



**LIBERTY**

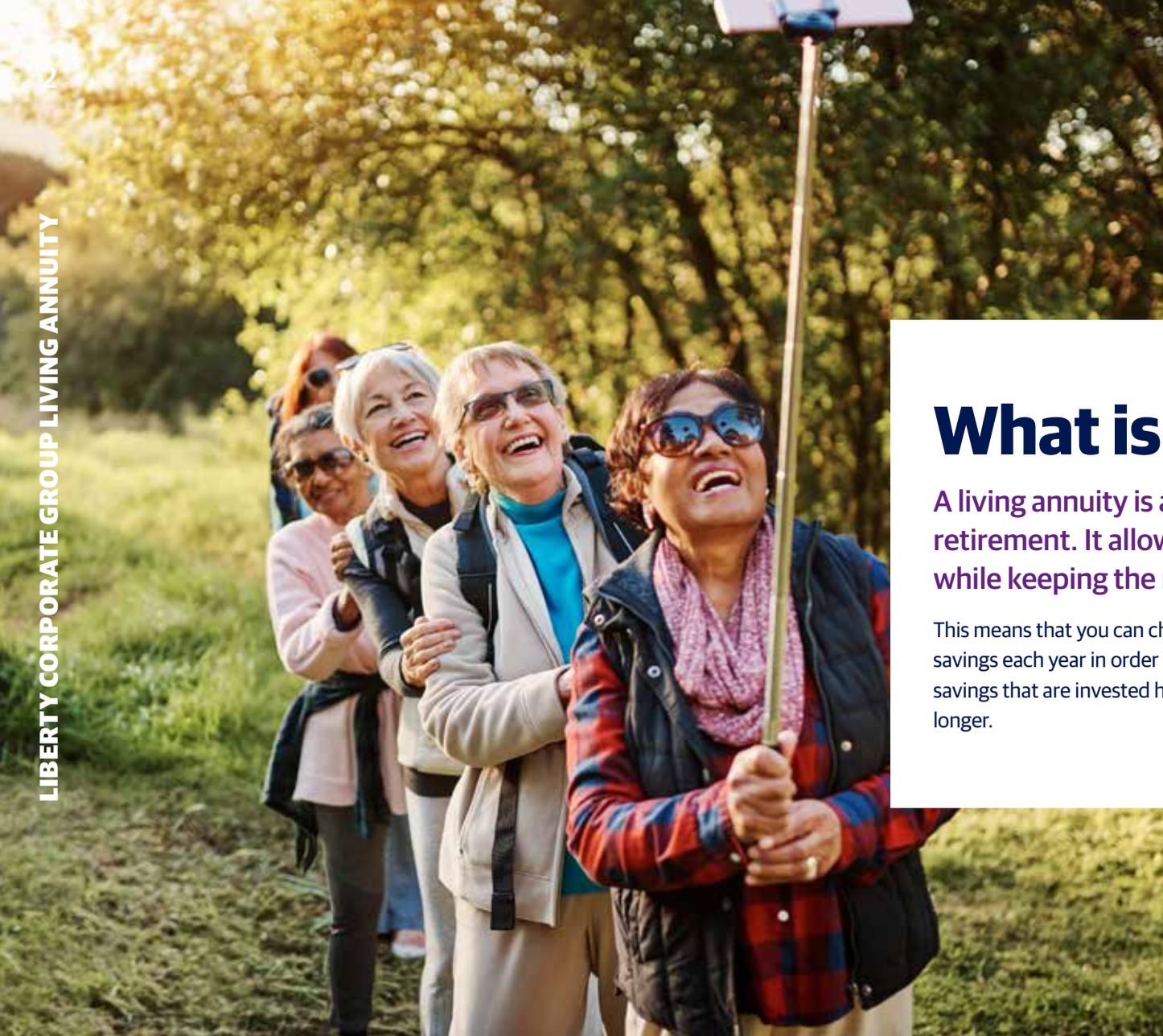
*In it with you*

**Liberty  
Corporate Group  
Living Annuity.**

# Flexibility, giving you the opportunity to achieve your ideal retirement dreams.

During retirement, you may want to travel one year, do some renovations the next or simply have a quiet year at home. Having the ability to choose your income each year while growing your retirement savings can help make your retirement wishes a reality.

**The Liberty Corporate Group Living Annuity aims to give you just that.**



## What is a living annuity?

A living annuity is a product that gives you an income during retirement. It allows you to withdraw an income each year while keeping the remainder of your savings invested.

This means that you can choose the amount you wish to withdraw from your retirement savings each year in order to fulfil your plans for the year ahead. The remainder of your savings that are invested have an opportunity to grow, allowing your income to last longer.

## Key features of Liberty Corporate's Group Living Annuity.

We understand that your needs change and by providing you with a product to give you additional flexibility, we can help you meet these changing needs during your retirement years.

## Investing for you.

With the Liberty Corporate Group Living Annuity, you have access to an extensive range of institutionally priced investment portfolios to invest your retirement savings in. Institutional pricing provides you with a cost-effective solution to help you make your money go further. The range of investment portfolios are specifically chosen to cater for a wide range of needs.

