



Momentum Savings

proudly brings you the

Investo Retirement Annuity



Investo Retirement Annuity

Momentum Savings believes making conscious saving a priority now, actively shapes the life you want for tomorrow.

That's why we offer our Investo Retirement Annuity to you - to help you grow your retirement money in a disciplined way while benefiting from tax incentives. It's like getting a discount on your investment.

Have you thought about your retirement and what you would like to do? Making sure you have enough money and won't have to depend on others is an important part of your journey to success. Build up your savings so that you are prepared to live comfortably in your retirement years.

How can the Investo Retirement Annuity help you?

It is designed to help you grow your savings money for retirement so that you can receive a regular income when you retire – a kind of salary for when you stop working. It is a long-term savings product that helps you save and invest, and you get tax benefits. The tax benefit is that you get tax money back for every rand you invest – and the percentage you get back, is the same as the tax rate you normally pay. This means if you pay 30% tax on your salary, you get R300 back in your pocket for every R1 000 you invest.

We also reward your commitment with a loyalty bonus.

While investing, nothing beats the power of compound interest over time. When you start earning interest on your investments, plus interest on the interest, your money starts multiplying. The longer you stay invested, the better your chances of growing your money – picture a ball of clay that gets bigger and bigger the further it rolls.

Do I have access to my money?

Yes, you do, but best is to keep your retirement money intact and save it so that you will have enough during retirement.

When you invest, one-third of the money goes into a savings component and two-thirds into a retirement component. You have access to the savings money once a year from 1 March until the end of February the next year, the tax year. You will pay tax on any money you withdraw at the tax rate you normally pay, your so-called marginal tax rate. If you owe the South African Revenue Service money, they will deduct it from the amount you withdraw.

When you turn 55, you can take what is left in the savings component as a lump sum. You can also add it to the retirement component. You will use the retirement component to buy a product that will pay you a monthly income.

Is it for you?

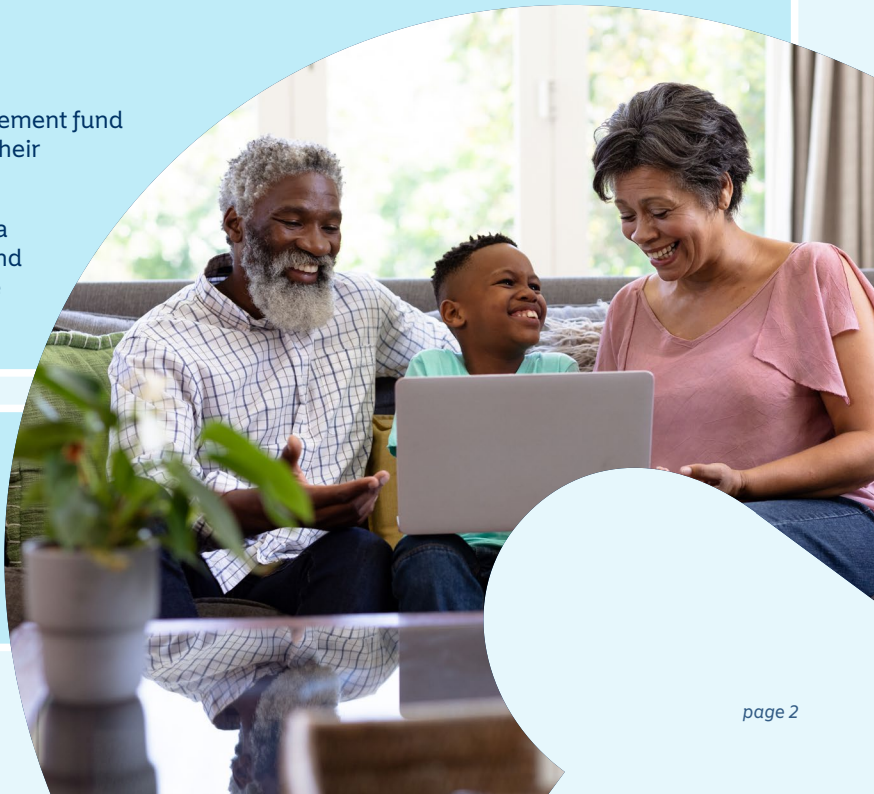
- Yes, if you like the idea of a tax discount on the amount you save.
- Yes, if you want a reward for your loyalty.
- Yes, if you are committed to retiring comfortably.

