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Assistants' Masterclass 2023

Module 5: Transfers Made Easy
Noelene Pillay
29 June 2023



Assessments

Date	Module	Topic	Presenter
4 May	Module 1	Ninety One IP Products	Jocelyn Morgan
18 May	Module 2	Tax matters	Janine Langenhoven
1 June	Module 3	Web tips	Candice Wilson-Moore
15 June	Module 4	Offshore	Albert Coetzee
29 June	Module 5	Transfers made easy	Noelene Pillay
13 July	Module 6	General Practice management	Jean Nasser


- One hour sessions, every second Thursday
- Assessments will be available till 2 weeks after the last module
- Pass rate = 80%; 91%+ will be a distinction

What if I have questions ?

- **Module specific questions can be typed in the Q&A section of the call**
- Dedicated mail support: masterclass@ninetyone.com
- Ask your Sales Manager



Agenda

- 01 Transfers Overview
 - 02 Requirements
 - 03 Process
- 



Transfers overview

The Transfers Team is responsible for:

- Quality Checking of instructions for both Business and Legal requirements
- Liaising with Advisor's office regarding outstanding documentation
- Initiating transfers with Transferring Companies and liaising with them throughout the lifespan of the transfer
- Drafting and signing of all legal documents relating to the transfer
- Completion and submission of ROTs for Sectional transfers
- Weekly and bi-monthly progress feedback to advisor's office
- Dedicated Transfers team



Requirements

Transfer forms

8 documents

Letter of intent

[↓ Download literature](#)

Living annuity transfers to Ninety One IP

[↓ Download literature](#)

Section 14 transfers to Ninety One IP

[↓ Download literature](#)

Tax Free Savings Account Transfer In application

[↓ Download literature](#)

Transfer out - Investment Portfolio

[↓ Download literature](#)

Transfer out - Living annuity

[↓ Download literature](#)

Transfer out - Retirement funds

[↓ Download literature](#)

Transferring between product platforms

[↓ Download literature](#)



Checklists

Ninety One Investment Platform



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Section 14 Transfers to Ninety One Investment Platform

This document serves to provide financial advisors with a summary of the initial requirements and procedures followed in the case of section 14 transfers to Ninety One Investment Platform (Ninety One IP).

Please note that all required documents must be submitted within 30 calendar days from the date of inception of the instruction. On expiry of this period, the instruction will be cancelled and a new instruction with new documentation will have to be submitted, should the member wish to proceed with the transfer.

Section 14(1) and section 14(8) of the Pension Funds Act 24 of 1956, require transfers to be finalised within 180 days of the effective date of the transfer. In accordance with Directive PF No 6 that was issued on 15 December 2011, effective 1 January 2012, transfers between retirement annuity funds and transfers between preservation funds are exempt from the provisions of section 14(1). Therefore, these transfers do not have to be submitted to the Financial Sector Conduct Authority (FSCA) for approval. It is no longer relevant whether the retirement annuity funds or preservation funds involved in the transfers are valuation exempt or not.

Turnaround times (guidelines)

5 business days to act upon new instructions and attachments on existing instructions

20 business days to follow-up on outstanding documentation for existing cases

20 business days to follow-up for Form H

14 business days to follow up on Form J, Zero Balance statement and Tax Directive

