



# OLD MUTUAL MAX LIVING ANNUITY

Available to the retiring members of retirement funds where the Management Board has entered into an agreement with Old Mutual Corporate to provide Max Income Investment Funded Income Living Annuity.

## Reaching retirement age: What now?

Approaching retirement can be a daunting time. This is when you need to make critical financial decisions that will impact you for the rest of your life. One of the most important decisions is how best to use your retirement savings to provide an income in retirement.

Your retirement fund's Management Board has worked diligently to make a straight-forward default option available to members. Old Mutual Max Living Annuity allows a seamless transition of your retirement savings to an income in retirement payable only for as long as your capital lasts.

## What type of annuity is this and how does it work?

- This living annuity allows you to invest your retirement savings into one of a set of designated investment portfolios. To find out which portfolio your retirement fund has selected as the default, contact Member Support Services or the Retirement Benefits Counsellors (details below).
- You also choose what percentage (also called a drawdown rate) of your total invested amount will get paid to you as a retirement income.

- Should you pass away before your capital is used up, the remaining amount can be left to your loved ones, form part of your estate, or be used to support a living annuity in the name of your nominated beneficiary.
- In exchange for this flexibility, Old Mutual Max Living Annuity does not guarantee that this income in retirement will continue for the rest of your life. If you draw down too much too soon, your capital can run out before you die. You therefore need to make good decisions about how much retirement income you want to receive.

## What are the features of this Living Annuity?

- You may only buy this annuity through an **Old Mutual Retirement Benefits Counsellor**. The Retirement Benefits Counsellors are not financial advisers, do not give advice and do not charge for their services. There is therefore **no commission or any advice fees payable**. They will give you information and guidance on the options available to you, answer any questions you may have, take you through the retirement process and provide quotes on your retirement fund's default offering.



**CORPORATE  
RETIREMENT SOLUTIONS**

**DO GREAT THINGS EVERY DAY**

- You can **choose the percentage**, currently between 2.5% and 17.5% of your retirement savings, that must be paid to you as a retirement income. To help you with this decision, Old Mutual will recommend a sustainable percentage.
- The selected percentage, drawdown rate, **must be chosen at the commencement of the policy**. You will then have a choice to revise this percentage either up or down annually on the policy anniversary date.
- **You can choose how often** you would like to receive your income in retirement, annually, bi-annually, quarterly or monthly.
- **You have the option of converting your living annuity** to a life annuity at a later stage.
- You may choose **what portion** of your retirement savings you want to **use to buy a retirement income** from Old Mutual Max Living Annuity and use the balance to buy a different annuity also through Old Mutual or another provider.
- You may choose what portion of your retirement savings you want to take in cash (subject to Income Tax legislation) and use the balance to buy a retirement income. **Remember the less you take in cash**, the higher your starting retirement income will be.
- At the time of purchasing this Living Annuity, you may choose to add retirement savings from other approved funds (e.g., a preservation fund). This **consolidated** amount will buy you a bigger retirement income.

### What are the benefits of this Living Annuity?

- **Income flexibility** allows the choice of level and frequency of retirement income.
- **Investment choice** allows you to tailor your underlying investments to suit your needs and preferences using the portfolios selected by your retirement fund's Management Board.
- **Legacy**, in that if there is capital left in your investment when you pass away, this can be left to your beneficiaries or added to your deceased estate.
- **Trusted product** selected by your retirement fund's Management Board.
- **Simple decision-making process**.
- **No commission or advice fees** are payable.
- **Free online Retirement Benefits Counselling**.

### What are the investment portfolios available under Old Mutual Max Living Annuity and how have they performed?

For information about this, call an Old Mutual Retirement Benefits Counsellor who will advise you which investment portfolios are available to you.

### What fees does Max Income Investment Funded Income Living Annuity charge?

#### Investment Management Fee

This depends on the investment portfolio selected. Call an Old Mutual Retirement Benefits Counsellor who will advise you which investment portfolios are available to you.

#### Plan Charge (Reviewed annually)

Fund value band	Max Income Plan Charge (Inclusive of VAT)	Investment management fees and capital charges are excluded from this table.
First R1.5 million	0.335% p.a.	
Next R1.5 million	0.259% p.a.	
Exceeding R3 million	0.184% p.a.	

### Is the Old Mutual Max Living Annuity suitable for everyone?

Your retirement fund has chosen Old Mutual Max Living Annuity as an option for its retiring members. If this option does not suit your specific needs, you are encouraged to consider other annuity options available. Remember, for all living annuities, income payments are not guaranteed for your life. If the capital runs out before you pass away, you will no longer receive income payments.

You need to have a clear understanding of your personal financial situation before making a decision on what option will best suit you. Your retirement fund's Management Board therefore encourages you to seek further information about the options available or to talk to your financial adviser.

For more information about annuity options [click here](#) to access the Member Booklet: Options at Retirement.

## HOW TO GET AN OLD MUTUAL MAX LIVING ANNUITY QUOTE?

**FOR ADVICE ON YOUR OPTIONS**, contact either your personal financial adviser, your HR department for your employer fund intermediary details (where applicable) or an Old Mutual Retirement Benefits Counsellor who will put one in touch with you.

**FOR FREE INFORMATION, GUIDANCE AND QUOTATION**, call an Old Mutual Retirement Benefits Counsellor (RBC) or Old Mutual Member Support Services:



Either on **021 503 0069** or **0860 388 873**



Or email them on:

**For Old Mutual SuperFund members:** [superfundannuity@oldmutual.com](mailto:superfundannuity@oldmutual.com)

**For Old Mutual Protektor Preservation fund members:** [protektorannuity@oldmutual.com](mailto:protektorannuity@oldmutual.com)

**For other fund members:** [omannuitystrategy@oldmutual.com](mailto:omannuitystrategy@oldmutual.com)

