



# Phoenix-etfSA TFSA & RA Brochure

January, 2019

## Problem

Current retirement solutions, in small- to medium-sized companies, are restrictive and cumbersome (see *Appendices 4a to 4d(v)*):

- Complicated (umbrella – pension and provident fund) products that force you into pre-determined solutions with cobbled on additions you don't want or need
- High, opaque fee structures
- Difficult to understand
- Difficult to transfer
- Administratively intensive.

## Opportunity

- Opportunities exist for businesses and companies to offer their employees, **low cost**, tax-efficient ways to save for retirement
- Educational opportunity:
  - Benefits of investing
  - Demystifying the investment landscape
- Increase access and visibility of investment opportunities
- Empower individuals to secure their financial future.



# Why is this good for your business?

Companies are facing an increasing battle to attract and retain diverse talent. There are numerous advantages to having a dynamic talent pool, such as, bringing a variety of new and nuanced skills and experiences into your company from which your organisation could vastly benefit.

- ▶ Phoenix Wealth Management offers SME's an easy and cost-effective way to help employees manage their wealth through our:
  - ▶ **Tax-Free Savings Investment Accounts (TFSIA)** and
  - ▶ (Group) **Retirement Annuity (RA)** solutions.

Combining these two solutions provides your company with an all-encompassing retirement-savings solution that has numerous benefits including:

- ▶ Affirming to your current employees their value to you as a company
- ▶ Assisting and boosting current talent with their retirement and wealth planning and
- ▶ Indicating to prospective talent that you recognise the significance of each and every person that makes up your business.



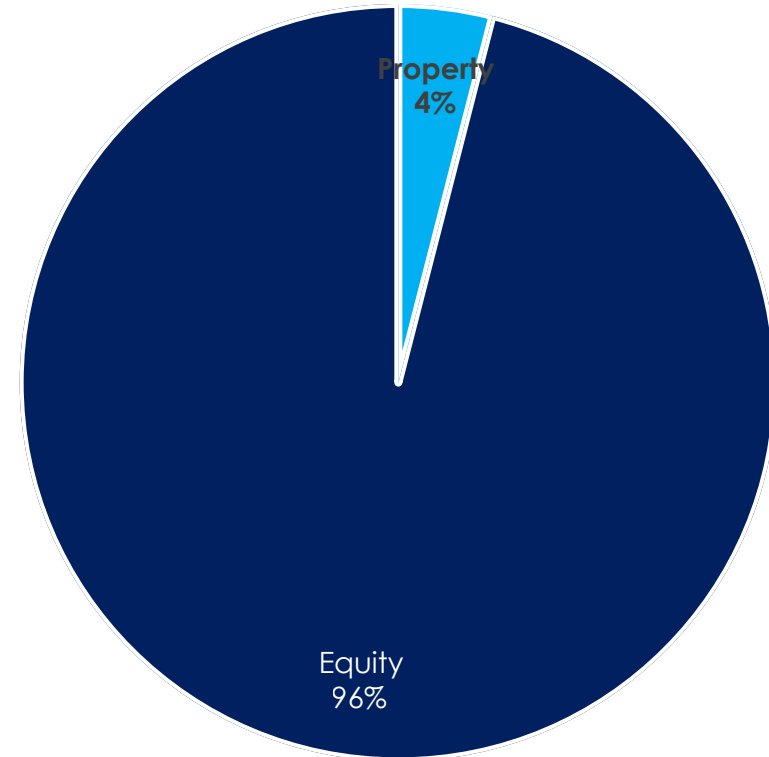
## ETF Tax Free Investment Account (ETFIA)

- ▶ Tax free accounts using only low cost, transparent and liquid ETFs as components.
- ▶ Low Costs – 1.25% per annum incl. VAT total administration and portfolio management fees.
- ▶ **Design allows for contributions from R50 at any time, up to a maximum of R33 000 per tax year.**
- ▶ CoreShares SA Top50 ETF (CTOP50) offered, giving diversified investment performance with medium long-term risk.
- ▶ Tax free accounts fully compliant with Section 12T of the Income Tax Act.
- ▶ Administrator – Computershare (Pty) Ltd.
- ▶ Portfolio Managers and Financial Advisers – Phoenix Wealth Management (Pty) Ltd & etfSA Portfolio Management Company (Pty) Ltd.

