

A close-up, profile shot of a man with a beard and glasses, looking down at a document. The lighting is warm and focused on his face. The background is blurred, showing what appears to be an office or laboratory setting. There are some circular graphic elements overlaid on the image.

# THE GLACIER OFFSHORE INVESTMENT PLAN

# INTRODUCING GLACIER

Glacier by Sanlam brings together leading experts and respected financial services companies to meet clients' investment needs. We deliver focused financial services through specialist teams, and pride ourselves on being a chosen partner of acclaimed financial intermediaries through our superior solutions and our quality service.

Our collection of financial solutions has been designed to span a lifetime, and to fulfil the needs each life stage may bring – whether you are focusing on the creation or the preservation of your wealth.

Our offering encompasses local investments, including fixed-term investments and investments with guarantees, international investments, retirement saving solutions and retirement income solutions.

While each solution has its own distinct purpose, they all share the world-class quality and commitment that have come to distinguish Glacier.



## WHAT DO MY INTERMEDIARY AND I CONSIDER BEFORE INVESTING?

Your investment objectives

Your time horizon

Protection from inflation

Investments that best suit your needs



# THE GLACIER OFFSHORE INVESTMENT PLAN AT A GLANCE

## SIMPLE INVESTING BEYOND OUR BORDERS

If you're an investor who saw offshore as off limits, there's never been a better time to change your view. The Glacier Offshore Investment Plan is an investment solution that offers you the opportunity to invest offshore, in different markets and currencies, with more simplicity, more flexibility and more affordable investment minimums than traditional offshore investments.



### Affordable investment minimums

Access to global opportunities with lower minimums than traditional offshore options.



### Simplicity

A streamlined investment process with fewer take-on requirements than traditional offshore options.



### Liquidity

Flexibility to add to your investment monthly by debit order or on an ad hoc basis, and to withdraw from your investment at any time.



### Guided investment choices

Guidance in investment choices through risk-profiled funds and model portfolios.

## UNCOMPLICATED INVESTMENT REQUIREMENTS



### Minimum investment amount

The Offshore Investment Plan allows you to invest a minimum lump sum of R100 000 or monthly recurring investments of R5 000. Any additional investments are subject to a minimum of R15 000.



### Simple take-on requirements

Investing in the Offshore Investment Plan requires only the usual FICA document: a copy of the investor's ID.



### Tax clearance and currency conversion

You can invest foreign currency that is already offshore, or externalise your rands with your preferred foreign exchange service provider, or our selected provider.



### Tax

Personal tax rates apply. Capital gains and losses are calculated in foreign currency and converted to rand (ZAR) for tax submission and payment purposes.



### Estate planning

On your death, the investment will be subject to South African estate duty, not international estate duty.

## EXPAND YOUR INVESTMENT UNIVERSE

In this complicated world, simplicity is tremendously refreshing. Glacier's Offshore Investment Plan allows you to diversify your investments across markets and currencies – simply and affordably.

By diversifying your portfolio across various countries, regions, sectors and economies, you can benefit from growth opportunities offered by a wide range of industries, companies, currencies and investment philosophies.

Diversifying your assets results in improved returns over the long term. Diversifying outside South Africa can also shield your portfolio from depreciation of the rand, which tends to be a volatile currency.

### DO MORE OFFSHORE

The Glacier Offshore Investment Plan allows you to invest in a range of risk-profiled model portfolios managed by a dedicated team of research and investment specialists. Alternatively, you can construct your own portfolio, in collaboration with your intermediary, from a list of offshore funds carefully selected by our investment research specialists.

# THE SIMPLEST WAY TO INVEST OFFSHORE

## WHO IS IT SUITABLE FOR?

This investment is most suitable for entities or individuals who:

- have a long-term investment horizon,
- want to diversify offshore with liquidity,
- are unlikely to make withdrawals in the short to medium term, and
- may want to make monthly recurring investments.

United States tax residents or citizens may not invest in this investment plan.

A minimum lump sum investment of R100 000 is required, or monthly recurring investments of R5 000. Any additional investments are subject to a minimum of R15 000.

It is important to note that you will be responsible for ensuring that your total investment amount per calendar year does not exceed your single offshore discretionary allowance limit, as shown below.

## INVESTING OFFSHORE

You can invest using your own offshore investment allowance or, if you prefer not to use it, or if you have exhausted this allowance, you can make use of the asset swap capacity of select providers. Investments and reporting are available in euros, US dollars and British pounds.

