



LEVANTINE & Co

INVESTMENT PARTNERS

CORPORATE INTERNATIONAL PENSION PLAN

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Levantine & Co. is an independent advisory, investment and funding solutions specialist catering for the needs of both individuals and corporations.

As investment partners with broad, international market experience, we bring value to our clients and their businesses; assisting each of them to secure long-term capital growth within a international investment philosophy.

INTERNATIONAL PENSION PLAN ("IPP")

The IPP offers a global retirement solution that caters for both international and local members. It overcomes many of the restrictions associated with local retirement arrangements (South African Pension Plans, Provident Funds, Retirement Annuities, Living Annuities) and the challenges of providing appropriate employee benefit packages for employees who want international investment diversification.

IPP is an international pension plan structured under a Master Trust Deed as a registered pension plan under section 150 of the Income Tax (Guernsey) Law, 1975 and is a Guernsey tax approved pension. The plan is tax exempt under section 40(o) of the Income Tax (Guernsey) Law, 1975. The provision of pensions in Guernsey is permitted under a) the Income Tax (Guernsey) Law 1975 (as amended), b) the Income Tax (Retirement Annuity Schemes and Retirement Annuity Trust Schemes).

For employers, The IPP is an essential solution to help attract and retain talent whilst addressing the complexities of providing international employee benefits. The IPP provides a tax neutral structure to build wealth with a wide range of potential benefits such as: investment and currency choice, mitigation of foreign probate, succession planning, asset protection and multiple benefit options at retirement. Importantly it can provide peace of mind in the face of domestic, political and economic challenges.

WHY USE INTERNATIONAL PENSION PLANS?

Adequate retirement provision is a financial objective to which the majority of individuals aspire, providing security during their lifetime and supporting their dependants after death. Considerations such as longevity, medical care and the withdrawal of state support mean that individuals need to accumulate sufficient wealth to provide for a prolonged period of retirement. Challenges come from government policies, which have hardened towards wealth in general, economic risks and the need to diversify investments across currency, asset type and sectors.

The reality is that, for many, career patterns have changed including long periods working abroad and, for some, the uncertainty of short-term contracts. Having a pension that can cater for the many changes of direction on a modern career path clearly becomes a necessity. A global diversified asset base is one of the safest way to have a buffer available upon retirement.

The IPP provides a distinct but flexible environment in which to build and safeguard wealth. The plan offers an international solution with an array of options based around: currency, choice of investment, flexibility of contributions and retirement benefits.

AN EMPLOYER'S PERSPECTIVE

The IPP has been designed to provide employers with an international retirement benefit solution that forms an integral part of an employer's overall package to recruit, retain and reward talent.

Research has shown that employees place high value on achieving financial security in retirement. It is a priority for many of these highly skilled individuals and forms a key part in their decision to accept an offer of employment or when evaluating their current benefits package.

Creating an international retirement solution can be a very costly. However, the nature and structure of the IPP provides an international proposition that can cater for smaller enterprises with a few members through to a multi-national corporation, all at a cost-effective price.



KEY FEATURES AND BENEFITS

Key Features and Benefits for Employees

- IPP is structured to provide retirement benefits, and is a dedicated vehicle for accumulating pension assets that are globally accessible.
- Flexible contributions that can be tailored to meet the needs of employees.
- Access to international investments and a choice of major currencies.
- A high level of flexibility, with retirement from age 55.
- Lifetime retirement benefits by way of lump sum/drawdown and/or annuity.
- Protection of assets from foreign succession rules, probate, wills and potential tax associated with death.
- In the event of death, the value of the plan is made available to the beneficiaries in a short period of time.
- Options to continue the plan after changing employer, regardless of location.