Section 14 transfers to Ninety One Investment Platform

	AIMS	AlexForbes	Allan Gray	Ashburton	Discovery	Glacier	Liberty	Momentum (Investo, Traditional, Corporate)	Momentum Wealth
Initial requirements									
Application for section 14 Fund Transfer Out form fully completed and signed by the member		●	●		●		●		
Letter of Intent signed by the member confirming the transfer from Manco to Ninety One IP (indicating investment number and reason for transfer)	●	●	●	●	●	●	●	●	●
Replacement Policy Advice Record (RPAR) fully completed and signed by the member and financial advisor. Please ensure that the Manco Policy number is completed on the RPAR as well as "Ninety One IP TBC" under the Receiving company's details.								●	●
Manco Contractual Transfers form fully completed and signed by the member	●	●							
Ninety One IP New Business Application Form fully completed and signed by the member	●	●	●	●	●	●	●	●	●
Statement of transfer benefit not older than 1 month for unit transfers only	●	●	●	●	●	●		●	●
Clear copy of member's identity document (in the case of a Smart Card, include both sides)	●	● Certified ID	●	●	●	●	●	●	●
Proof of address not older than 3 months		●							
Confirmation whether a cash or unit transfer is to be affected	●	●	●	●	●	●			●
Ninety One IP Quote (signed and dated)							●		
Manco only processes cash transfers									
Procedure									
All Section 14 requirements must be submitted via the web	●	●	●	●	●	●	●	●	●
If applicable, Ninety One IP will request any outstanding documentation from the financial advisor	●	●	●	●	●	●	●	●	●
Once all requirements have been provided, Ninety One IP will email the Section 14 Transfer instruction to the Manco within 5 days and request the Form H	●	●	●	●	●	●	●	●	●
Manco will email the Member Declaration form to Ninety One IP who will forward the form to the financial advisor to obtain the member's signature					●	● Client Declaration Form	●		
On receipt of the Manco's Member Declaration form, Ninety One IP will return the form to Discovery and request the Form H					●	● Client Declaration Form	● takes 30 days to provide Client Declaration		
Ninety One IP will sign Form H on receipt and return it to the Manco, requesting Form J, Zero Balance Statement and Tax Directive	●	●	●	●	●	●	●	●	●



Section 14 Transfers

- Section 14 is a reference to Section 14 of the Pension Funds Act (PFA), 24 of 1956. It governs the transfer of benefits from one fund to another
- The PFA including Section 14 is aimed at protecting members' interests
- Until April 1, 1994 Section 14 was only applicable when a privately administered fund was involved
- The Trustees and the Principal Officer of a fund are required to make certain declarations regarding the transfer and this is why they are required to sign the Section 14 documentation, which authorises the transfer
- The legislation provides that the transfer must be completed within 180 days of the effective date of the transfer
- Transfers are done on a tax neutral basis



Section 14 Transfers

A Section 14 transfer will take place:

- When members want their retirement funds to be transferred to another approved fund, including preservation funds
- When transferring a fund owned living annuity between two registered long term insurers

The following transfers will be done via Section 14:

- Preservation Pension into a Preservation Pension
- Preservation Provident into a Preservation Provident
- Retirement Annuity into a Retirement Annuity
- Preservation Provident fund into a Preservation Pension
- Preservation Provident into a Retirement Annuity
- Preservation Pension into a Retirement Annuity