	Limit	Requirements
<b>Your own investment allowance</b>		
Foreign investment allowance	R10m per calendar year	Tax clearance and exchange control approval is required. You can invest foreign currency that is already offshore or choose to externalise your rand with your preferred foreign exchange service provider*. Withdrawal benefits can be paid to your bank account anywhere in the world.
Single discretionary allowance	R1m per calendar year	No tax clearance is required. You can invest foreign currency that is already offshore or choose to externalise your rand with your preferred foreign exchange service provider*. Withdrawal benefits can be paid to your bank account anywhere in the world.
<b>Asset swap**</b>		
	There is no limit to the amount that can be invested offshore via an asset swap.	No tax clearance is needed. The asset swap service provider will invest offshore on your behalf. Withdrawal benefits can only be paid to your South African bank account, in ZAR (rands).

\*A foreign exchange service provider can assist with tax clearance and foreign exchange. If you don't have an existing foreign exchange partner, Glacier can refer you to a foreign exchange expert.

\*\*Most asset managers and stockbrokers are allowed to invest a portion of their assets offshore. If they do not use the full extent of their allowable capacity, they often make it available to investors for a fee.



## GUIDED INVESTMENT CHOICE

The Glacier Offshore Investment Plan gives you the opportunity to customise your investment according to your specific requirements by investing in any one, or a combination of investment options.

### NAVIGATE OPTIMISED MODEL PORTFOLIOS AND NAVIGATE FUND LIST

The Navigate Optimised Model Portfolios are constructed in accordance with specific risk profiles and investment objectives, and each consists of a range of funds with optimised weightings in the portfolio. These portfolios are managed by Glacier Invest in accordance with clients' investment needs and expectations.

The Navigate funds are carefully selected by the Glacier investment research specialists. This highly guided list of investment choices helps to simplify international investment.

Navigate should appeal to investors who do not want the complexity of choosing from the vast number of offshore investment managers, as well as those who want peace of mind that their offshore investment portfolio is actively managed by skilled professionals, backed by a rigorously disciplined research and portfolio construction process.

### SELF-DIRECTED MODEL PORTFOLIOS AND FUND LIST


Other investors may prefer to, in collaboration with their financial intermediary, select their own collection of funds from a comprehensive range spanning various global asset classes and regions. Model portfolios of other professional investment managers are also available.

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#### MODEL PORTFOLIOS

Model portfolios are portfolios consisting of underlying funds managed according to a specific investment mandate and with specific investment objectives.

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Assets in the Offshore Investment Plan are held in the name of Axis Nominee, Glacier's approved nominee.



## HOW TO INVEST OFFSHORE

South African residents over the age of 18 who have a green barcoded ID or smart ID and a South African income tax number can use their individual offshore allowance of up to R11 million per calendar year (1 January to 31 December) to invest offshore.

This individual offshore allowance is made up of a R1 million single discretionary allowance and a R10 million foreign investment allowance.

TYPES OF ALLOWANCES		
Single discretionary allowance (R1m)	Foreign investment allowance (<R10m)	Special tax clearance (R10m+)
<ul style="list-style-type: none"> <li>• An individual can spend/externalise up to R1 million offshore in a calendar year without applying for tax clearance.</li> <li>• This includes any offshore spending, such as use of a credit card for offshore online purchases, use of ATMs outside South Africa, offshore investments and offshore donations.</li> </ul>	<ul style="list-style-type: none"> <li>• An individual can externalise an additional R10 million with prior South African Revenue Service (SARS) approval.</li> <li>• The individual must provide SARS with proof of the source of the funds, and be tax-compliant both at the time of application and at the time of externalising the funds.</li> </ul>	<ul style="list-style-type: none"> <li>• You can request special tax clearance from the South African Reserve Bank (SARB).</li> <li>• This is a complex application process, and it may take months before the SARB issues you with the clearance. Once you have obtained the special tax clearance, the funds are subject to restrictions, and you are responsible for annual reporting to the SARB.</li> </ul>