Key Features and Benefits for Companies

- IPP is an international pension plan with underlying sub-plans for each corporate member and their individual employees. Online administration provides easy access for members irrespective of their number or location.
- Employers can choose to make contributions.
- Corporate members can select between income tax approved or exempt membership options or both, depending on the nature of their business and location of their employees.
- The employer has a range of options open to them in terms of vesting of corporate contributions, investment and currencies, retirement age and the treatment of an employee's fund on leaving the company through resignation or retirement. This provides the employer with control and flexibility.
- The ability to offer an international benefit solution to attract and retain talent globally.

INVESTMENT ADMINISTRATION TEAM

Overseas Trust and Pension Limited ("OTAP") is the trustee and administrator for IPP. OTAP is licensed by the Guernsey Financial Services Commission under the regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000.

Levantine & Co. is the Investment Manager for the IPP and is a Category I and II licenced Financial Services Provider regulated by the Financial Services Board of South Africa.

	APPROVED (under Guernsey Income Tax authority)	TAX EXEMPT (under Guernsey Income Tax authority)
INCOME TAX	Section 150	Section 40 sub-section (o)
MINIMUM RETIREMENT AGE	50 - 75	50 - 90
MAXIMUM CASH AT RETIREMENT	30% (Pension Commencement Lump Sum)	100% (return of contributions – tax free)
COMMON REPORTING STANDARD	The plan meets the conditions for the Common Reporting Standard exemption under automatic exchange.	The plan meets the CRS requirements to report.
DRAWDOWN AT RETIREMENT	The plan is approved and members must take regular drawdowns but always subject to their entitlement to elect a lump sum payment of up to a total of 30% of the value of the plan at the time of retirement. Payments from plan may be based on a maximum of 150% of GAD (UK Government Actuarial Department Tables) or based on an actuarial calculation such as an annuity quote from a regulated insurance company.	Members who retire may request their benefit by either: <ol style="list-style-type: none"> 1) A lump sum payment equal to the total accumulated funds in the plan. 2) A regular drawdown of an amount requested by the member in writing. 3) Ad hoc payments as required by the member.
RESIGNATION / DISMISSAL / RETRENCHMENT	Member has the option to: <ol style="list-style-type: none"> 1) Take benefit in cash (taxable). 2) Transfer benefit to new employer who participates in IPP. 3) Transfer to an individual plan 40 (ee). 	Member has the option to: <ol style="list-style-type: none"> 1) Take benefit in cash (taxable). 2) Transfer benefit to new employer who participates in IPP. 3) Transfer to an individual plan 40 (ee).
DEATH BENEFITS & ESTATE DUTY	<p>Beneficiaries have access to the full value in the fund.</p> <p>Member may direct trustees through "Expression of Wishes" letter:</p> <ol style="list-style-type: none"> 1) Transfer to an individual trust. 2) Payment in Cash. <p>Not included in members estate.</p>	<p>Beneficiaries have access to the full value in the fund.</p> <p>Member may direct trustees through "Expression of Wishes" letter:</p> <ol style="list-style-type: none"> 1) Transfer to an individual trust. 2) Payment in Cash. <p>Members post tax contributions included in Estate for calculation.</p>

INVESTMENT MANAGEMENT

Investment Process and Philosophy

TWO LAYERS OF ASSET ALLOCATION

Asset allocation is the primary driver of both investment performance and portfolio risk. This approach looks at all asset classes globally to build diversified portfolios that span equities, fixed-income and global investments, so as to provide exposure to a broad range of asset classes that can be weighted according to their expectations of risk and reward.

Levantine & Co. uses a top down approach to creating the core holding of the overall portfolio. Overall asset and geographic allocation is researched and created in partnership with Morningstar Inc. and Llewellyn Consulting, who act as advisory parties with regards to macroeconomic analysis. With the support of these partners' global analysts and high-quality data, we scrutinise every investment in every portfolio for suitability and long-term potential.

Each Levantine & Co. portfolio is designed to use active and passive management where it may add the most value, taking into account an established risk level whilst minimising its expenses. Some asset classes offer talented portfolio managers the opportunity to outperform the market. When investing in these areas, we are likely to select an actively managed fund, or direct equities and bond positions. Other asset classes benefit less from the insights of active managers and, in these situations, passively managed investments are used, granting exposure to these areas at a very low cost.

