

What is the Liberty Corporate Group Living Annuity?

Liberty Corporate's Group Living Annuity is an investment product from which you can draw a regular income within the defined legislative parameters. A living annuity is designed to give your retirement savings market exposure while you receive an annuity income.

What is an annuity?

An annuity is a regular income that you buy from an authorised annuity provider.

How does the Liberty Corporate Group Living Annuity work?

A living annuity allows you to draw an income while investing your retirement savings. You can choose how much income you get (within the allowable limits) and where to invest.

How does income work?

Once a year you may choose to change your income to a level between 2.5% and 17.5% of your retirement savings balance. Your choice will determine your income for the next year. Your income can be paid out monthly, quarterly, bi-annually or annually.

What does the Liberty Corporate Group Living Annuity do?

- ✓ Offers income flexibility.
- ✓ Depending on the level of income withdrawn and the return on the chosen portfolio(s), the product offers the potential to grow your retirement savings.
- ✓ Potentially leaves a legacy for your beneficiaries should you have retirement savings left when you die.

What does the Liberty Corporate Group Living Annuity not do?

- ☒ Does not guarantee the level of the income
- ☒ Does not guarantee that you will receive income for the rest of your life.
- ☒ Does not take away the risk that your investment balance is a function of both the level of income chosen and the performance of the chosen portfolio(s)

How does the Liberty Corporate Group Living Annuity work?

You can invest a single lump-sum into the Liberty Corporate Group Living Annuity, and may add contributions from other retirement funds. You can choose which portfolios you want these funds invested in, how much you want to draw down (be paid out) within the allowable limits and how often you want to be paid.

Why choose Liberty Corporate?

With Liberty Corporate, you have access to cost effective institutional pricing and no administration fees.

What does this mean for me?

Institutional pricing means that fees may be lower because of bulk pricing.

How am I taxed on the Liberty Corporate Group Living Annuity?

No tax is payable on investment returns earned, however income tax is deductible on the annuity income.

Understanding your retirement needs:

Your short-term and long-term needs along with other considerations should assist in determining the right annuity choice for you.

Examples of Short-term needs:

- ✓ An annuity to cover living expenses, including all expenses such as food, housing and all your bills. This can be increased in line with inflation (as measured by the change in CPI).
- ✓ Medical costs – medical aid contributions or additional money to cover medical expenses in the event of an emergency.
- ✓ Money for travel and entertainment.

Examples of Long-term needs:

- ✓ An annuity that can withstand the effects of time and rising prices (inflation).

Can you only purchase one annuity?

No, you can buy multiple annuities (as allowed for in legislation) based on your needs and how much you have saved for retirement.

Not sure what to do?

Retirement income planning is essential for a comfortable retirement.

Do not wait too long to start the conversation.

For more information on this product and the selections made in your fund's default annuity strategy, please contact benefitcounselling@liberty.co.za or 011 558 2999 and select the benefits counselling option.

Alternatively, for comprehensive financial planning guidance and services contact a Financial Advisor by visit www.liberty.co.za and select 'Get Advice'.

The information contained in this document does not constitute financial, tax, legal or accounting advice by Liberty. Any legal, technical or product information contained in this document is subject to change from time to time. This document is a summary of features of the product. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Liberty cannot be held responsible for any errors that may occur. If there are any discrepancies between this document and the contractual terms or, where applicable, any fund rules, the latter will prevail. Any recommendations made must take into consideration your special needs and unique circumstances.

Liberty Group Ltd is a registered Long Term Insurer, the Insurer of the Liberty Corporate Group Living Annuity, and is an Authorised Financial Services Provider in terms of the FAIS Act (no. 2409). Terms and Conditions Apply

© Liberty Group Ltd. All rights reserved.

Should you require any additional information, please contact Liberty Corporate directly on +27 (011) 558 2999 or visit our head office at the Libridge, 25 Ameshoff Street, Braamfontein, Johannesburg.

March 2019