



**GROUP  
& PERSONAL  
PENSIONS**

RF Personal Retirement Account

## Money at Work

For over 20 years, our mission has been to help our clients create and manage wealth. We pride ourselves on being industry leaders, not only in performance but also in innovation. Proof of our success is more than \$2 Billion in capital raised for our corporate clients, over \$1 Billion in assets under management and over \$2 billion in assets under administration.

Our goal is simple - to be the premier Wealth Manager and Advisor in the communities we serve. We are a regional private bank which makes us especially attuned to the unique needs of our local clientele. We consistently introduce original products carefully designed with these needs in mind. We have also cultivated key relationships with best-in-class global partners that help us deliver the gold standard in investment management solutions. These solutions include:

### Individuals & Family Services

- Local & International Mutual Funds
- Personal Pension Plans
- Personal Retirement Accounts
- Stock Brokerage
- Private Wealth

### Institutional Services

- Group Pension Plans
- Investment Banking
- Investment Management
- Trust & Estate Planning





## It's all in the follow-through

You've worked hard, planned and invested so that you can retire on your terms. What you do after you retire, however, is just as important as what you do before. While you are investing in your retirement fund, you should also be thinking about how those funds will be managed when you actually do retire.

A common misconception is that an annuity is the only option for financial security in retirement. Generally, an annuity is when you give an insurance company your money, and in return, they pay you an income stream for the rest of your life. While annuities can provide a guaranteed retirement income, their terms often lack the flexibility to change with you as your lifestyle or circumstances change. They are also not the best option to grow your retirement savings.

## Introducing a flexible retirement account

The **RF Personal Retirement Account (PRA)** is the most flexible retirement solution available today. Unlike an annuity and similar pension payment options, this account gives you control over your retirement fund. You decide how much of an income you will take and how often. You can choose to receive pension payments on a monthly, quarterly, semi-annual, annual or on an ad-hoc basis. If you do not wish to take an income, you have the option of investing your entire retirement fund. There is no limit to the amount of additional funds you can add and you can change the amount of income you take at any time.

### PRA Benefits at a Glance

- ✓ The flexibility to add to and withdraw funds from the account as you wish.
- ✓ A wide range of attractive investment options with the ability to change investments.
- ✓ Prompt transfer of the balance of your account to your beneficiaries in the event of your death.



## Is the RF Personal Retirement Account right for you?

Our Pension Specialists designed this account for new and existing retirees with lump sums of \$100,000 or more wanting to safeguard or grow their money. The account is a flexible term investment product, providing an attractive alternative to an annuity; however, it may not be suitable for all investors.

### **The Account is suitable for you if you:**

- Have at least \$100,000 to invest;
- Want to have a choice of attractive investment options;
- Want flexible income payments;
- Want to keep your retirement savings invested;
- Want to add funds when they become available;
- Are willing to take the risk that the value of your savings could go down.

### **The Account may not be suitable for you if you:**

- Have less than \$100,000 to invest;
- Want guaranteed income payments for life;
- Want to withdraw all of your funds over a short period of time;
- Do not want to take the risk that the value of your savings could go down.

The PRA is an investment account. How your funds are invested is up to you as we provide four investment vehicles (with varying degrees of risk) for you to choose from. However, there are risks associated with investing as the value of your investment can go down as well as up and it is not guaranteed.

If the PRA is right for you, our team will create a customized solution for you based on your unique retirement and investment goals.

## How the PRA works

The minimum initial investment amount for an RF Personal Retirement Account is \$100,000 and the minimum amount you can hold in your Account before it is terminated is \$10,000. There are no restrictions on the amount of income you can take. However, if you take high levels of income, you risk depleting your pension savings too early. When you open your Account, you will be asked to indicate the amount you wish to receive in pension payments and when you want those payments. They will be made directly to your chosen bank.

