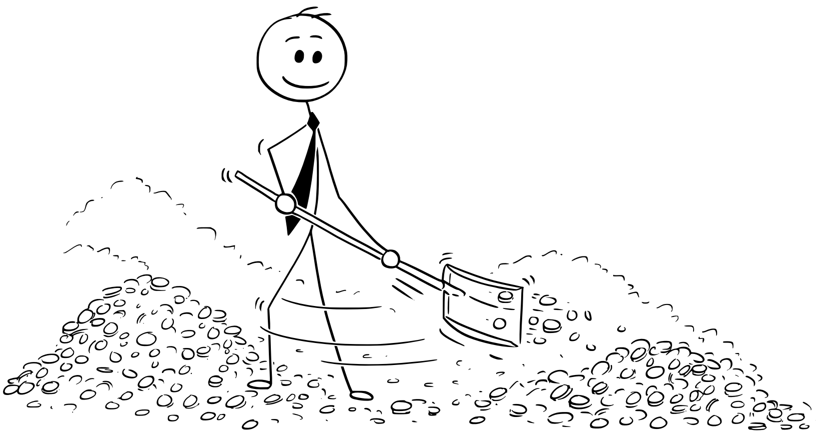
PRISM
EMPLOYEE BENEFITS

EDUCATIONALS

UNDERSTANDING GENERATIONAL WEALTH:

WHY RETIREMENT CHOICES TODAY SHAPE THE FINANCIAL FUTURE OF GENERATIONS TO COME

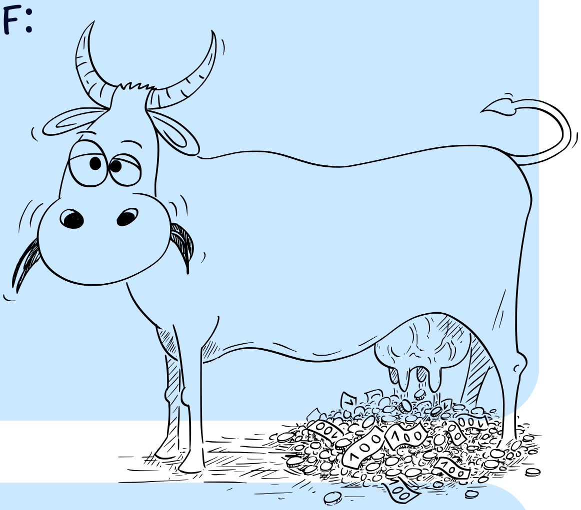


WHAT IS GENERATIONAL WEALTH?

GENERATIONAL WEALTH REFERS TO FINANCIAL ASSETS—SUCH AS PROPERTY, INVESTMENTS, SAVINGS, OR BUSINESSES—PASSED DOWN FROM ONE GENERATION TO THE NEXT.

IN DEVELOPED COUNTRIES, A SIGNIFICANT PORTION OF HOUSEHOLDS BENEFIT FROM INHERITANCES IN THE FORM OF:

- Paid-off homes
- Investment portfolios
- Retirement funds
- Life policies



THESE INHERITED ASSETS OFTEN PROVIDE THE NEXT GENERATION WITH A HEAD START IN LIFE, ENABLING:

- Debt-free education
- Easier entry into the property market
- Greater access to business capital
- Reduced financial stress

WhatsApp us: +27 64 909 3193 www.prismeb.co.za

THE SOUTH AFRICAN REALITY

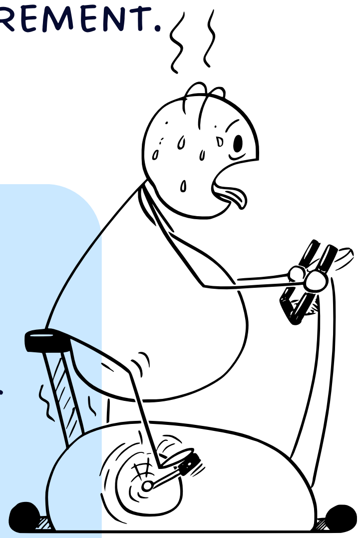
IN SOUTH AFRICA, THE CYCLE IS OFTEN VERY DIFFERENT.

