It sounds so alluring, to use the money in your retirement fund when you change jobs. But be smart: If you take the money, you'll be taxed and you'll reduce the tax-free amount available at retirement considerably. Retirement money should be for retirement only. If you don't preserve your retirement money, you're back to square one. You lose not only the money, but also the time you've had, and the power of compounding – the magic of growth on the growth of your capital. Rather congratulate yourself for your perseverance up to now, and keep the money safely invested.

Making sure you have enough money for your retirement is part of your journey to success. We know “enough” is unique for everyone – whether you plan to relax on the stoep, travel, start a new venture or have time with your grandchildren.
How can the Retirement Preservation Option help you?

It helps you to keep your retirement savings on track. It's a specialised vehicle designed to help you preserve your retirement benefits in a provident preservation or pension preservation fund when you leave your employer before your retirement date. You can choose from a wide range of investment options to suit your needs.

Is it for you?

- Yes, if you are resigning or have been dismissed or retrenched.
- Yes, if you want to preserve and grow your retirement savings until retirement.

Features

- You have to option to choose from a wide range of local and international investment options.
- You can get tax-free growth.
- You can get tax allowances when you retire and have not already used it elsewhere.
- Your money is safe from creditors.
- There could be estate duty benefits.

When is it not for you?

- If you don’t have money that you saved up in a retirement fund like an approved pension or provident fund.
How does it work?

<table>
<thead>
<tr>
<th>Who can invest?</th>
<th>Individuals who want to transfer pension fund, provident fund or preservation fund money.</th>
</tr>
</thead>
</table>
| Minimum amount          | • A lump sum of R50 000.  
|                         | • Certain investment options have other minimums.                                          |
| Retirement age          | Any date from age 55, or in special circumstances.                                        |
| Which investment options can I choose? | From the Momentum Investments outcome-based solutions range or from a list of other investment options managed by Momentum Investments and other investment managers. See our range of investment funds. |
| Can you invest more?    | Yes, but only money from other retirement or preservation funds.                          |
| Can you make changes?   | Yes, you can change your investment options if your needs change.                         |
| Can you withdraw?       | You can withdraw a portion of it once before age 55, but you’ll pay tax. Also in special circumstances, for example, if you emigrate or become disabled. |
| Can you borrow from your investment? | No.                                                                                       |
| Can you use it as security for a loan? | No.                                                                                                |
| Can you cancel?         | Yes, subject to certain rules set out in the terms. You could get back less than what you have invested. |
| Can you transfer?       | Yes, to another approved retirement fund.                                                   |
| When you retire         | • Take up to one-third in cash.  
|                         | • Buy a living or life annuity with the rest to give you a regular income.  
|                         | • With a provident preservation fund you can withdraw up to 100% as a lump sum.             |
| When you die            | Your dependants or beneficiaries gets the money, according to what legislation prescribes (section 37C of the Pension Funds Act). |

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 a Retirement Preservation Option, your quote will set out the fees.
- Each minimum disclosure document (fund fact sheet) sets out the investment management fee for that fund. Get the latest ones.

Unlock more value
If you are a member of Momentum’s wellness programme, Multiply, you will get points for having investment products with us.
Momentum Investments is part of Momentum Metropolitan Life Limited, an authorised financial services and registered credit provider.

Momentum Wealth (Pty) Ltd is an authorised financial services provider and part of Momentum Metropolitan Holdings Limited.

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Terms apply. Available from your financial adviser.

momentum.co.za

More advice and 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.

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