

During the course of your working life, there will come a time when you change employers. Your Pension or Provident Fund becomes available when there is a change in employment, resignation, retrenchment or the termination/closing of an occupational retirement fund.

The Coronation Preservation Pension Fund and Coronation Preservation Provident Fund is therefore suited for people changing employment and who have already started to build up retirement savings as a member of an occupational pension or provident fund.

At this time it is vital that you carefully consider what to do with your retirement capital. Growing the capital and preserving the tax status of this investment can substantially enhance post-retirement benefits and will maximise the tax-shield, thus maximising the tax-free retirement lumpsum available.

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 capital until retirement.

The Coronation Preservation Funds is flexible, cost-effective and transparent. It is designed to allow you to switch between investment options as your circumstances change. We do not charge initial fees or annual administration fees. The only fees payable are the **annual management fees** applicable to the underlying unit trust funds selected by the investor.

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 funds available in the Coronation Preservation Pension Fund and Coronation Preservation Provident Fund at retirement. One pre-retirement withdrawal is allowed, which will be taxed at your average rate.

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 Balanced Defensive Fund, Coronation Capital Plus Fund, as well as the Coronation Balanced Plus 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 Regulation 28 of the Pension Funds Act.

REGULATION 28 COMPLIANCE

The Coronation Preservation Funds are required to comply with 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% to equity investments, 45% to international investments and 25% to property investments.

Coronation Client Services monitor compliance with these limits at the time of your initial investment and on each transaction thereafter. If your investment exceeds these limits due to market movement, you will be given notice to rebalance your portfolio.

SWITCHING

You may switch between the underlying unit trust funds as your investment objectives and circumstances change. Switching will result in the loss of the “grandfathered status” that you may have in terms of Regulation 28, for investments made before April 2011.

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. Also note that a transfer will result in the loss of the *grandfathered status, if it is applicable to your investment.

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 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 Pension Preservation Fund or the Coronation Provident Preservation Fund.

DEATH BENEFITS

In the event of your death before retirement, the proceeds of your investment in the Coronation Preservation Fund will be distributed to your dependants or nominees, who may, elect to take the benefit as a cash lumpsum (which may be subject to tax) or purchase an annuity of their choice.

The trustees of the Fund are required to investigate the claim, determine who the dependants are and make payment according to S37C of the Pensions Funds Act.

*Note:
Grandfathered status policies are investments made prior to 01 April 2011. These investments are exempt from compliance provided there is no financial transaction on the account. If a financial transaction takes place on the account, the grandfathered status is lost and the investment must comply with investment guidelines (Reg 28).