



CORONATION RETIREMENT ANNUITY FUND



The Coronation Retirement Annuity fund is a personal retirement plan which enables you to save tax-efficiently for retirement. It is an ideal way to supplement your existing pension or provident fund if you are currently employed and earn *non-retirement funding income; or build a retirement nest egg if you are self-employed. You can make lump sum or regular monthly contributions to build up capital that will benefit you in retirement.

It is flexible, cost-effective and transparent. It is designed to allow you the flexibility to stop and restart your contributions and/or switch between investment options as your circumstances change, without incurring any penalties. We do not charge initial fees, we subsidise our annual administration fee of 0.2% (excluding VAT) and the fees for each of the underlying unit trust funds are fully disclosed.

The underlying investment options are Coronation's range of top-performing unit trusts which have consistently delivered strong investment returns since inception. This consistency of investment performance is reflected in Coronation being awarded numerous local and international investment performance accolades.

Contributions to the Coronation Retirement Annuity Fund are tax deductible within certain limits. You can make annual tax-free contributions to the greater of:

- 15% of your *non-retirement funding income; or
- R3 500 minus allowable pension fund contributions;
- or R1 750

Coupled with the tax deduction, taxable growth (such as interest, net rental income and foreign dividends) is not taxed, thus making the Coronation Retirement Annuity Fund a tax-efficient way to supplement your retirement investment or build your retirement nest egg.

You can access your investment, i.e. retire from the Coronation Retirement Annuity Fund, after your 55th birthday, or earlier if you are permanently disabled due to injury or illness.

At retirement, you may withdraw a maximum of one-third in cash and use a minimum of two-thirds of the capital to purchase post-retirement income from a registered insurer. Should the full proceeds be less than R75 000.00 your retirement annuity may be fully withdrawn.

While access to your investment is restricted to the minimum age of 55, the tax benefit within the fund comes into effect immediately, enhancing your total capital at retirement.

**Non-retirement funding income is generally irregular and variable income such as commission, performance bonuses and other windfalls which are not used to calculate individual or company contributions to a pension or provident fund.*

MINIMUM INVESTMENT	
■ Lump Sum	R10 000
■ Recurring	R500 per month
■ Ad-Hoc	R5 000



INVESTMENT OPTIONS

You may select from a focused range of Coronation unit trust funds. To simplify the investment decision, we highlight the core funds: Coronation Strategic Income, Coronation Capital Plus, Coronation Balanced Plus, Coronation Market Plus, as well as the Coronation Cash Plus, which we believe are best suited to growing and maintaining retirement benefits over the long term for the majority of investors.

When selecting and blending the underlying unit trust funds please ensure that the combination complies with the Prudential Investment Guidelines of Regulation 28 of the Pension Funds Act.

PRUDENTIAL INVESTMENT GUIDELINES COMPLIANCE

The Coronation Retirement Annuity Fund is required to comply with the Prudential Investment Guidelines of Regulation 28 of the Pension Funds Act and Exchange Control legislation. Accordingly, the fund requires that your investment complies with the following limits: a maximum exposure of 75% of the investment amount to equity investments; 25% to international investments; 25% to property.

Our team of Client Service professionals monitor compliance with these limits at the time of your initial investment and on each transaction thereafter.

SWITCHING

As your investment objectives and circumstances change you may switch between the underlying unit trust funds at no charge.

TRANSFERS

You may transfer an existing retirement annuity investment to the Coronation Retirement Annuity Fund. You may also transfer your investment from Coronation to another registered retirement annuity.

CESSIONS

You may not cede your investment in the Coronation Retirement Annuity Fund nor use it as security for personal debt. Your benefits within the fund are protected and may not be attached by your creditors for outstanding debt commitment.

LOANS

You may not borrow from your investment in the Coronation Retirement Annuity Fund.

DEATH BENEFITS

In the event of your death, the proceeds of your Coronation Retirement Annuity may be used to provide an income for your dependents and/or nominated beneficiaries from a registered financial services provider. This income will be taxed at the marginal tax rate of your dependents and/or beneficiaries.

Alternatively the full proceeds may be converted into cash and this will be taxed at your average rate of tax at the time of commutation.