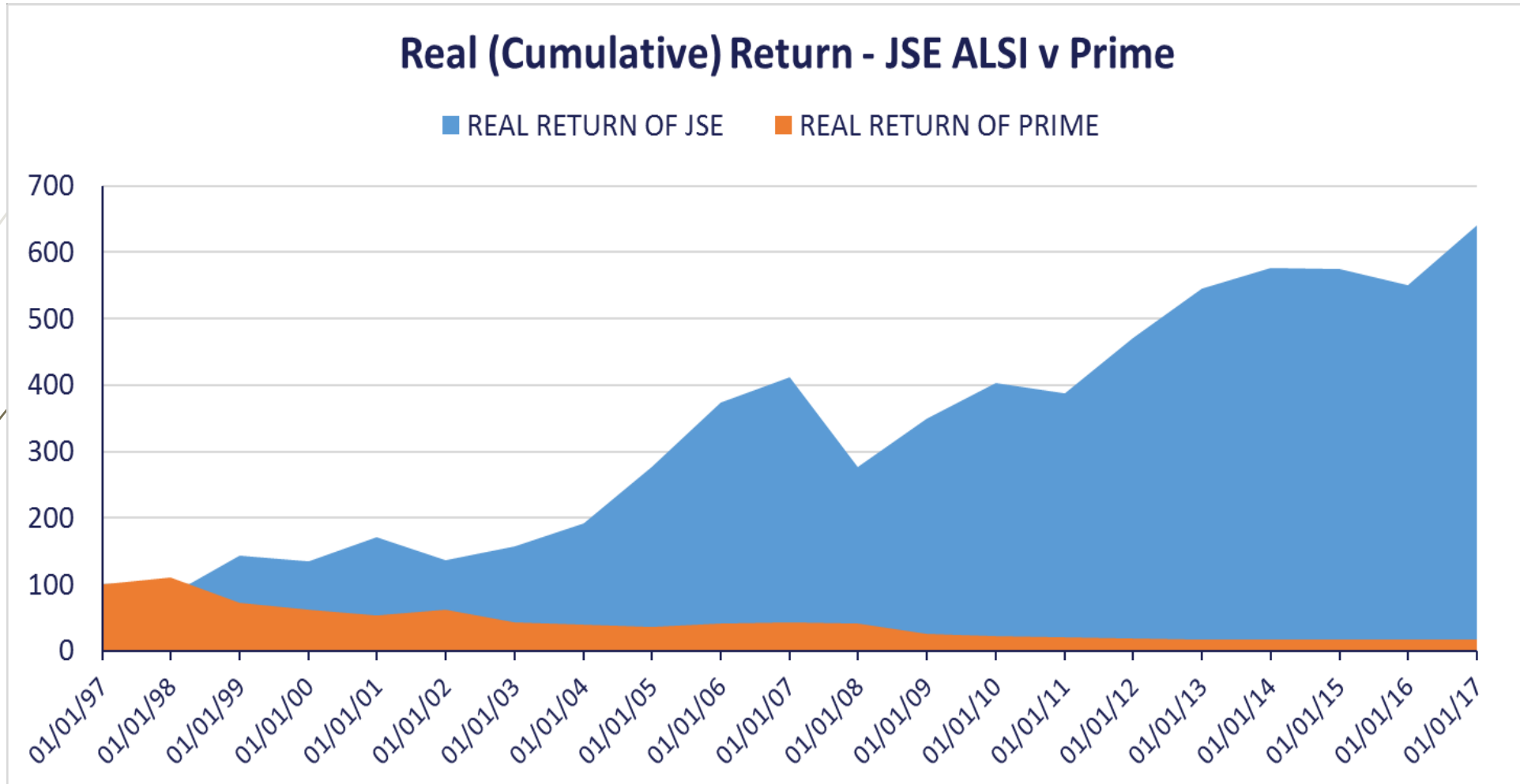
# Tax-Free ETF – CoreShares SA Top 50

- High-risk
- Long-term investment
- Tracks S&P South Africa 50 Index and provides exposure to:
  - Largest 50 companies on JSE by float-adjusted market cap
  - Constituent weightings capped at 10%
- Low cost, high efficiency ETF
- No taxation is incurred on the dividends/ interest and capital gains earned in this ETF
- All dividends are automatically reinvested on a quarterly basis.

## ASSET ALLOCATION



# What is **really** the riskiest investment you can have?



*But you usually have to pay a hefty premium to access this. Phoenix provides a solution that makes it accessible to a much broader audience...*

For those looking to, and able to save more, we also offer **Retirement Annuities (RAs)**



### What is it

Tax-efficient retirement savings mechanism

Contributions tax deductible up to 27.5% of income (max R350K)

Zero income, dividend or CGT tax.



### Limits

No access to funds before age 55 (except for a one-time lifetime withdrawal before that age of 55)

Regulation 28 exposure limits (Maximums of 75% Equity, 25% Property & 25% Off-shore)

Must annuitise 2/3 at retirement, or all if less than R247,500.



### Points to note

It's yours for life

If you leave employer, it leaves with you

Customisable

Existing retirement funds can be collapsed into one for ease of tracking.