These investment portfolios are managed by experienced asset managers. The specialist investment team at STANLIB brings investment expertise by providing depth of insights across different investment styles.

You have access to over **25 investment portfolios**, including index-tracking, single-manager and multi-manager portfolios.

The solution allows you to invest in up to 10 investment portfolios providing you with the opportunity to **customise your investments** as you see fit.

You can change your investment portfolio selection, up to once a month at **no additional cost**. This allows you to change your portfolios as your needs and the economic environment changes.



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## Income options to best suit your needs.

The Liberty Corporate Group Living Annuity allows you to make various choices relating to the level and timing of the income you wish to receive.

These choices allow you to structure your income to best meet your needs during your retirement years.

This product has no investment guarantee, and you may run out of money depending on how well your investments perform as well as the amount you withdraw each year. To manage this, it is important to ensure that the level of income chosen is sustainable for your retirement.

(Please refer to the Sustainable Income section on page 9 for further information regarding this.)

You have the option to withdraw between 2.5% and 17.5% of your retirement savings\* each year, allowing you to **decide how much income you want.**

You can **choose to receive your income monthly, quarterly, bi-yearly or yearly** and whether you would like to receive it at the start or end of each period.

*\*These bands are based on current legislation and are subject to change.*

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## Options when you pass away.

For many, retirement savings are the largest component of their savings.

A living annuity provides you with the peace of mind that in the event that you pass on, any remaining savings would be made available to your beneficiaries.

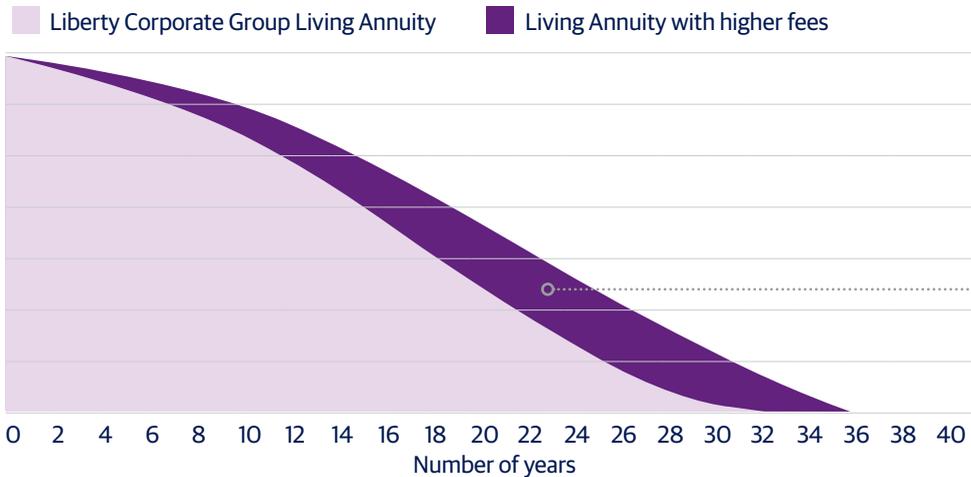
Your beneficiaries would have the option between purchasing another annuity or taking the cash.

## Fees.

The Liberty Corporate Group Living Annuity is a cost-effective product helping your retirement savings last longer.

The fees charged on living annuity products could directly impact the number of years you receive an income for, as illustrated in the graph below.

### Impact of higher fees.



Did you know that reducing fees by **0.5%** per year could increase your retirement income by **4 years**?

Savings gained from lower fees

**\*Assumptions:** Only the fees differ between the living annuity products, all other parameters are the same; Group Living Annuity fee of 0.35% and alternative living annuity fee of 0.85% was used; the pensioner invests R1 000 000 and draws down 5% each year, the retirement savings balance is expected to grow CPI+4% per annum; the projection is shown in today's money terms; adviser fees and tax are ignored; investment portfolios are rebalanced every month; pensioner receives income monthly in arrears, savings are commuted at next anniversary date after it drops below R125 000.

## Product fees.

Unlike a typical living annuity where there are many different fees, the Liberty Corporate Group Living Annuity has a simple cost structure.

It has a low all-inclusive fee which varies from 0.35% to 1.4% per year, depending on the investment portfolio chosen.

For more information regarding the investment portfolios available and the associated fees please refer to:

<https://www.liberty.co.za/fund-fact-sheets>

## Advice fees.

Where a financial adviser is consulted, an upfront once-off investment advice fee of up to 1.5% (excl. VAT) and an ongoing investment advice fee of up to 1% per year (excl. VAT) on the value of your investment may apply.

These fees are agreed upon between you and your adviser.



# Sustainable income.

It is important to ensure that the income level you select is sustainable for the rest of your life. To help achieve this, you need to carefully manage your income drawdown relative to the investment return on the balance of your retirement savings.

The table below can be used as a guide to an appropriate drawdown percentage. It shows the number of years before your income drawdown would start to reduce.

