

# Glacier's Living Annuity (ILLA)

With control over the underlying investments and the income you draw, you can manage your retirement savings to get a sustainable income that will suit your needs.

This policy is underwritten by Sanlam Life Insurance Ltd, a Licensed Financial Services Provider.

[View the brochure for more details](#)

## How it works

- You make a lump sum transfer from your retirement annuity or provident or pension fund
- We invest the money in the underlying investments that you choose in collaboration with your financial planner
- You draw a regular income between 2.5% and 17.5% of your investment. You can change this percentage and the frequency of your withdrawal (monthly, quarterly, twice a year or yearly) once a year.
- The importance of selecting the right income level: The number of years that your ILLA will last depends on the investment returns of your portfolio and your level of income. To ensure that you sustain your standard of living throughout your retirement, you should select an appropriate income level for your age.

## Minimum contribution

R100 000 lump sum; R15 000 per additional contribution from an approved retirement fund

## How long to invest for

For life, or until you transfer your investment to another company's conventional or living annuity.

## Freedom to move your money

You can move your investment at any time to Glacier's or another company's conventional or living annuity without any penalties.

## Freedom to change your choice

You have total freedom to change your underlying investments. There is no charge to make a change, but depending on where you move your money to, initial investment charges may apply.

## Your investment choices

Access to the widest choice of investments:

- A range of risk-profiled investment funds
- Local or offshore funds
- Actively managed or passive index-tracking funds
- Single manager or multi-manager funds
- Individual shares, exchange traded funds (ETFs) and other instruments

## Benefits

- You can adapt your income level (within the legal limits) and the frequency at which you receive your income once a year, which means you can adapt your cash flow to meet your changing needs
- You can choose the underlying investments to ensure they match the level of risk you feel comfortable with
- When you die, the available money is transferred to your beneficiaries, enabling you to leave a legacy. They can either take it in cash or continue with the annuity.

## Factors that impact your income

You should consider the following factors that impact the income you receive from an ILLA:

- The income level you select, taking into account current and future inflation
- The performance of the underlying investments
- How long you expect to live for – if you live longer than the initial estimate, you run the risk of outliving your capital

## When you die

Your dependants may benefit from the money from your living annuity after you are gone. They have the option to either continue with the annuity or to take the full amount in cash (subject to tax).

## Emigration

Your income is still payable into a South African bank account. However, if the value of your living annuity drops below R125 000, you may withdraw your money as a taxable lump sum.

## Tax

### Tax benefits

- At retirement from the retirement fund, there is no tax on the amount that is transferred to the Glacier Investment-linked Living Annuity (or any other approved product that provides you with an income during your retirement)
- The investments within an investment-linked living annuity are not subject to income or capital gains tax

### What is taxable?

There is tax on the income you receive (taxed at individual tax rates).

## Fees

Fees vary per product and your underlying investment. Please speak to your financial planner to make sure you understand which fees you pay and why.

The Glacier Investment-Linked Living Annuity is underwritten by Sanlam Life Insurance Ltd and administered by Glacier Financial Solutions (Pty) Ltd.

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