EROSION OF RETIREMENT CAPITAL

OVER A TYPICAL WORKING LIFE, MANY EMPLOYEES:

- Withdraw from their retirement savings when changing jobs.
- Access any available funds under the two-pot retirement system as soon as possible.
- Cash out lump sums instead of preserving them.

WHILE THIS MAY PROVIDE SHORT-TERM RELIEF, IT SIGNIFICANTLY REDUCES THE CAPITAL AVAILABLE AT RETIREMENT.

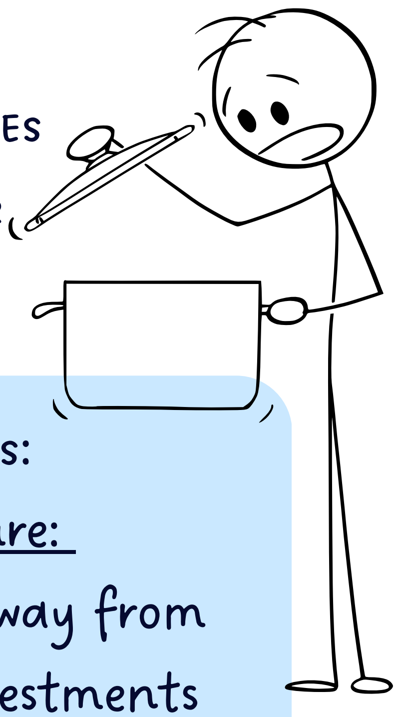


IMPACT AT RETIREMENT

BY THE TIME RETIREMENT AGE ARRIVES:

- Insufficient savings to provide a decent, inflation-linked income for life.
- Government grants—while vital—cover only a small fraction of living costs.
- Many retirees are forced to move in with their children or family members.

THE HIDDEN COST: EATING INTO THE FUTURE



WHEN RETIREES CANNOT SUPPORT THEMSELVES FINANCIALLY, THE BURDEN SHIFTS TO THEIR ADULT CHILDREN.

THIS HAS TWO CONSEQUENCES:

Immediate financial pressure:

Loved ones must divert income away from their own savings and future investments to support parents.

Generational wealth depletion:

With children unable to build their own assets, the next generation starts life without financial head starts, perpetuating the cycle.

IN EFFECT, RETIREES IN FINANCIAL DISTRESS CONSUME THE RESOURCES THAT COULD HAVE BUILT THEIR GRANDCHILDREN'S FUTURE—EVEN IF UNINTENTIONALLY.

THE INTERNATIONAL CONTRAST

IN MANY FIRST-WORLD COUNTRIES:

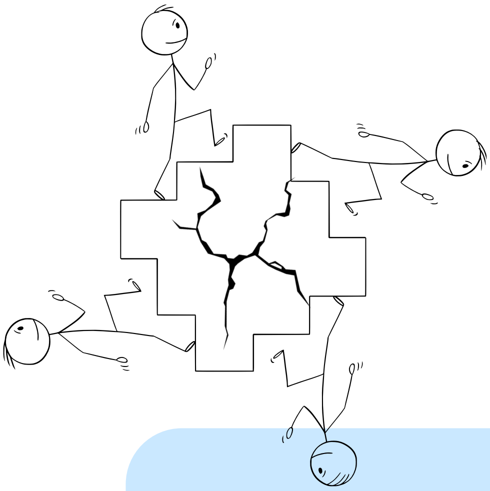
Higher rates of retirement preservation mean more people reach retirement with sufficient capital.

Assets like paid-off homes, well-funded retirement annuities, and investment policies are passed on to beneficiaries.

This means children often inherit property or investments, enabling them to start life financially ahead.