People who don't work for an official employer with a retirement fund often take out a retirement annuity to make provision for their retirement.

Even people who have a retirement fund already take out a retirement annuity to fatten up their retirement savings, and to make use of the great tax rebates. There is a limit on the rebates you can get, but that only kicks in at a remarkably high investment amount.

When is it not for you?

- When you don't want to invest in the long term.
 - When you need access more than once in a tax year.
 - If you want your money to grow more aggressively.
- Legislation limits where retirement annuity investors can invest.



Features

These features help you on your journey to retirement success:

- A **loyalty bonus** at the end of the product term pays back most of the administration fees to reward your commitment.
- If you **pay more** than a certain amount to your investment every month, we add a little extra from our side.
- You enjoy two **payment breathers** of two months each when you can't afford your contribution.
- You can take out **cover** so that we pay your contributions on your behalf when you become disabled or die.
- You can pay to **guarantee** that your money achieves a certain minimum growth or to preserve your capital.
- When you link your retirement annuity to qualifying life insurance benefits, we **boost** your retirement money by an additional tax-free amount when you retire.
- We offer you the opportunity to **structure** your retirement money for tax-efficiency when it pays out.

Is a retirement annuity for retirement savings only?

You take it out for retirement savings, but with the two-pot system giving you access to your savings, we believe it is also a great savings vehicle for other medium- to long-term savings goals.

It's great for these goals:

- Emergency savings.
- Tax-free savings.
- Education for you or your child.
- A holiday of a lifetime.
- A deposit on a home.

What to keep in mind for extra savings goals

If you withdraw money, you will be taxed, but this amount equals the tax discount you received when you invested – which means it equals out. You score tax-free growth while your money is invested.

When you invest, you will have access to one-third of your money once a tax year, but your adviser can help you make the sums when you want to withdraw from the extra money you invested for a non-retirement saving goal.



How does it work?

Who can invest?	South African citizens or persons with a valid South African work permit.
Minimum amounts	Regular contribution <ul style="list-style-type: none">• R500 monthly minimum (when you invest in Momentum funds).• R750 monthly minimum (when you invest in one or more non-Momentum funds).• R150 per month if you already have an Investo contract. Additional single contribution <ul style="list-style-type: none">• R2 500 minimum
Retirement age	Choose any retirement date from age 55.
Which investment options can I choose?	Choose from the Investo Fund Range, including the Momentum Investments outcome-based solutions range.
Can you invest more?	Yes. Limits apply to the amount you can deduct from tax but kick in only at a very high level.
Can you withdraw?	Yes, once a year during the tax year, you may withdraw all the money in the savings component. (A minimum of R2 000 applies.)
Can you borrow from your investment?	No.
Can you use it as security for a loan?	No.
Can you cancel?	Yes, subject to regulations and rules set out in the terms. You could get back less than what you have invested.
Can you transfer?	Yes, to another retirement annuity fund.
When you retire	<ul style="list-style-type: none">• Take up to one-third as a lump sum, limited to the money in your savings component. You could pay tax.• Buy an approved retirement product with the rest to give you a regular income.• Access to a tax-efficient benefit.
When you die	Your dependants or beneficiaries get the money as prescribed by law.



Choose for
how long
you want to
invest.

What does it cost?

- Most investments have the following fees:
 - An investment management fee for the management of the funds you choose.
 - An administration fee to cover the cost of administering your investment.
 - An adviser fee for the advice and services you get from your financial adviser.
- Once you apply for an Investo Retirement Annuity, your quote sets out the fees.
- Each fund fact sheet sets out the investment management fee for that fund.

[Get the latest ones.](#)

More advice on how to apply

Speak to your financial adviser who will help you to apply and choose suitable investment options. If you don't have one, go to momentum.co.za and click on "find an adviser".

momentum

Contact details

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Disclaimer

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