Classic
Preservation Plans

It is vitally important to keep your retirement savings plan on track, despite life's curve balls and ups and downs. Anything can happen, you can change jobs or get retrenched. Despite the chaos it is important to keep one plan on track, saving for your retirement and preserving these savings.

What is the solution?

Preservation funds are designed to preserve and grow your existing retirement savings when you leave your job for whatever reason and cease to be a member of your employers' pension or provident fund.

STANLIB's Classic Preservation Plans (the Classic Preservation Pension Plan and Classic Preservation Provident Plan) offer a flexible and tax-efficient way to preserve existing retirement savings from a pension or provident fund. They are suitable for investors who are resigning, being retrenched or whose existing retirement fund is closing. A minimum investment amount of R25 000 applies.

The Classic Preservation Plans are offered on the Linked Investment Platform (LISP). This platform enables you to invest across a wide range of investment instruments offered by different investment management companies.

What STANLIB's Classic Preservation Plans offers

Flexible investment structure

Offering full diversification, you can access a wide range of investments with different risk and return objectives.

STANLIB's Classic Preservation Plans

Invest

STANLIB Investment Portfolio Range = Access to a wide range of investment solutions from a number of investment companies

Product features

Tax-free investment growth	STANLIB's Classic Preservation Plans deliver tax-free investment returns. Interest income and distributions are accrued net of tax allowing tax-free investment growth.
Transparency	The Classic Preservation Plans are fully transparent about fees, performance and asset allocation. Additional information on key limitations, risks and charges related to the financial product being advertised is available in the Product Information as well as the Fee Information Documents.
Switching funds	You may switch funds in the Classic Preservation Plans at any time and at no cost.
Death benefits	If you die before reaching retirement, the market value of your retirement annuity at the date of death will be apportioned to your dependents and/or nominated beneficiaries, as determined by the Trustees of the fund according to the provisions of the Pension Funds Act.
Estate duty	The benefit does not form part of your estate so no estate duty or executors fees are payable on these assets unless the Trustees allocate them to your estate.
Insolvency	The assets do not form part of your estate in the event of insolvency so cannot be attached by your creditors.
Withdrawals	You are only allowed to withdraw once from this investment before the minimum retirement age of 55. You may select a partial or full withdrawal. If you left your employer fund and preserved your savings when you were over the normal retirement age of the employer fund, you will not be permitted to make a withdrawal from your Preservation Fund investment before you retire. You may withdraw the full amount from your investment should you officially emigrate with the South African Reserve Bank.

Detailed Product Information is available at **www.stanlib.com**

STANLIB

Your options at retirement

From 1 March 2021, the rules relating to taking a retirement benefit from provident fund contributions changed. Any money contributed to a provident fund from this date will be subject to the same rules applied to a pension fund or retirement annuity benefit at retirement: only one third of the benefit may be taken in cash, and the other two thirds must be used to purchase an annuity to provide you with a regular income in retirement. On retirement you will still be able to cash out in full any money contributed to a provident fund prior to 1 March 2021. This money, including growth, is referred to as your "vested benefit", with the remainder of your investment and growth being "non-vested". On receipt of your investment we will record which portions of your benefit are vested and non-vested; and will manage the benefit accordingly. All contributions originating from a pension fund or retirement annuity fund are considered fully non-vested.

Members who were 55 or older on 1 March 2021

Provident fund members who were 55 years or older on 1 March 2021 are exempt from the new rules, in that any further contributions they make to their provident fund after 1 March 2021, along with growth, will also be considered vested benefits. This remains the case if the member transfers this benefit to another retirement fund: the full benefit plus growth after the transfer remains vested.

Non-Vested Benefits

On retirement				
Take up to 1/3 cash (subject to tax)	and	Invest balance in life/living annuity	or	Full amount in life/living annuity

Vested Benefits

On retirement				
Take full amount as cash (subject to tax)	or	Take part as cash lump sum (subject to tax) AND invest balance in a life/living annuity	or	Invest full amount in life/living annuity

Protecting your investment through diversification

Regulation 28 of the Pension Funds Act limits the exposure the retirement fund (in this case STANLIB's Classic Preservation Plans and your retirement savings) may have to various asset classes. For more information please refer to the Regulation 28 guidelines available on our website, www. stanlib.com.