administrator and/or the relevant Fund and/or any of their officers and employees exercise reasonable care and diligence in the management of my investments, the Administrator and/or the relevant Fund and/or their officers and employees shall not be liable to me or any third party for any loss sustained by me in terms of this agreement. Specifically, the Administrator and/or the relevant Fund cannot be held responsible for any acts or errors of commission or omission by third parties, or the timing standards, practices and procedures of third parties.
- I warrant that all the statements given in this application form, and in all documents which have been or will be signed by me in connection with this application, whether in my handwriting or not, are true and correct and shall form the basis of my agreement with the relevant Fund.
- I confirm to the relevant Fund that I am acting on my own account and that this investment is my own independent decision. I understand that information, opinions and any communication from the relevant Fund, whether written, oral or implied are expressed in good faith and not intended as investment advice. I have not received any assurance or guarantees from the relevant Fund as to the expected benefits, except that the benefits will be determined by reference to the value of the investment portfolio.
- I understand that the amount that is available to me on withdrawal prior to retirement from the relevant Fund may be restricted in terms of any benefits paid on leaving the transferring fund or restrictions imposed by the transferring fund, in terms of the rules of the relevant Fund and that these conditions will apply.

\_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Signature of authorised person\*

\* Please forward proof of authorisation.

Name of authorized person if account holder is a non-natural person

Capacity of authorized person if account holder is a non-natural person

#### FINANCIAL ADVICE FEES

Advisory fees will be agreed upon between the Investor and the appointed Financial Advisor for each advice event. Both the Advisor and the Investor need to sign off on the advisory fees, which signatories will authorize the Fund to recover the fee from the capital invested on behalf of the Investor, and pay the fees to the advisor.

- I acknowledge the I did not receive financial advice from either the relevant Fund or financial advisor. I will be noted as a Acravest Direct Client. OR

- I acknowledge the I have received financial advice from the Financial Advisor whose details are completed in the "Financial Advisor Detail and Declaration" section below, who is my appointed Financial Advisor and I agree to payment of fees as follows:

**Complete A or B**

A  I confirm that I agree to the amount of advisory fees payable to the financial advisor and authorize the fund to recover the amount stated below from my investment portfolio in the fund and pay that amount to the financial advisor.

Advisory Fee payable to the Financial Advisor: R \_\_\_\_\_  
( \_\_\_\_\_ )

**B**

Initial advice fee:  .  % (Applied to each transfer contribution and deducted before investment is made). No initial fees are payable in respect of a transfer from another Preservation Fund.

Annual advice fee:  .  of AUM per annum charged and paid monthly in arrears.

This authority may be withdrawn by written notice to the relevant Fund.  
The initial and annual advice fees will accrue to the Financial Advisor.

Signature of investor or authorised representative

**FINANCIAL ADVISOR BANKING DETAILS**

The details specified below must be in the Advisor's name and will be used for all future banking transactions until such time as the Fund is notified in writing of any changes.

Account holder

Name of bank  Branch

Account number  Branch code

Type of account: Current  Transmission  Savings

Signature of account holder/authorised person

Name of authorised person, if account holder is a non-natural person

Capacity of authorised person, if account holder is a non-natural person

**Please note:** A cancelled cheque or recent bank statement must accompany this application.

Any changes to the banking details must be forwarded in writing to the relevant Fund, together with proof thereof. Payments will not be made to third-party accounts, including credit cards and money market accounts.

Collection requests from a third-party legal entity account must be accompanied by a resolution, copies of the ID documents and signatures of the signatories of the third-party. In the case of the third-party individual account the request must be accompanied by a copy of the ID document and three specimen signatures of the third-party.

**FINANCIAL ADVISOR DETAIL AND DECLARATION**

Financial Advisor  Brokerage

Broker code

I/We

- declare that I/we am/are a licensed Financial Service Provider(s) and have made the disclosures required in terms of the Collective Investment Schemes Control Act, 2002, and the Financial Advisory and Intermediary Services Act, No. 37 of 2002, and subordinate legislation thereto, to the investor.
- warrant what I/we have established and verified the identity of the investor(s) (and persons acting on behalf of the investor) in accordance with FICA and subordinate legislation thereto, and I/we will keep records of such identification and verification according to the provisions of FICA.
- warrant that I/we have explained all fees that relate to this investment to the investor and I/we understand and accept that the investor may withdraw his/her authority for payment to me/us in writing to the relevant Fund.

Signed at  on this  day of  20

Signature of financial advisor



**CONFIRMATION AND AUTHORISATION**

- We hereby certify that the above information is true and correct in every detail and Acravest is hereby authorised to make payment as stated above.
- The options in terms of the Rules of the Fund have been fully explained to the member and the member declares that he/she understands all options.
- We agree that payment above shall constitute good and effectual settlement and shall be full and final discharge to Acravest and the fund of its liability in terms of the Rules of the Fund.

Signed on behalf of the member

Date

D	D	M	M	Y	Y	Y	Y
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Signed on behalf of the employer

Date

D	D	M	M	Y	Y	Y	Y
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Designation

Company Stamp