It is important to note that the table assumes that you would adjust your selected drawdown percentage over time to maintain the same amount of real income (i.e. allowing for inflation). Once the number of years shown in the table has been reached, your income would reduce quickly in the following years.

This table is a general guideline and should be considered based on your own financial situation and all other sources of income. It is an indicative guideline only, to assist you in making informed decisions in respect of this product.

		Investment return per year (after inflation and fees, before tax).				
		2.5%	5%	7.5%	10%	12.5%
Yearly income rate chosen at annuity start date	2.5%	21	30	50+	50+	50+
	5%	11	14	18	30	50+
	7.5%	7	8	10	13	19
	10%	4	5	6	7	9
	12.5%	3	3	2	4	5
	15%	2	2	2	2	2
	17.5%	1	1	1	1	1

*Liberty projections as guided by ASISA Standard.*

## How can you access this product?

The Liberty Corporate Group Living Annuity may be accessed via your retirement fund if it has been chosen by your fund as a default annuity. **There is no minimum investment amount**, giving you an opportunity to invest in the product no matter how much you have saved towards your retirement.

## How to proceed.

You may either request a quote or get further information regarding Liberty Corporate's Group Living Annuity from our highly skilled benefits counselling team at **[benefitcounselling@liberty.co.za](mailto:benefitcounselling@liberty.co.za)** or by calling **011 558 2999**.

*Should you need any additional advice, you may contact your financial adviser or visit [www.liberty.co.za](http://www.liberty.co.za) and select 'Get Advice' to have an adviser appointed to you.*



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***For more details about benefits, definitions, guarantees, fees, limitations, charges, contributions/premiums or other conditions and associated risks, please speak to a Liberty Financial Adviser or your Broker.***

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# Liberty Corporate Group Living Annuity Investment Portfolios.

Portfolio	Investment Management Fee <sup>1</sup>	External Handling Fee <sup>2</sup>
<b>CORE PORTFOLIOS</b>		
Liberty Core Balanced	1.00%*	No
Liberty Core Moderate	1.00%*	No
Liberty Core Conservative	1.00%*	No
<b>TRACKER PORTFOLIOS</b>		
Liberty Balanced Tracker Fund	0.35%	No
Liberty Moderate Tracker Fund	0.35%	No
Liberty Conservative Tracker Fund	0.35%	No
Liberty ALBI TR Tracker Fund	0.35%	No
Liberty ALSI Top 40 TR Tracker Fund	0.35%	No
Liberty Capped Property Tracker Fund	0.35%	No

Portfolio	Investment Management Fee <sup>1</sup>	External Handling Fee <sup>2</sup>
<b>TRACKER PORTFOLIOS (continued)</b>		
Liberty Global Bonds Tracker Fund (JP Morgan Global Bond Index)	0.35%	No
Liberty Global Equity Tracker Fund (MSCI World Index)	0.35%	No
Liberty Inflation Linked Bonds Index Tracker Fund	0.35%	No
Liberty STeFI Composite Tracker Fund	0.35%	No
Liberty SWIX Top 40 TR Tracker Fund	0.35%	No
<b>MULTI MANAGER PORTFOLIOS</b>		
STANLIB Multi Manager Aggressive Balanced	1.40%*	No

\*These portfolios may be subject to performance fee arrangements with the asset manager(s) or have net-priced components within the portfolio.

\*\*These portfolios may be subject to further performance fee arrangements with the asset managers.(s)

<sup>1</sup> The investment management fee is the fee payable to Liberty, in order to facilitate access to management and administration of the investment. This includes fees paid to the underlying asset manager.

<sup>2</sup> The external handling fee is the fee payable to Liberty, in order to facilitate access to a third-party investment manager who is not a subsidiary of the Liberty Group.

Portfolio	Investment Management Fee <sup>1</sup>	External Handling Fee <sup>2</sup>
<b>MULTI MANAGER PORTFOLIOS</b> (continued)		
STANLIB Multi Manager Moderate Balanced	1.40%*	No
STANLIB Multi Manager Conservative Balanced	1.40%*	No
<b>SPECIALIST MANDATE PORTFOLIOS</b>		
Liberty Institutional Money Market Fund	0.30%	No
STANLIB Multi Manager Shari'ah Balanced Fund of Funds	1.00%*	No
Liber <sup>8</sup> Stable Growth Fund	1.00%	No
Liber <sup>8</sup> Secure Fund	1.00%	No

Portfolio	Investment Management Fee <sup>1</sup>	External Handling Fee <sup>2</sup>
<b>THIRD PARTY PORTFOLIOS</b>		
Allan Gray Balanced Fund	0.85%**	0.35%
Coronation Balanced Plus Fund	0.85%**	0.35%
Ninety One Opportunity Fund	0.90%**	0.35%
Prudential Balanced Fund	0.85%**	0.35%

*\*These portfolios may be subject to performance fee arrangements with the asset manager(s) or have net-priced components within the portfolio.*

*\*\*These portfolios may be subject to further performance fee arrangements with the asset managers.(s)*

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