RISK MANAGEMENT ASSUMPTION

When constructing portfolios, specific guidelines are taken into account to decrease the risk in the portfolio. Limitations are set on the number of funds, the minimum size of the fund, the allocation to a single manager and the allocation to one management company. We believe in portfolio consistency, and therefore when we believe in the investment style and philosophy of an asset manager we construct portfolios with building blocks across all portfolios, moving up the risk profile range of that specific management company where possible.

OFFSHORE ADMINISTRATION

Levantine & Co. uses different investment administrators to provide the legal framework for portfolios and to act as a proprietor of client funds, depending on the circumstances and set-up of the client's assets. These administrators are based in highly regulated jurisdictions, such as the Isle of Man, the Channel Islands, and Switzerland. The IPP is administered like an Umbrella Fund, as often used in South Africa, but holding only international investments. All client monies held with the custodians are completely segregated from their own corporate bank accounts. All cash available for investment with the investment administrators is deposited with highly reputable companies, such as HSBC Bank Plc, Deutsche Bank, Euroclear and Pershing LLC, a subsidiary of The Bank of New York Mellon.

INVESTMENT OPTIONS

Levantine & Co. offers investment management solutions tailored for the client’s specific circumstances and objectives. Clients can choose between two investment options: Life-Stage model or a fully Bespoke portfolio.