INDIVIDUALS			
Foreign exchange service providers		Existing offshore investment/funds	Asset swap
Your preferred provider	Incompass	<ul style="list-style-type: none"> <li>You can transfer an existing offshore investment directly to Glacier via a unit transfer without liquidating the assets. You may be required to do a switch before transferring the units if the same class of a collective investment fund is not available on the Glacier platform. For more information, refer to the unit transfer process document on the Glacier International website.</li> <li>You can transfer cash from an offshore investment or bank account. Once we've accepted your application, we will provide you with bank account details.</li> <li>Additional documentation may be requested.</li> </ul>	<ul style="list-style-type: none"> <li>You can make use of an asset swap facility from an authorised South African institution. The asset swap provider will arrange for the externalisation of the funds. There is no limit to the amount that can be invested offshore via an asset swap provider.</li> <li>Investments made via an asset swap need to be paid back to the investor in South Africa in rands when withdrawals are made.</li> <li>The asset swap process may differ between providers; please contact your Glacier BDM/BDC for more information.</li> </ul>
<ul style="list-style-type: none"> <li>To externalise your funds using the above allowances you will need to get in contact with a foreign exchange services provider or your bank.</li> </ul>	<ul style="list-style-type: none"> <li>Should you not have a preferred provider, Glacier can refer you to Incompass for assistance with externalising your funds.</li> <li>Incompass can assist with each of the above allowances as well as with special clearance for amounts exceeding R11 million.</li> </ul>		

ENTITIES	
Local entities	Offshore entities
<ul style="list-style-type: none"> <li>South African entities can only invest offshore by making use of an asset swap facility from an authorised South African institution. The asset swap provider will arrange for the externalisation of the funds. There is no limit to the amount that can be invested offshore via an asset swap provider.</li> <li>Investments made via an asset swap need to be paid back to the investor in South Africa in rands when withdrawals are made.</li> <li>The asset swap process may differ between providers; please contact your Glacier BDM/BDC for more information.</li> </ul>	<ul style="list-style-type: none"> <li>If you have an existing offshore investment, you can transfer this directly to Glacier via a unit transfer. The unit transfer allows you to move your assets to our platform without liquidating the assets.  You may only transfer a fund if the exact share class is available on the Glacier platform. For this reason, you may be required to perform a switch before transferring the units to our platform. For more information about this process, please refer to the unit transfer process document available on the Glacier International website.</li> <li>Should you wish to transfer cash from an offshore investment or bank account, you can make payment using the bank details we provide you with once we accept your application.</li> </ul>





## HOW IT WORKS

### **YOU ARE IN CONTROL**

Glacier, as an administrative financial services provider, provides the investment platform and executes your instructions. Glacier Invest, as a discretionary financial services provider, manages the Navigate model portfolios.

Your financial intermediary will provide you with advice and help you manage your investment in accordance with your investment objectives and tolerance for risk. You select the underlying investments and instruct Glacier when and how to adjust your investment.

### **TAX WILL AFFECT YOUR INVESTMENT**

#### **Capital gains**

Capital gains tax becomes payable when you sell assets and realise a profit when, for example, switches are made between funds or when funds are withdrawn. Glacier will issue capital gains tax certificates annually. Gains are calculated in foreign currency and converted to rand (ZAR) for tax submission and payment purposes.

#### **Estate duty**

On your death, the investment will form part of your estate and may be subject to South African estate duty.

## INVESTING IS NOT WITHOUT RISK, AND RETURNS ARE NOT GUARANTEED

Financial markets are unpredictable and fluctuate daily. The value of your investment can therefore rise and fall, and there is no guarantee with respect to either the capital or the return on the investment.

Investing in foreign currency also exposes an investment to currency risk. Unfavourable changes in currency exchange rates can lead to an investor losing money.

It is important that the investment portfolio you select is in line with your investment risk profile. Your financial objectives and personality determine how much investment risk you are willing to take on, and your intermediary will help you determine the level of risk that is right for your personal circumstances.

## FEES AND CHARGES ARE PAYABLE

Fees are charged for the administration and management of your plan. Glacier's annual administration fee and the annual financial intermediary fee are deducted by repurchasing units from the investment.

### Glacier's administration fee

Glacier charges an annual administration fee.

### Financial intermediary fees

You and your financial intermediary agree on the fees for their financial advice and services provided. You may renegotiate these fees at any time.

### Investment management fees

The managers of the investment options you select will charge a fee. The fees are set out in the quotation, investment confirmation, applicable mandates and fund fact sheets.

### Asset swap fees

There is an additional charge for using a financial institution's asset swap capacity. These fees are disclosed in the asset swap mandate.

### Foreign exchange service provider fees

Fees will be charged by foreign exchange service providers if you make use of this service.

### Value-added tax (VAT) payable on fees

VAT is payable on fees where applicable.

