

## CORONATION PRESERVATION FUNDS

During the course of your working life, there will undoubtedly come a time when you change employer. At this time it is vital that you consider your retirement capital. Growing the capital and preserving the tax status of this investment can substantially enhance post-retirement benefits.

The Coronation Preservation Pension Fund and Coronation Preservation Provident Fund are suited for people changing employment and who have already built up retirement savings as a prior member of an occupational pension or provident fund.

The purpose of these funds is to preserve the tax deductions previously granted on retirement fund contributions and to continue to grow the value of your retirement assets until retirement. Preserving the tax status will maximise the tax-shield, thus maximising the tax-free retirement lump sum available. These funds are used when there is a change in employment (as a result of retrenchment, resignation or termination) or the closing of an occupational retirement fund.

The Coronation Preservation Funds are flexible, cost-effective and transparent. They are designed to allow you the flexibility to 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 of 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.

You can access the assets held in the Coronation Preservation Pension Fund and Coronation Preservation Provident Fund at each fund's stipulated retirement date. One withdrawal, which will be taxed at your average rate, is allowed before retirement.



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### FEATURES AND BENEFITS

#### Minimum Investment

Lump sum:	R50 000
Recurring:	Not applicable
Ad hoc:	Not applicable

#### Investment Options

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

When selecting 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; 20% to international investments; 25% to property.

Coronation Client Services monitor compliance with these limits at the time of your initial investment and on each transaction thereafter.

#### Switching

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

#### Transfers

You may transfer between an external preservation fund and the Coronation Preservation Pension Fund or the Coronation Preservation Provident Fund.

Please note that the transfer is for the full benefit amount, and may not be split across different preservation funds.

#### Cessions

You may not cede your investment in the Coronation Preservation Pension Fund or the Coronation Preservation Provident Fund nor use it as security for debt.

#### Death Benefits

In the event of your death, the proceeds of your Coronation Preservation Fund 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.

#### Loans

You may not borrow from your investment in the Coronation Pension Preservation Fund or the Coronation Provident Preservation Fund.

