



Cube  
Advice  
CONSULTING



Newsletter

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## Is your current Retirement Annuity viable.

- ◆ Are you concerned about the costs of your retirement annuity fund?
- ◆ Do you feel satisfied with the growth you have enjoyed on this fund?
- ◆ Have you ever felt dissatisfied with the level of service and administration of your current retirement annuity provider?
- ◆ Are you confident that your chosen retirement annuity is best suited to meet your needs?



If you answered **YES** to any of the questions above, you may want to consider transferring your retirement annuity by way of a section 14 transfer. A section 14 transfer allows you to transfer between retirement annuities without paying tax thereon & Upfront Commission.

You might ask yourself what the big difference is between retirement annuities and why it is worth going through the trouble of doing a transfer.

There are essentially two types of retirement annuities: a Policy Funded and Non Policy- Funded retirement annuity. It is important to understand the different features and benefits of each one and select the one best suited to your circumstances.

**Please refer to the table below for a discussion on the basis features on each retirement annuity:**

	Policy Funded retirement annuity	Non Policy -Funded retirement annuity
Who offers this product?	Linked to a policy issued by a Life Insurance company	Not linked to a policy issued by a Life Insurance company. Asset managers and Life Insurance Companies
Guarantee of benefits	The benefit is guaranteed	The benefit is not guaranteed, but is market related
Revision of fee structures	The fee structure can only be reviewed annually	The fee structure can be reviewed at any time

You may transfer between a Policy Funded and Non Policy-Funded retirement annuity.

### Factors to consider before you transfer your retirement annuity

- ◆ Your existing service provider may charge you a fee for the early termination of your policy. This means that the new product must offer significantly lower fees or provide a higher growth rate to compensate you for the exit fees incurred.
- ◆ Your existing service provider may be able to offer you another alternative product and potentially avoid a high exit charge and the administrative burden of a transfer
- ◆ You may forfeit any death and disability benefits that came with your policy. Therefore you may have to purchase other risk cover to make up for the benefits of your old policy.
- ◆ Some service providers offer guarantees and may even pay you a smoothing bonus if you remain in that particular fund. A large part of these bonuses may be paid at your policy maturity date or during periods of weak performance.
- ◆ The transfer process may take up to 180 days to complete

If you are considering a transfer we can offer you an obligation **free consultation**. Using your policy information we can analyse your existing retirement portfolios and determine if it is worth your while to transfer to another provider, change your policy within your existing provider or keep your retirement annuities the same.

Do not hesitate to contact us if you require any additional information or any clarity on your current portfolio :

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