

# ARE YOU **READY** FOR Retirement?



## ARE YOU GETTING READY TO RETIRE?

It is important to make good decisions when you reach retirement age. We understand that this period can be both exciting and daunting. There are so many decisions to be made about your retirement, so many considerations to keep in mind, and a vast range of options to choose from.

For this reason the ISASA Pension Scheme and Provident Fund offers members two annuity (pension) options that have been specially selected by your Board of Trustees to meet the different needs of members, and to provide support to members.

**THE TWO DEFAULT ANNUITY OPTIONS** offered by the Fund are:

## OLD MUTUAL GUARANTEED

WITH AN OLD MUTUAL FUND SELECT ANNUITY, A GUARANTEED LIFE ANNUITY, YOU GET A STABLE MONTHLY INCOME (PENSION) PAYABLE FOR THE REST OF YOUR LIFE.

## OLD MUTUAL LIVING ANNUITY

WITH AN OLD MUTUAL MAX INCOME LIVING ANNUITY, YOU GET FLEXIBILITY AND CONTROL IN DECIDING HOW YOUR MONEY IS INVESTED AND HOW MUCH IS PAID TO YOU WHEN YOU RETIRE. BUT NO GUARANTEES THAT THE INCOME (PENSION) WILL LAST FOREVER.

**PLEASE NOTE:** These two pensions are Opt-in Annuity products. This means that members must specifically elect to invest in one of these products. Members may also decide to invest in any other pension available from any of the insurers in the market.



## DO YOU NEED HELP DECIDING?

### **SPEAK TO AN OLD MUTUAL EXPERT FOR FREE**

An **Old Mutual Retirement Benefits Counsellor (RBC)**

will help you understand your options at retirement so that you can make the best choice for you and your future.

**EMAIL:** [omannuitystrategy@oldmutual.com](mailto:omannuitystrategy@oldmutual.com)

**TEL:** 0860 388 873

**Alternatively, for more options contact your financial adviser.**

## VISIT THE FUND'S WEBSITE AT:

[www.isasapensionfund.co.za](http://www.isasapensionfund.co.za) or

[www.isasaprovidentfund.co.za](http://www.isasaprovidentfund.co.za) for a copy of the

**RETIREMENT OPTIONS FLYER** that provides more

details about the various options you have at retirement.



## OLD MUTUAL FUND SELECT ANNUITY (GUARANTEED LIFE ANNUITY)

### CAN I SELECT THE INITIAL INCOME AMOUNT I GET?

No, based on various factors the Insurer (Old Mutual in this instance) will determine your starting income.

### CAN I CHOOSE WHERE MY RETIREMENT SAVINGS ARE INVESTED?

No. The investment portfolios which support your annuity have been selected so as to provide an income for life as well as provide for increases to your income.

### DO I AUTOMATICALLY RECEIVE AN INCOME INCREASE EVERY YEAR?

While this is not guaranteed, once an increase is given, it is added to your income and is thereafter also guaranteed for life and cannot be removed.

### CAN I CHANGE HOW MUCH INCOME I WILL GET?

No. This is calculated when you buy your annuity based on the options you select.

### AM I PROTECTED AGAINST RUNNING OUT OF MONEY?

Yes. You receive a guaranteed income for the rest of your life.

### AM I ABLE TO SWITCH TO ANOTHER ANNUITY?

No.

### WHAT IS PAYABLE TO MY BENEFICIARIES OR ESTATE WHEN I DIE?

You may choose a minimum income guaranteed period or a second life to cover.

### AM I ABLE TO CHOOSE BOTH OF THE ANNUITIES?

Yes. Depending on your needs and the amount of your retirement fund savings, a combination of the two could suit you best, or you can speak to your personal financial adviser about other options available to you.



## OLD MUTUAL MAX INCOME INVESTMENT FUNDED INCOME ANNUITY (LIVING ANNUITY)

Yes, as a percentage of the amount you use to buy the annuity. To help you with this decision, the Fund will recommend an income rate (also called a drawdown rate).

Yes. To help you, the Fund will recommend a default investment portfolio with two other investment portfolio options available.

You can decide. Remember that if the amount you choose as an income (drawdown rate\*) is more than the investment growth, you could run out of money.

Yes. Once a year you can adjust how much income you receive between 2.5% and 17.5% of the remaining capital.

No. The money used to pay your income could run out if the income drawn is higher than the growth of the underlying investment.

Yes. To Old Mutual Fund Select Annuity or any other guaranteed life or living annuity.

Any remaining capital will be paid out.

Yes. Depending on your needs and the amount of your retirement fund savings, a combination of the two could suit you best, or you can speak to your personal financial adviser about other options available to you.

