



Cumulus Echo Retirement Plan
start saving today for a comfortable retirement

Insurance

Financial Planning

Retirement

Investments

Wealth

Why Sanlam?

For many years we've been in the business of planning for tomorrow. It's a meticulous process of crafting our clients' futures. And while we dedicate ourselves to fulfilling their expectations of the future, we stay true to our solid, traditional set of values and remain grounded in a tireless work ethic.

As custodians of our clients' money, we are obsessively committed to treating every rand they entrust to us with the utmost respect, because we know what went into making it. For us it's not about how much money they make, but what they can make of their money.



Sanlam's Cumulus Echo Retirement Plan

At Sanlam we believe there are no shortcuts that don't cut you short. We believe there's no such thing as a quick buck and that a financially secure future isn't a product of luck. We've seen time and again how diligence and determination pay off. This is especially true when you're saving for your retirement.

According to the **Sanlam BENCHMARK™ Survey 2015**, almost 45% of South Africa's pensioners are unable to cover their monthly living expenses. The only way to try to avoid this, is to start saving as early as possible and to keep on saving.

Sanlam's Cumulus Echo Retirement Plan is a policy that will inspire you to start saving early so you can look forward to the comfortable

retirement you deserve after years of hard work. We will also motivate you to keep up your payments by boosting your retirement savings with an amount called the **Echo Bonus**. The longer you are invested with Sanlam, the higher the Echo Bonus will be.

But Echo Bonuses do not need to stop when you retire. You will have an option at retirement to continue your investment without further contributions while drawing a regular income. The benefit of this option is twofold: It allows for a seamless transition from pre- to post-retirement within a product that you are familiar with, and most importantly, you will continue to earn and grow the Echo Bonus uninterrupted over the rest of your life.



How does the **Cumulus Echo** Retirement Plan work?

5

1

Make payments

You contribute a lump sum or make regular monthly payments to the retirement annuity policy.

4

Retire and receive benefits

You can retire at any time from age 55 and will receive the retirement savings boosted by the Echo Bonus.

2

Choose an investment fund

Your payments are invested in an investment fund of your choice and are expected to grow over time based on the performance of your investment fund. Your Sanlam financial adviser or an accredited broker will help you select the most appropriate investment fund for you.

3

Watch the Echo Bonus increase

The longer you are invested with Sanlam and the more payments you make to the Cumulus Echo Retirement Plan, the higher the Echo Bonus will be. It could even exceed the fund value of the policy.

5

Get up to one-third in cash

When you retire, you can take up to one-third of the retirement savings plus the Echo Bonus in cash.

6

Receive an income during retirement

Legislation requires that the balance must be invested to pay you a monthly income during retirement.

The **Cumulus Echo** **Retirement Plan** offers you two options to choose from.

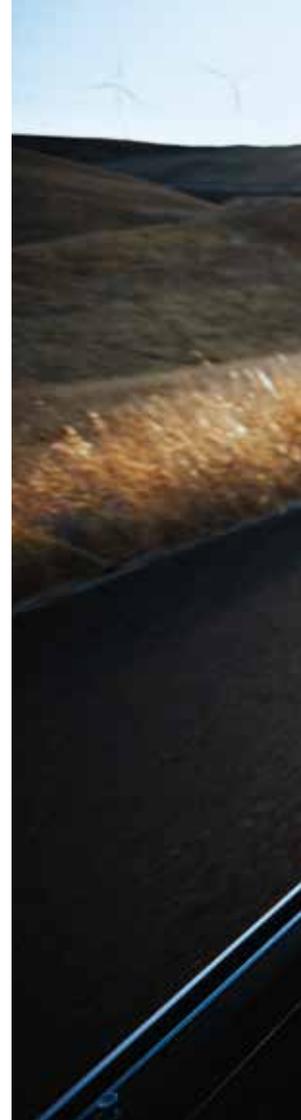
1

The **Core** option is a streamlined, cost-effective option with three lifetime investment options as the underlying investment funds to choose from.

2

The **Comprehensive** option offers more flexibility and a wide range of leading investment funds.

7





Benefits of the Cumulus Echo Retirement Plan

The Echo Bonus

This bonus makes the Cumulus Echo Retirement Plan one of the most cost-effective savings options on the market.

Core Comprehensive

Quality investment funds to choose from

Sanlam has meticulously selected a range of quality investment funds, making it easier for you to decide where to invest.

Core Comprehensive

Affordable

The minimum required payment is low enough for you to start saving for retirement today. Once you can afford to save more, you can increase your payment.

Core from R300 per month Comprehensive from 500 per month

Investment flexibility

You can switch between the investment funds as your needs change. The first four switches per policy year are free. You can change the allocation of your monthly payment between the different investment funds as often as you like, free of charge.

Core Comprehensive



Payment flexibility

You can also request a premium holiday if you are unable to make monthly payments for a period of time.