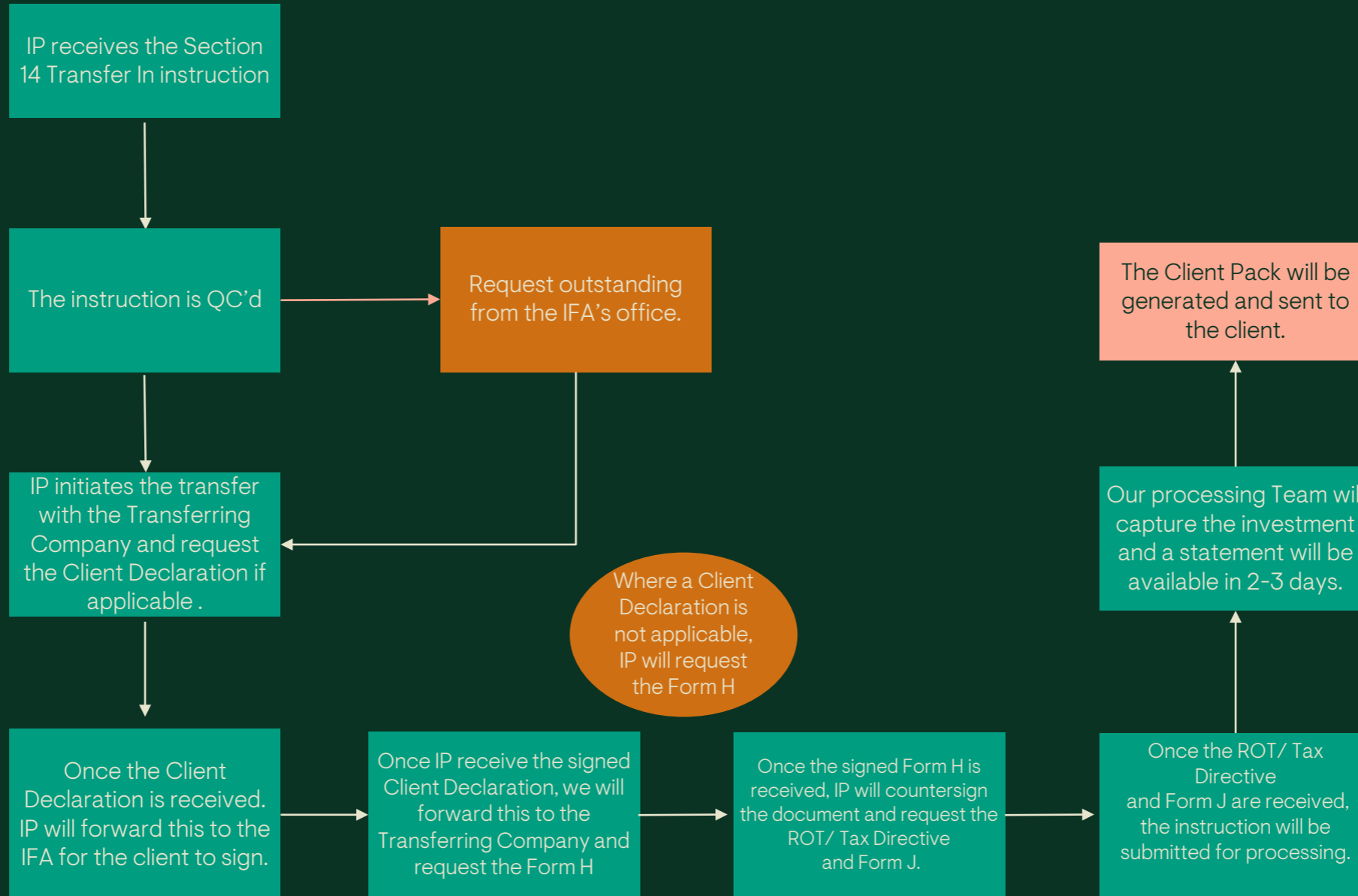
Section 14 Transfers

- For transfers between non-valuation exempt funds the insurer is required to submit the transfer documents to the Financial Sector Conduct Authority (FSCA)
- For valuation exempt funds you do not need to submit the transfer documents to the Registrar (FSCA)
- The Ninety One Retirement Annuity, Ninety One Preservation Pension and Ninety One Preservation Provident funds are valuation exempt
- Underwritten Section 14 Funds- The fee will need to be renewed annually.
- Important point to note is that if you adding funds to a deal that is underwritten, the entire deal becomes underwritten, and the fees will also need to be renewed annually.