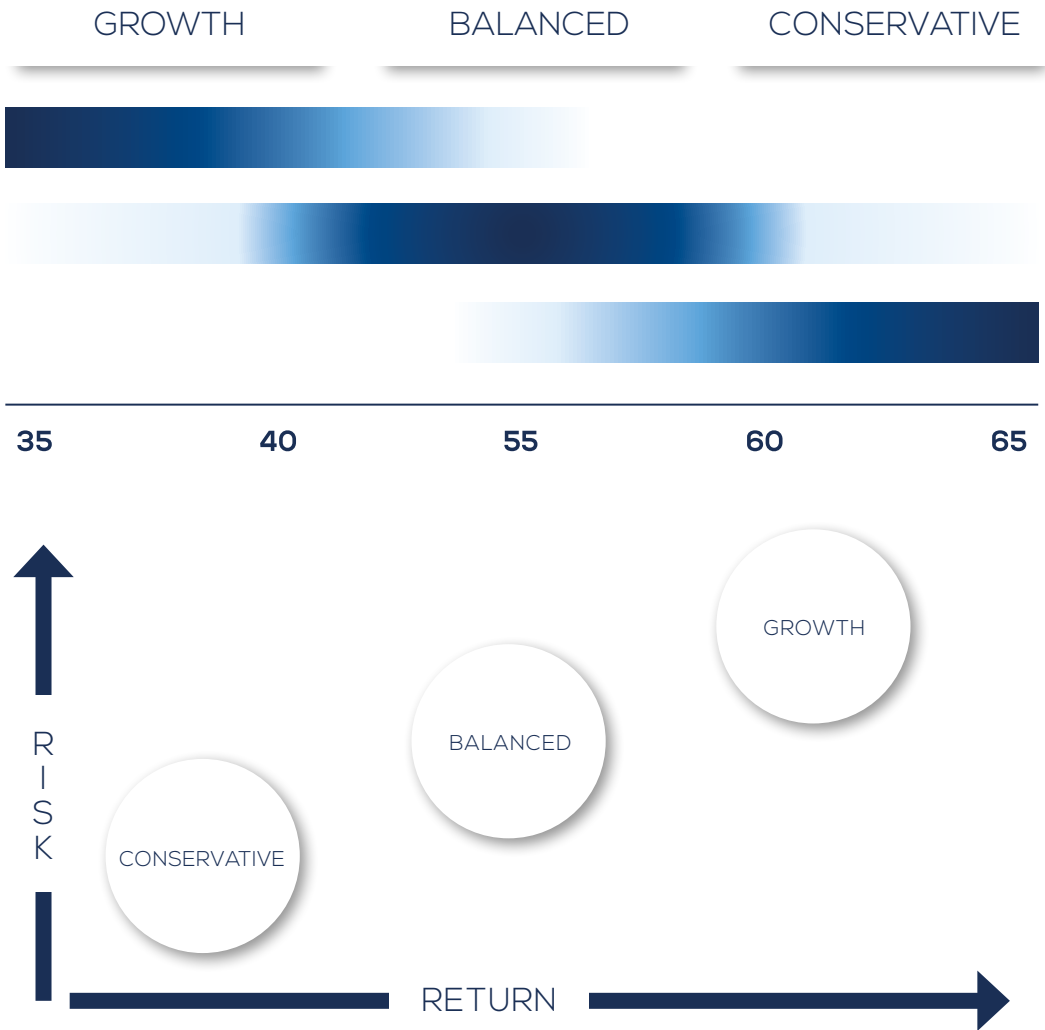
Lifestage Investment Management

The life-stage model will cater for both young and older members. It provides suitable portfolios for accumulation in the earlier years of investment and move toward more conservative strategies targeting preservation on or just before retirement. This option is a standard pension process, and is available to clients that pay in monies on a monthly/quarterly/annual basis in a specific contribution bracket.

Although a standard “lifestage” pension model may only provide a generic option for the combination of a client’s age, income and risk, Levantine & Co offers the additional bespoke portfolio option, that allows a client to be more selective with their Corporate Pension assets.

Bespoke Investment Management

Given the sophisticated nature of company’s executives, Levantine & Co. can also create a bespoke offering. Levantine & Co will work alongside the client to create the appropriate, tailored Investment Portfolio that suits the client’s personal needs and is able to complement their existing asset portfolio. This option is not an “off the shelf” type of product, but rather a personal investment service, exclusive to each client. This option will be available to clients that pay in monies on a monthly / quarterly / annual basis in a higher contribution bracket.



FREQUENTLY ASKED QUESTIONS

Benefit payments

Benefit payments can be made in one of three ways: annuity, drawdown and/or lump sum to the value of the plan. Lump sum payments can be made alongside regular benefit payments. The exact nature of benefits will be determined at retirement by the member from the options available within the plan.

Death benefits

Benefit payments can be made in one of three ways: annuity, drawdown and/or lump sum to the value of the plan. Lump sum payments can be made alongside regular benefit payments. The exact nature of benefits will be determined at retirement by the member from the options available within the plan.

Ease of set up and administration

Levantine & Co and the Pension Trustees provide an efficient, timely establishment process along with support and guidance to both the employer and employees. This includes everything from: board resolutions, plan documentation, explanation of the practicalities and HR training all done in conjunction with Levantine & Co.

Secure online access provides HR departments with significant control in managing members' data. User-id and log in information is provided once the plan has been established.

Financial advice

It is a requirement that all members of the IPP have access to financial advice in respect of their membership. Levantine & Co is typically appointed by the employer.

Entry level and contributions

The entry level for the IPP is set by the trustee and the employer, with no cap on the level of contributions. Additional voluntary contributions can be made by the employee at a level determined by them. Contributions are flexible and can be increased, decreased, stopped and restarted without penalty.

In addition, members can make additional ad hoc voluntary contributions provided it's from earned income (bonuses can be included) to boost their investment.

Global compliance

The IPP is established under Guernsey legislation. Levantine & Co. is regulated in South Africa by the Financial Services Board, and the Corporate Trustee is regulated by the Guernsey Financial Services Commission. The provision of pension services is covered by the Channel Islands Financial Ombudsman.



Pricing

The pricing of the plan is determined by a range of variables, which include the number of members, level and frequency of contributions, the selection of investments and other administrative options open to the employer. Due to this each corporate member has a bespoke pricing plan established to cater for the requirements of their business.