THE RESULT IS A VIRTUOUS CYCLE:

INHERITED WEALTH PROVIDES OPPORTUNITIES FOR BETTER EDUCATION, SAFER NEIGHBOURHOODS, AND EARLY INVESTMENTS, WHICH IN TURN ARE PASSED TO THE NEXT GENERATION.



BREAKING THE SOUTH AFRICAN CYCLE

TO MOVE TOWARD BUILDING GENERATIONAL WEALTH:

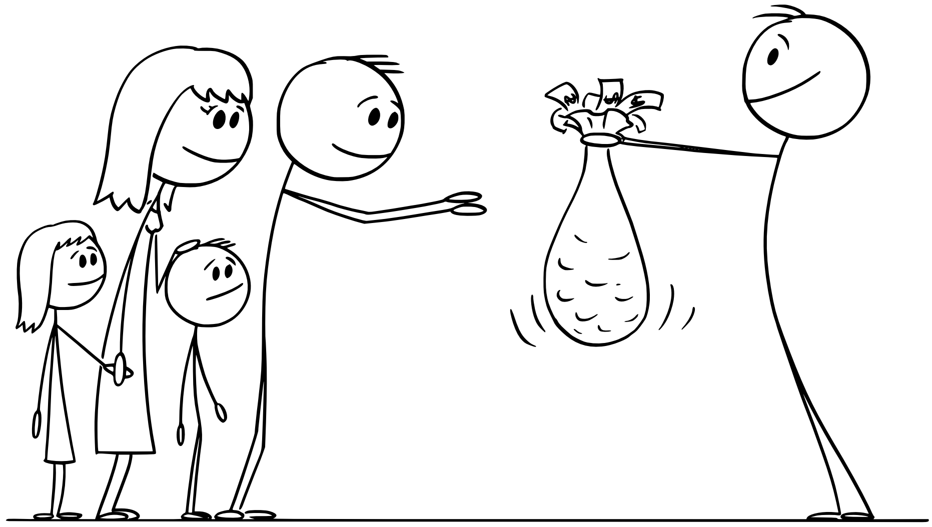
PRESERVE RETIREMENT SAVINGS WHEN CHANGING JOBS.

AVOID UNNECESSARY WITHDRAWALS FROM THE TWO-POT SYSTEM UNLESS IN GENUINE FINANCIAL CRISIS.

INVEST CONSISTENTLY AND START EARLY TO BENEFIT FROM COMPOUND GROWTH.

SEEK FINANCIAL ADVICE TO ENSURE THAT RETIREMENT PLANS ARE INFLATION-PROOF.

PROTECT ASSETS THROUGH WILLS, TRUSTS, AND ESTATE PLANNING TO ENSURE THEY PASS EFFICIENTLY TO BENEFICIARIES.



GENERATIONAL WEALTH IS NOT JUST ABOUT LEAVING MONEY BEHIND—IT'S ABOUT BREAKING THE CYCLE OF FINANCIAL DEPENDENCY.

EVERY RAND PRESERVED AND INVESTED TODAY IS A STEP TOWARD ENSURING THAT YOUR CHILDREN AND GRANDCHILDREN HAVE THE RESOURCES TO LIVE BETTER, FREER LIVES.

BY MAKING DISCIPLINED CHOICES NOW, WE CAN TURN THE SOUTH AFRICAN STORY FROM ONE OF CONSUMPTION OF THE FUTURE INTO ONE OF INVESTMENT IN THE FUTURE.

SERVICE PROVIDER CONTACT DETAILS

PRISM
EMPLOYEE BENEFITS

Benefit Consultant: Prism Employee Benefits
Prism Employee Benefits is a specialist Benefits Consultancy.
Contact Telephone Number: 082 410 3693
Contact Email: nicoleh@prismeb.co.za
Contact Person: Nicole Hadaway
Admin Person: Bahjata@prismss.co.za 068 642 4728

Prism Employee Benefits Whatsapp Hotline:
064 909 3193