Process

Section 14 Transfers





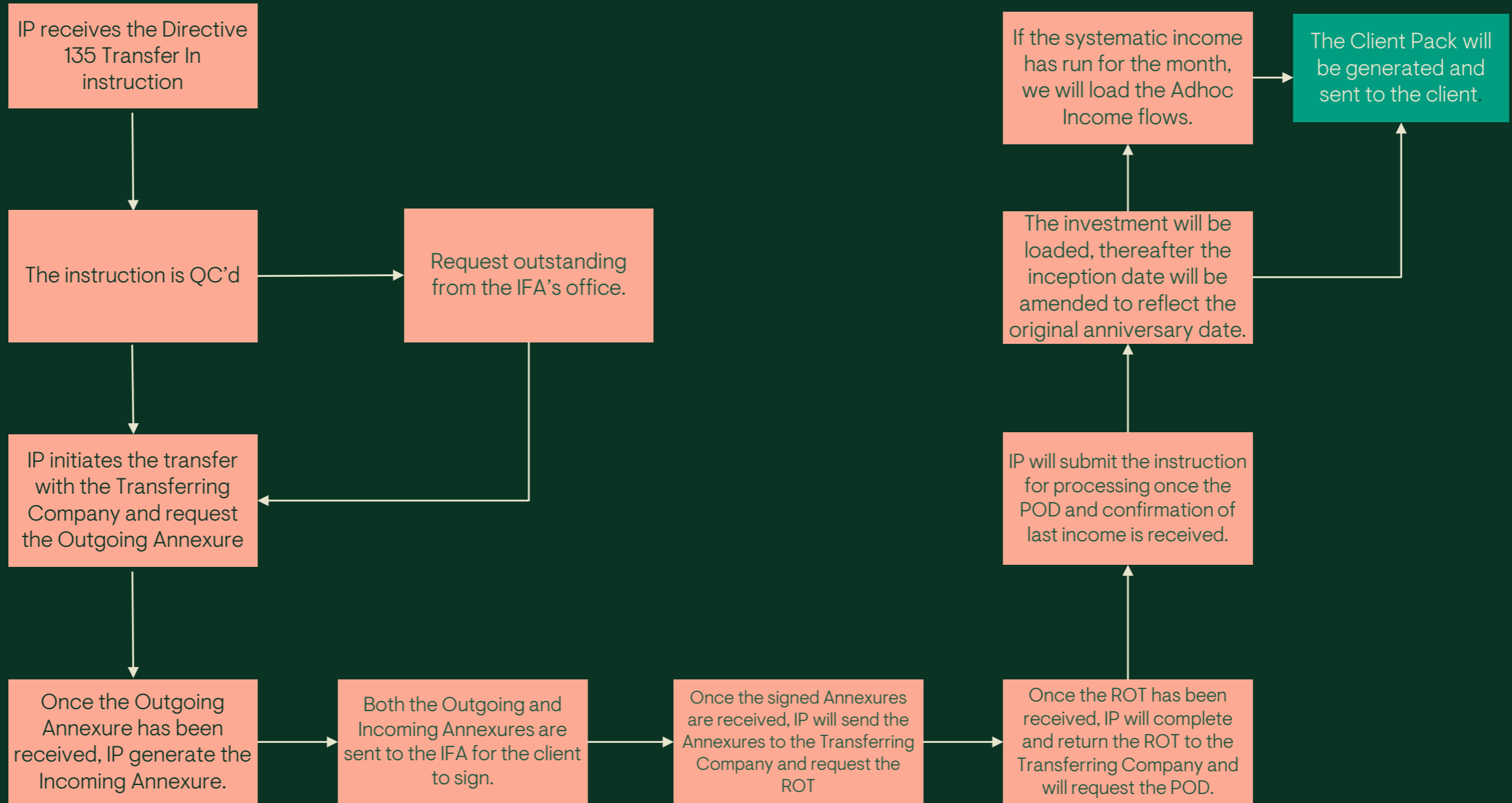
Living Annuity Transfers

- A Living Annuity Transfers is a reference to Section 50 of the Long Term insurance Act. It governs the transfer of business between funds
- A Living Annuity Transfer allows a member-owned living annuity to be transferred to another compulsory linked annuity policy
- Please note that where the annuitant transfers from a fund-owned annuity to a member-owned annuity, the section 14.1 process should be followed (FSCA approval required)
- On transfer to a living annuity the anniversary date or frequency of the income may not be changed
- Income and frequency can only be changed at the next anniversary date



Process

LA Transfers





Voluntary Transfers

Unit Transfers

- Can be accommodated where the fund and fund class are available on the Ninety One Platform
- Where a fund class is not available, a Switch will need to be actioned at the Transferring Company to an available fund prior to the transfer