Selected benefit date

Typically, the earliest retirement benefits can be paid is age 55. However, depending on the option chosen this could start from age 50. Benefits can be deferred until age 75 at which point they must commence.

Succession and probate

The IPP protects the assets from foreign succession rules, probate and potential foreign taxes associated with death. This means that the value of the plan will be available to one's dependents or beneficiaries within a short period of time.

Taxation

The IPP is domiciled in Guernsey and the plan is not subject to local tax in Guernsey on income or capital gains tax within the plan nor on benefits paid from the plan to non-Guernsey residents. This typically results in gains and income accumulating free of additional tax until a distribution is made. This tax neutral environment means that the employer and employee only need to consider tax in the country in which they are tax resident.

LAURENT

Joly, CFA

MANAGING
PARTNER



Laurent has over thirteen years' experience in the financial markets in London and in Cape Town.

Laurent started his career in investment banking at JPMorgan in London, where he worked in the Equity Capital Market team. As an Associate in the German and Spanish team, he was involved in capital raises, IPOs and Investor Relations advisory.

After five years in investment banking, Laurent decided to move to investment management and has been managing money for the past eight years. As an equity analyst, Laurent focused on stock picking and subsequently was involved in managing a USD400 million small-cap equity fund at Pinebridge Investments.

Laurent relocated to Cape Town in 2012, with his family. Recently, Laurent was Chief Investment Officer of a large Cape Town-based financial advisory firm where he was responsible for managing the clients' assets.

Laurent holds a Masters in Finance and Management from French Grande Ecole and has been a CFA Charterholder since 2011.

FREDERIC

Mariette

MANAGING
PARTNER



Frederic has over twenty years' experience in financial markets in Paris, London, New York, Johannesburg and Cape Town.

Much of Frederic's career has been in investment banking in London and Johannesburg with JPMorgan and The Bank of New York Mellon.

In 2005, he relocated to South Africa and was head of JPMorgan Nigeria until 2008, where he was involved in trade finance and liquidity management transactions. Frederic joined Natixis in Johannesburg in 2010 to head their investment bank in South Africa where he gained substantial commodities and infrastructure finance experience on projects across Africa, and was involved in asset management for institutional investors across the Continent. Prior to establishing Levantine & Co. Frederic was senior advisor to high net-worth individuals and families of a large Cape Town-based financial advisory firm.

Frederic is currently an Associate of Llewellyn Consulting, an independent economics advisory firm headquartered in London.

He graduated from the University of Salford with a BSc Honours in Business Management and Systems Modelling and resides in Cape Town.

ATTILA

Kadikoy

MANAGING
PARTNER



Attila brings close to 20 years' experience in investment banking with an emphasis on emerging markets.

Prior to establishing Levantine & Co, Attila was the Head of Turkish Equities at Credit Agricole Cheavreux, establishing their first emerging market product, and building relationships with leading institutional investors in North America, Europe, and the Middle East. The teams he has led have been some of the highest ranking in their class and he has raised capital for leading emerging market blue chips.

Attila has valuable experience in SPOs, IPOs, corporate and investor relations, equities trading and advisory, product development, and in raising capital.

Since 2011 Attila and his family have made Cape Town their home.

Attila received a Bachelor of Arts in Finance from Koç University, Istanbul, Turkey.

RICHARD

Minnaar

INVESTMENT
ANALYST



Richard was born and schooled in Cape Town, and completed a BCom Honours in Financial Analysis and Portfolio Management from University of Cape Town in 2012.

He passed the CFA Level 2 exam in June 2018.

Richard joined Bloomberg LP in Cape Town in 2013, and initially worked with a team in London focusing on earnings and fundamentals for small and mid-cap stocks. He then moved across to manage information, pricing and holdings for funds in South Africa and Middle East.

At the end of 2014, he joined a large Cape Town advisory firm, where he worked predominantly in Client Services and Investment Research. Richard joined Levantine & Co. in 2016, and is responsible for Client Services and Portfolio Analytics.



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