You will also be required to indicate how you want your funds invested. Our team of Retirement Specialists will help you decide on the investment fund that best suits your risk tolerance and customize your investment portfolio for you. As a Bahamian or temporary resident in The Bahamas, you can invest in one or a combination of up to four out of the six available Investment Funds. We regularly monitor and review the portfolios of the investment funds on your behalf to ensure they continue to meet their investment objectives.

With a PRA, you are able to pass on your account. When you set up your account, you will be asked to indicate a beneficiary who will receive your remaining pension savings when you die. You can nominate more than one beneficiary and you can change your beneficiaries at any time.

You can keep track of your Account through our online platform. Our team regularly updates your account information, so you will be able to see:

- All transactions within your Retirement Account;
- Account balances and details;
- Your investment history.

Our team will also be available to provide any additional assistance as required including adjusting your investment strategy, changing your pension payment amounts and/or frequency and updating your beneficiary information.

## RF Personal Retirement Account vs Annuity

	ANNUITY	RF PERSONAL RETIREMENT ACCOUNT
<b>Who owns the account?</b>	If you buy an annuity, then you no longer own your savings. You effectively use your savings to purchase a stream of future payments over your life.	You own the Account. By owning your pot and keeping it invested, there is potential for it to grow. As a result, you could have more money than you had planned for in your retirement.
<b>How flexible is it?</b>	Once your annuity is set up, your income is fixed for life and cannot be changed.	You are free to add or withdraw money when you want. You choose where your pension is invested and are responsible for it.
<b>Is my money safe?</b>	Your income is secure and will be paid to you for at least the rest of your life no matter how long you live, and is not affected by market performance.	Since the PRA is an investment account, it is subject to the ups and downs of the market. So if your income falls, there is the risk of you outliving your money.
<b>What options do I have?</b>	Before you buy an annuity, you can shop around to find the best rates. But once you choose your provider, you have to stay for life.	There is huge flexibility in choosing to invest your pension. We provide a range of funds of varying risk levels to suit your investment goals and you can change your approach at any time.
<b>What happens when I die?</b>	It cannot be inherited by your dependants unless you selected a spouse's income or a guarantee period before the annuity was set up.	When you die, your remaining funds will be inherited by your beneficiaries.

## How the funds are invested

Our range of investment funds are designed to give you options based on your individual goals and risk tolerance. Flexibility is built in to the PRA, meaning you can always change your investment strategy as your needs and lifestyle changes. Below are the funds you can choose from.

	Description	Type	Risk Level	This fund may be right for you if...
Guaranteed Fund	Invests in fixed income securities, including Government and corporate bonds and preference shares.	Guaranteed	None	You prefer not to take any risks with your retirements savings and are comfortable with modest returns.
Income Fund	Invests in fixed income securities including Government and corporate bonds and preference shares.	Fixed Income	Low	You want to maximize on your accumulated assets but without taking on too much risk.
Balanced Fund	Invests in fixed income securities including and Bahamian equities.	Balanced	Moderate	You are looking for a mixture of safety and modest capital appreciation.
Equity Fund	Invests in Bahamian equity, performance shares and private placements.	Equity	High	Your pre-retirement strategy has given you the ability withstand greater risk in order to obtain aggressive growth.
International Equity Fund	Invests in international equity securities and Exchange Traded Funds.	International Equity	High	You prefer the stability of returns and relative safety of global fixed income investments.

\*An RF advisor can help you determine a good mix for your objectives and risk tolerance. Also, your investment choice is not locked in. You can switch your money between any of the funds at no additional charge.



## Getting Started

How you manage your retirement savings is key to the quality of your post-work life. There are a number of factors to consider. Do you plan on changing your lifestyle? Do you plan on traveling or making major purchases like a home? Will you start a business? All these will impact your retirement finances.

Navigating through all these and other important considerations can be challenging. Our team would be happy to meet with you to discuss your retirement goals and the options available to you. If the RF Personal Retirement Account is right for you, our team will guide you through the onboarding process and supply you with a Welcome Package outlining how you can keep track of your account.

When you are ready to begin, reach out to us at [pensions@rfgroup.com](mailto:pensions@rfgroup.com).



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