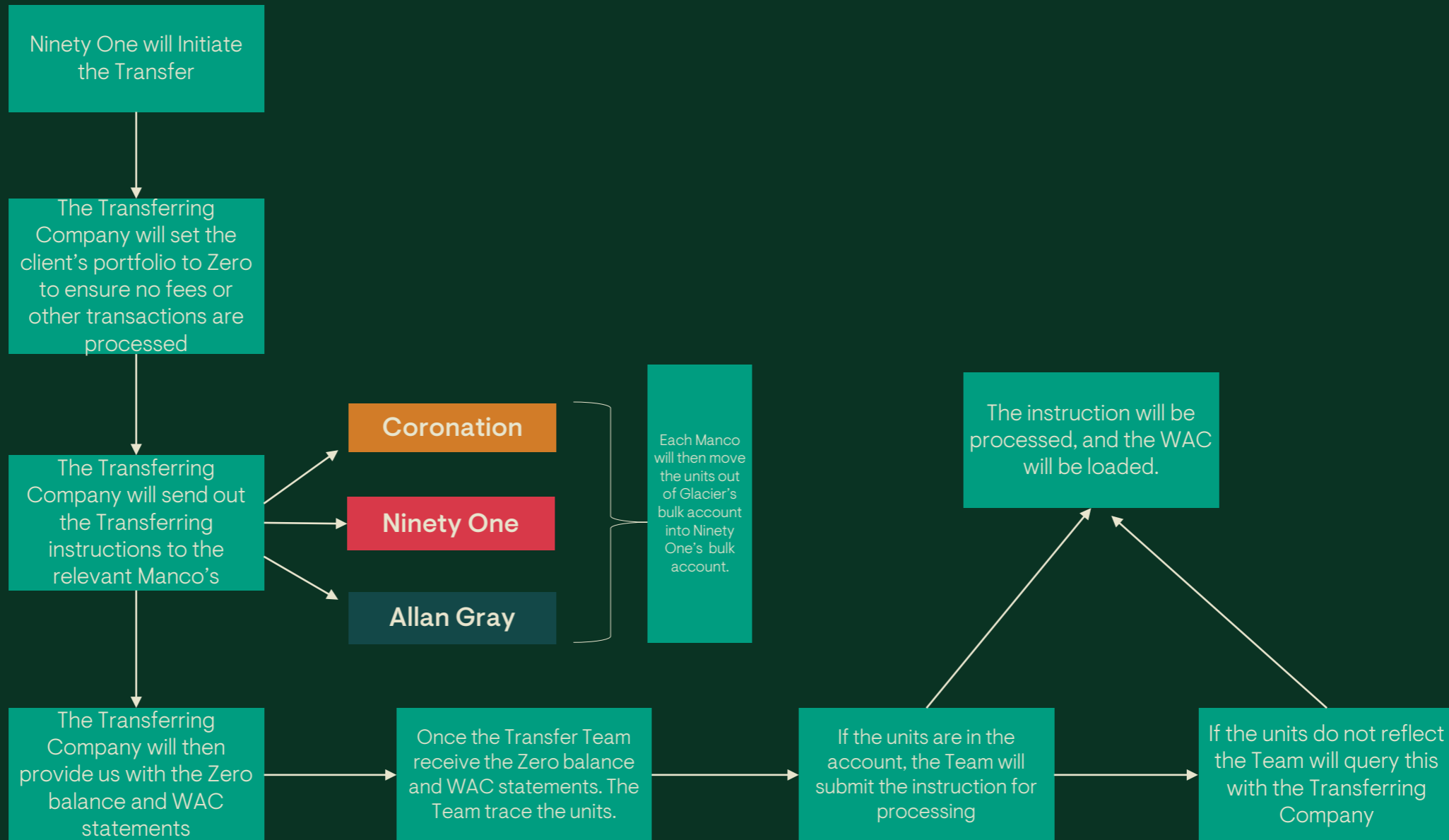
TFSA Transfers

- Can only be done via a cash transfer



Process

Unit Transfers





How do we make Transfers Simpler, Better, Faster?

- We manage the Transfers from Cradle to Grave
- We incorporate telephone follow ups with the different Transferring Companies to reduce the lifespan of the transfers
- Our online checklist provides a comprehensive guideline on the requirements of the relevant transfers
- Bi-monthly feedback provides you with a consolidated list of all your Transfers that have been submitted.
- Signing all legal documents which assist in the reduction of the lifespan of Transfers
- Fully fledged team who are ready and available to assist with any queries.
- Adhoc incomes are paid for Transfer of Living Annuities if the client did not receive his annuity from the Transferring Company



Please Remember

- Slides of this presentation will be available after this session
- A recording will be available within 3 working days on FAIS exchange
- All assessments are due by the 28th of July 2023.
- Registration for our next Master Class



