

Who is the Wealth Creator aimed at?

If you have provided for your retirement and you wish to make further investments for five years or longer, the Wealth Creator is the product to consider.

What is the Wealth Creator?

This is a secure, tax-efficient investment vehicle that has access to various multi-manager investment portfolios. The value of your policy benefits will depend entirely on your selection of the underlying investment portfolios. The investment is fully transparent and under your control. You enjoy the current tax advantages of investing in an insurance policy and the frequent reporting on the investment provided by Investment Solutions.

What are the minimum investment amounts?

R1 000 monthly, R12 000 annually and R30 000 single premiums.

What are the features of the Wealth Creator?

Endowment vs Sinking Fund Policy	You may select either an endowment policy or a sinking fund policy. If you wish to nominate a life or lives assured, the endowment policy is the product to consider. This policy will terminate on your death or your nominated life or lives assured. If you do not wish to nominate lives assured, the sinking fund policy is the product to consider. The policy benefits will not be provided on or exclusively as a result of a life event, but will be provided on a fixed or determinable future date. Sinking fund policies may be suitable for trusts, partnerships and corporate investors.
Governance	This product will be regulated in terms of the Long-Term Insurance Act, the Income Tax Act and the Financial Advisory and Intermediary Services Act.
Minimum Investment Period	Five Years
Withdrawals	You will be permitted one withdrawal within the first five years. Thereafter you can either make unlimited withdrawals or regular tax-free withdrawals. During the first five years, the withdrawals may not exceed the amount invested plus 5% compound interest per year. You will not pay any surrender penalties for an early withdrawal.
Security Cession	You may cede your policy as security for any of your debts.
Transferability	You may transfer your policy by way of an outright cession.
Contributions	Your annual contributions are limited to the highest of the previous two years' contributions plus 20%.
Beneficiaries	You may nominate beneficiaries and on your death the policy proceeds will be available within 10 business days to these beneficiaries and will not form part of the distribution of your deceased estate.

What is your tax liability?

During the existence of your policy, Investment Solutions will pay income tax on revenue income earned and capital gains tax on capital gains made on the assets held in respect of your policy.

On termination of your policy after five years or longer you will not (in terms of current legislation) pay income tax or capital gains tax on the proceeds of the policy.

What investment portfolios are available?

You may select a maximum of five investment portfolios and switch from one investment portfolio to another. The Wealth Creator can invest in any of the investment portfolios listed in the Investment Portfolio Selection for the New-generation Products section in the Application Form (or on the website) by allocating 70% to any local portfolio(s) and 30% to any global portfolio(s) or 100% to any local or combined portfolio(s). The combined portfolios are made up of 85% local and 15% global components. Global availability is dependent on legislation and capacity.

Your investment portfolio selection must comply with the exchange-control restrictions by the SA Reserve Bank, ie a maximum of 15% of the investment may be allocated to any global portfolio(s). At times, however, due to currency fluctuations and market movements, the international investment limit might result in a breach of the prescribed investment limitations.