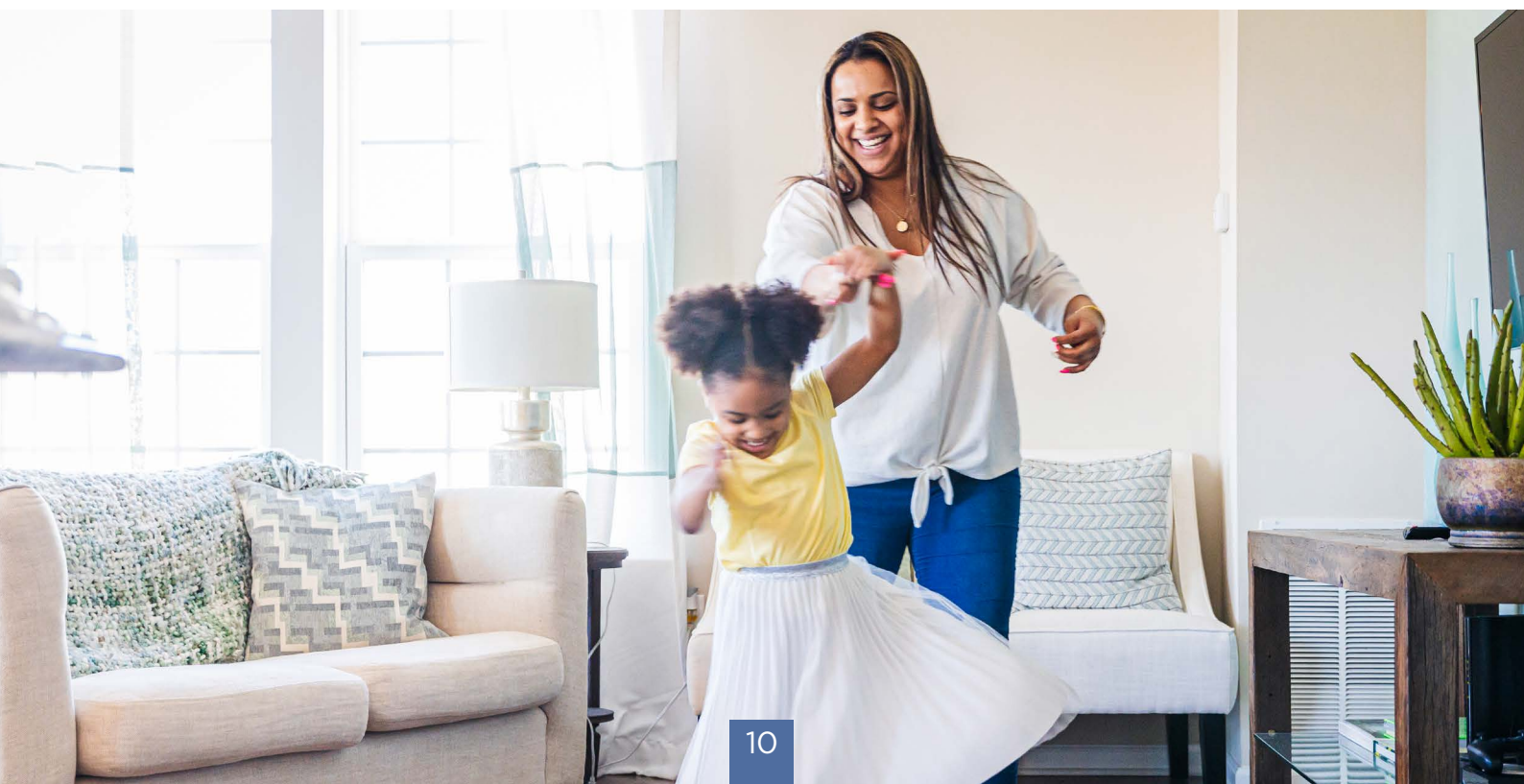
## LET US EXCEED YOUR EXPECTATIONS

We value our clients and want to provide you with the best service. That is why we welcome your feedback. If you are dissatisfied with any aspect of our service or products, please tell us. Our team will investigate and aim to resolve the matter in a fair and efficient manner.

This document is intended for use by clients, alongside their financial intermediaries.

The information in this document is provided for informative purposes only and should not be construed as the rendering of advice. Although we have taken reasonable steps to ensure the accuracy of the information, neither Sanlam nor any of its subsidiaries accept any liability whatsoever for any direct, indirect or consequential loss arising from the use of or reliance in any manner on the information provided in this document.

For professional advice, please speak to your financial intermediary.







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Financial Solutions (Pty) Ltd, a Licensed  
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FSP 770, trading as Glacier Invest

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