Join us on 13 July

Remember to Register

General Practice management

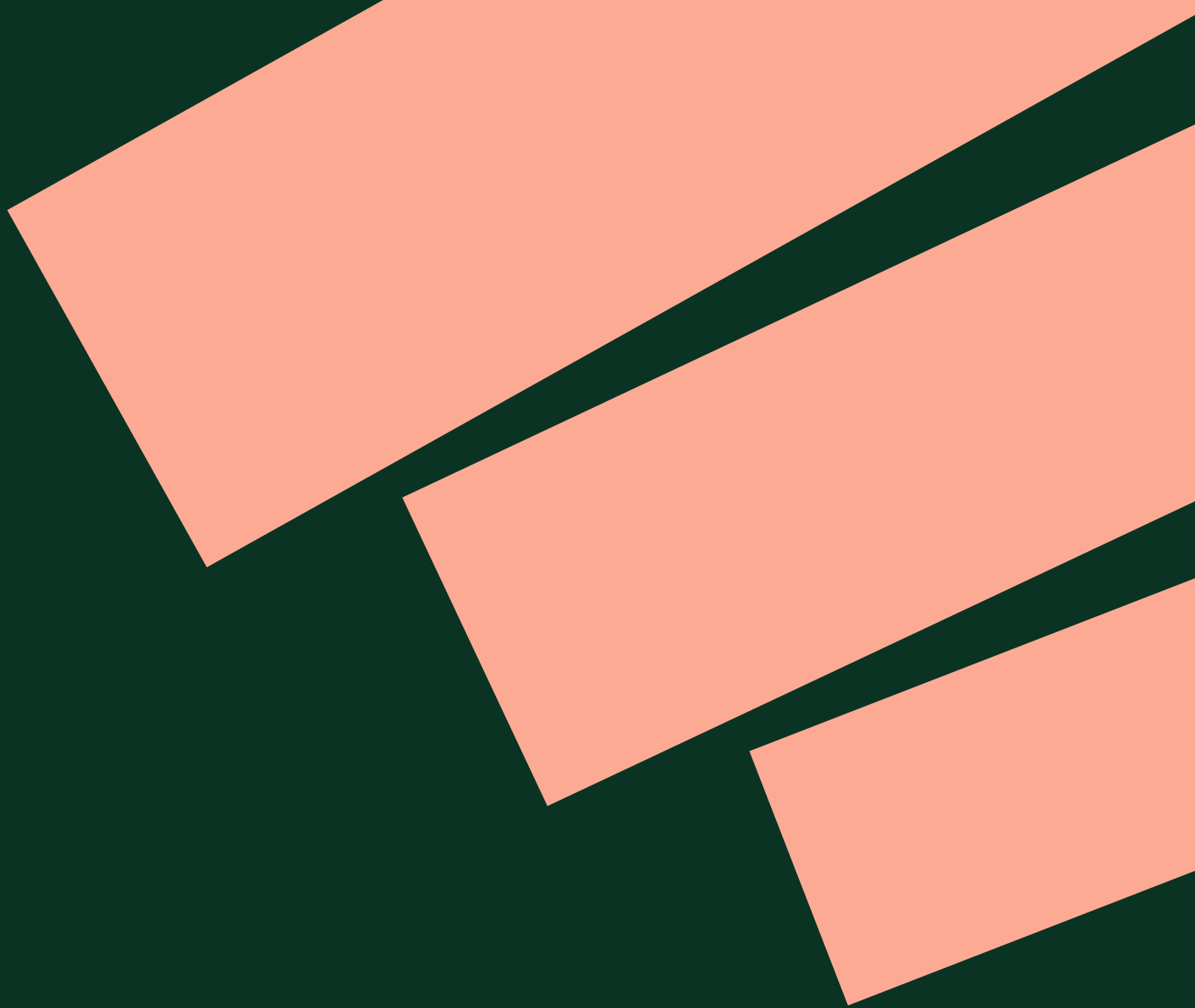
Discover tips to enhance the experience of managing your clients' investments on the Ninety One Investment Platform

Jean Nasser

Regional Sales Manager

23 years industry experience





Thank you.
Good Luck!



Disclaimer

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Ninety One Investment Platform is an authorised financial services provider.