



 **Sanlam**

Live with confidence

LIFE ANNUITY

www.sanlam.co.za

Financial Planning | Retirement | Insurance | Health | Investments | Wealth | Credit

About Sanlam

Sanlam's purpose is to create sustainable value for all our stakeholders. We take our role and contribution to a stable financial system seriously and we are committed to supporting financial resilience, wellbeing, prosperity and inclusion.

Through our wealth-creation efforts, since 1918, Sanlam has evolved from a traditional insurer to a diversified financial services provider with both local and international footprints.

For over a century, Sanlam has grown from strength to strength as a consequence of our clients' and intermediaries' confidence in us. The Sanlam Group consists of more than 200 businesses in 44 countries internationally.



What do my intermediary and I consider before investing?

Your investment objectives

Your time horizon

Protection from inflation

Investments that best suit your needs

Retirement income solutions



Make the most of retirement

When you retire, one of the most important decisions you have to make is how best to employ your retirement savings so that they generate an income that will meet your needs for the rest of your life.

When you retire from a retirement fund, such as an employer's pension or provident fund, preservation fund or a retirement annuity, you can transfer these proceeds to a retirement income solution, which will provide you with a regular income during retirement.

While there is a wide range of retirement income solutions from which to choose, the most suitable one for you will depend on your expenses after retirement, whether you wish to leave money to your dependants, and the extent to which you're willing to accept the risks relating to retirement income. These are outlined in the table below.

Longevity risk	Investment risk	Inflation risk
The risk that you may live longer than expected, which could lead to you running out of a retirement income later in life. This risk is becoming ever more relevant given that life expectancy is increasing globally.	The risk that your income or capital is negatively affected by worse-than-expected investment returns from your underlying investment portfolio.	The risk that the purchasing power of your income is eroded due to the level of income not keeping up with inflation.

Whether you need to receive a stable, consistent, lifelong income from your retirement income solution or you're more focused on leaving capital to your heirs, we have a solution for you. You can also combine our retirement income solutions to create a personalised solution that suits your unique circumstances and personality. Your financial intermediary can help you structure your retirement income solution optimally.

The Sanlam Life Annuity at a glance

Enjoy peace of mind with a guaranteed income throughout retirement.

What it offers

- ① An income that is guaranteed for life
- ① Flexibility to choose a specific term at inception (5, 10, 15 or 20 years) for which your income is guaranteed, even if you pass away during this time
- ① The option to add a second life insured at inception to whom the income continues to be paid after you've passed away
- ① The choice to receive the same amount of income for the duration of the policy, or an income that increases every year – either at a fixed rate or in line with inflation. This choice is made at inception.

Minimum contribution

- ① A once-off payment that will provide a monthly income of at least R100.

Investment term

- ① The rest of your life.

How it works

A life annuity uses the proceeds of your retirement savings to provide regular, guaranteed income payments for the rest of your life.

You will receive a monthly income that is determined by the prevailing interest rates when your capital amount is received, the age and gender of the lives insured, and the product options you have chosen.



The Sanlam Life Annuity

With a life annuity, you are assured of a regular retirement income for the rest of your life.

Secure a lifelong income from a selection of life annuities, underwritten by Sanlam Life, that allow you to provide for your dependants after your death, and offer income growth options.

Sanlam Life Annuity and Joint Life Annuity

Minimum contribution

Sufficient to cover an income of R100 per month

- ① A life annuity uses the proceeds of your retirement savings to provide regular, guaranteed income payments for the rest of your life.
- ① At inception, you can add another life insured to receive the income after your death.
- ① The income you receive can increase annually by a percentage chosen by you at inception, or be linked to inflation.

A Sanlam Life Annuity offers you:

Certainty that you will receive a regular income during retirement for the rest of your life

You will have certainty about the income you receive every month, for as long as you live.

The option to provide for your dependants after your death

If you have selected a second life insured, we will continue to pay an income to this person after your death for the rest of their life. If you have chosen a guaranteed income payment term, the income will continue to be paid to the beneficiary/beneficiaries you specified in the event of your death during this term. The income will then be paid until the end of the guaranteed income payment term.

The ability to protect the purchasing power of your income against inflation

There is an opportunity to let your income increase by a chosen percentage every year.



About the income

The amount of income you receive depends on the following factors at the start date of the life annuity:

- ① prevailing interest rates when the capital amount is received,
- ② the age and gender of the lives insured, and
- ③ the product options you've chosen, such as a guaranteed income payment term, income growth, additional life cover, etc.

The income is paid monthly until the death of the last life insured or the end of the guaranteed income payment term, whichever occurs last.

Growth of income payments

Depending on your choice at inception, income payments can remain level throughout the term or grow annually, either at a fixed rate, or at the South African headline inflation rate*.

Tax is payable on income

The income payable to you is taxable. We will deduct income tax and pay it over to the South African Revenue Service on your behalf.

*This is the percentage change in the South African consumer price index for the historical metropolitan areas, for all expenditure groups, for the relevant period as calculated by Statistics South Africa.

Product flexibility

Option to select a guaranteed income payment term

You can select a guaranteed income payment term, during which the income is guaranteed to continue.

Option to add a second life insured

A second life insured can be selected to ensure that the income continues to be paid for the lifetime of a second life. If you have also selected a guaranteed income payment term, the income will be paid for at least the chosen term.



Important considerations

No payment is made on death

If you have not selected a second life insured or a guaranteed income payment term, the life annuity will end on your death and no further payments will be made.

Access to your funds is restricted

The purpose of a retirement income product is to provide income during retirement, therefore access to the funds is exclusively through regular income payments.

The amount of income you receive monthly will be determined at the start of the plan according to the capital amount, your age and gender, and the various product options you have selected.

Other withdrawals cannot be made and the capital cannot be taken in cash.

Your life annuity is protected against creditors and therefore it cannot be pledged or offered as security. It also cannot be cancelled.



Fees and charges are payable

Fees are charged for the administration and management of your policy.

Administration charges

All administration charges are taken into account at quotation stage. The income quoted is guaranteed and does not change on account of fees.

Financial intermediary fee

You and your intermediary agree on commission, where applicable.

Value-added tax (VAT) payable on fees

VAT is payable on fees where applicable.



Let us exceed your expectations

We value our clients and want to provide you with the best service. That is why we welcome your feedback. If you are dissatisfied with any aspect of our service or products, please tell us. Our team will investigate and aim to resolve the matter in a fair and efficient manner.

This document is intended for use by clients, alongside their financial intermediaries.

The information in this document is provided for informative purposes only and should not be construed as the rendering of advice. Although we have taken reasonable steps to ensure the accuracy of the information, neither Sanlam nor any of its subsidiaries accept any liability whatsoever for any direct, indirect or consequential loss arising from the use of or reliance in any manner on the information provided in this document.

For professional advice, please speak to your financial intermediary.

Sanlam Life Insurance Ltd | Reg No 1998/021121/06 | Licensed Life Insurer, Financial Services and Registered Credit Provider (NCRCP43)

T +27 (0)21 916 5000 / 0860 726 526 **F** +27 (0)21 947 9440 **E** life@sanlam.co.za



Live with confidence

Glacier Financial Solutions (Pty) Ltd | A member of the Sanlam Group

Private Bag X5 | Tyger Valley 7536
Reg No 1999/025360/07
Licensed Financial Services Provider

T +27 (0)21 917 9002 / 0860 452 364
F +27 (0)21 947 9210
E client.services@glacier.co.za

www.glacier.co.za

