



DISCOVERY FIXED ANNUITY

A fixed annuity gives you peace of mind from knowing what your income will be in retirement and you'll receive an income for the rest of your life. Our Fixed Annuity is purchased with the full or two-thirds benefit that you receive from your pension fund, provident fund or retirement annuity when you retire.

The guaranteed term

You can choose to have a guarantee term, which ensures that if you die within the first few years of the annuity, your dependants or estate will continue to receive the income. For both the single-life and joint-life annuity the guarantee terms available range from 5 years to 20 years.

Minimum investment amount

- R75,000

You can choose a single-life or joint-life annuity

- Single-life: You will receive a regular income until you die, or your guaranteed term ends, whichever is later.
- Joint-life: A regular income is paid for as long as you or your spouse are alive or until the end of the guarantee term, whichever is later. You can also choose for the surviving spouse to receive a lower income for life after the first spouse dies.

What happens when you die

The fixed annuity policy ends on your death with no remaining amount to be distributed to beneficiaries. If you die before the end of a guarantee term, we'll keep paying the income payments to your beneficiaries until the end of that term if you have selected the joint-life option we will keep paying the income payments to your spouse for the rest of their life.

You can choose to have your income increased

At the start of the investment you can choose the rate you want your income to increase by on each anniversary of the fixed annuity. You can choose a fixed rate (between 0% and 15%) or at a CPI-related rate. You can also choose how often you would like to receive your income (referred to as the frequency) — this can be monthly, quarterly, half-yearly or yearly.

Fees

Your lump-sum contribution will be reduced by any financial adviser initial fees plus VAT if applicable. The balance will be used to buy your annuity income. No additional charges will be levied.

Investment guarantees

- Guarantee of income

Tax

- Income payments (annuities) are taxed as gross income

Ask your financial adviser for the relevant fact file for details of:

- Choosing a guarantee term
- What happens to your investment on your death
- How the fees work