Core **Comprehensive**

Investment guarantees

You can choose investment funds that offer guarantees. These guarantees are unique, because they increase over time as the value of the investment grows.

Core **Comprehensive**

Lifetime investment options

These options aim to give you peace of mind. The investment will be exposed to higher-performing asset classes to achieve maximum growth while you are younger. As you near retirement, Sanlam will gradually switch the investment into more stable investment funds.

Core **Comprehensive R28**

Peace of mind in case of disability

The waiver of premium benefit is an optional benefit that pays your monthly contributions on your behalf should you become disabled. It ensures that you are able to reach your retirement goals despite unforeseen disability.

Core **Comprehensive**



Tax efficient

The contribution to the retirement plan can be deducted from your income so you will pay less tax every month. You will also not pay any tax on interest, capital gains or dividends earned on the underlying investments of the retirement plan.

 **Core**  **Comprehensive**

Protection from creditors

The retirement savings are safe, irrespective of any personal financial loss you may suffer. With some exceptions, even the people to whom you owe money will not be able to touch the money you have saved for retirement.

 **Core**  **Comprehensive**

Protected long-term savings

The money you are saving towards your retirement is only available from age 55. This means that you won't be tempted to use it for reasons other than your retirement.

 **Core**  **Comprehensive**

Income option at retirement

With the Cumulus Echo Retirement Plan you will have the option at retirement to continue your investment without further contributions while drawing a regular income. It allows for a seamless transition from pre- to post-retirement, and most importantly, you will continue to earn and grow the Echo Bonus uninterrupted over the rest of your life.

 **Core**  **Comprehensive R28**

How much do you need to invest?

An initial minimum monthly payment of **R300**, or a minimum once-off payment of **R25 000** is required. The minimum once-off payment is **R5 000** if you are already making monthly payments.

As your needs will change over time, it's important to review your investment from time to time. Depending on your retirement dreams and goals, your Sanlam financial adviser or an accredited broker can help you to establish exactly how much you need to invest.

What is the minimum monthly payment?

Core option

Term of investment	10 - 14 years	15 - 20 years	20+ years
Monthly payment	R500 pm	R400 pm	R300 pm

Comprehensive option

Term of investment	5 - 9 years	10 - 20 years	20+ years
Monthly payment	R1 000 pm	R750 pm	R500 pm





How does the Echo Bonus work?

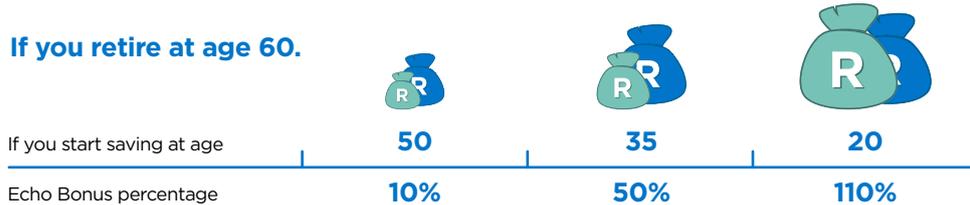
When you take out a Cumulus Echo Retirement Plan, you choose the period for which you will make payments to the retirement plan. This period is usually up to your desired retirement date.

Sanlam will calculate the Echo Bonus percentage based on the length of time you are actually invested in the Cumulus Echo Retirement Plan and the actual payments made over this period.

Whenever you retire, Sanlam will add the Echo Bonus to the retirement savings.

The following examples are for illustration purposes only.

If you retire at age 60.



You will receive a bigger Echo Bonus if you start your savings in the Cumulus Echo Retirement Plan at age 20. If you start to save at this young age, the Echo Bonus will exceed the retirement savings.

If you retire at age 60 but only make half your payments.



From the illustration it is clear that the Echo Bonus will be smaller, because you only paid half of your contracted payments.*



If you want to retire at age 60 but actually retire at age 55.



*The illustrations assume that your payments remain level over the investment term, and do not fluctuate or increase.

What happens to the investment in the event of your passing?

The full value of the retirement savings plus the Echo Bonus will be available to the people you have chosen to receive the death benefit (referred to as nominees). No executor's fees are payable.

Start saving now so you can live your best possible life at retirement.

For more information about the Cumulus Echo Retirement Plan, speak to your Sanlam financial adviser or an accredited broker, or phone Sanlam on 086 726 526. You can also visit our website at www.sanlam.co.za/retirement

Kindly note: This brochure gives a general summary of the Cumulus Echo Retirement Plan. Detailed terms and conditions are set out in the policy contract.

call us 

For more information about the Cumulus Echo Retirement Plan, speak to your Sanlam financial adviser or an accredited broker, or contact us.



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Sanlam is a Licensed Financial Services Provider.

www.sanlam.co.za

