

# ACRAVEST<sup>®</sup> PRODUCTS

## 2 Product groups



### Institutional Products:

Products for Employers, providing benefits for their employees



### Retail Products:

Products for individual investors

## Registered under Pensioned Funds Act

### General Characteristics:

- Governed by Board of Trustees
- Annual submission of Financial Statements to FSCA
- Subject to Regulation 28 asset allocation guideline
- Subject to Section 37C allocation of death benefits
- Max Foreign asset exposure 30%, plus 10% Africa specific
- Investment income in Fund not taxable

## Institutional Products



### Stand-Alone Fund (Pension/Provident Fund)

- Fund registered exclusively for a single employer
- Employer appoints trustees
- Members to be represented on board of trustees (at least 50% of Board)
- Fund is a legal entity in its own rights
- Fund/Employer responsible to provide for all costs
- Unlimited discretion, subject to fiduciary requirements, on contribution levels, benefits and service provider appointments
- Can be a Pension or Provident Fund, a Defined Contribution or Defined Benefit Fund or a mixture of both



### Umbrella Fund (Pension & Provident Fund)

- Fund registered to accommodate multiple employers
- Participating employers establish management oversight committee for their own solutions
- Built-in Preservation option
- Built-In Living Annuity option
- Each employer designs their own solution, subject to Umbrella Fund limitations and guidelines
- Costs shared amongst all participating employers

## Retail Products



### [i]retire Unclaimed benefit funds (Pension & Provident Funds)

- No ongoing contributions, only transfers
- Trustee responsibility to ensure maximum benefit value
- Trustee responsibility to trace members and pay benefits



### [i]retire Retirement Annuity Fund

- Ongoing contributions, member decides on value and frequency
- Living annuity upon retirement in the Fund, or purchased from insurer
- Contribution tax incentive (27.5% of taxable income subject to max R350 000 per annum)
- Tax incentives on benefits
- No tax incentives on monthly pension after retirement

## Registered under Insurance Act

### General Characteristics:

- Governed under Guardrisk Insurance License, enforcing "Treat Clients Fairly" (TCF) compliance
- Not subject to Pension Funds Act (Regulation 28 and Section 37C)
- Maximum foreign asset exposure 40%.
- Report to Guardrisk on service level compliance as well as monthly accounting, to be incorporated into Guardrisk Balance Sheet and Income Statement
- Investment income in policy not taxable



### ACRAVEST<sup>®</sup> Retirement Annuity Policy

- Transfers into the Fund
- Ongoing contributions decided on by member
- Living annuity at retirement, or purchase from insurer
- Contribution tax incentive (27.5% of taxable income subject to max R350 000 per annum)
- Tax incentives on benefits
- No taxation incentives on monthly pension after retirement



### ACRAVEST<sup>®</sup> Living Annuity Policy

- No ongoing contributions, only transfers
- Benefits can only be an annual pension (Minimum of 2.5% and Maximum 17.5% of member investment), paid in fractions or as a whole (Frequency elected by the member (monthly, annual, quarterly))
- No taxation incentives on monthly pension