



FUND MEMBER ANNUITY GUIDE

HELPING YOU WITH YOUR ANNUITY DECISION WHEN YOU REACH RETIREMENT

IMPORTANT NOTE: This guide is NOT financial or investment advice and does not give information on specific Old Mutual products. It is intended to help you understand the differences between the two main at-retirement annuities so you can make an informed decision about which one is best for you in consultation with your financial adviser.

WHAT IS AN AT-RETIREMENT ANNUITY?

An at-retirement annuity is a way for you to make sure you receive a steady stream of retirement income (pension) after you retire. The amount of income depends on various factors, including how much you have saved in your retirement fund and the annuity you purchase.

THE TWO MAIN TYPES OF AT-RETIREMENT ANNUITIES

- **Guaranteed (Life) Annuity** - Pays you a guaranteed income for the rest of your life. You may receive a yearly pension increase depending on the type of guaranteed annuity (or increase profile) and the investment market performance.
- **Living Annuity** - Allows you to choose where your retirement savings are invested and how much you receive as an income (within limits). There are no guarantees, so your capital/savings and therefore income could run out.

WHAT SHOULD YOU CONSIDER?

The table on the next page should help you discover which type of annuity (Guaranteed or Living) may be best suited to you. Remember that choosing an annuity is a very personal decision. So, while your responses can help you figure out which annuity might meet most of your needs, you should speak to a financial adviser before making any decisions.

Instructions:

1. Answer each of the questions by putting a tick in the **YES** or **NO** column.
2. Once you have answered all the questions add up how many ticks you have in each of the colours. Then read the explanation for the colour with the most ticks in it.



**CORPORATE
RETIREMENT SOLUTIONS**

DO GREAT THINGS EVERY DAY

	YES	NO
It is important to me that I receive my retirement income until I pass away, without having to do anything myself to make sure it does.	<input type="checkbox"/>	<input type="checkbox"/>
It is important to me that my retirement income is protected against inflation.	<input type="checkbox"/>	<input type="checkbox"/>
I need my retirement income to be protected against poor market performance without having to manage it myself.	<input type="checkbox"/>	<input type="checkbox"/>
I want my retirement income to have a chance of increasing every year without me having to make any changes to my investment.	<input type="checkbox"/>	<input type="checkbox"/>
I want control over where/how my retirement savings are invested.	<input type="checkbox"/>	<input type="checkbox"/>
If I pass away, it is important to me that what is left of my retirement capital gets paid to my spouse or children.	<input type="checkbox"/>	<input type="checkbox"/>
It is important to me that I have the option to change my annuity or retirement income in the future if I want to.	<input type="checkbox"/>	<input type="checkbox"/>

Now add up the total number of ticks you put in each of the colours.

I HAVE:

<input type="checkbox"/>	ticks in blue boxes	<input type="checkbox"/>	ticks in green boxes
--------------------------	---------------------	--------------------------	----------------------

HERE'S WHAT YOUR ANSWERS SUGGEST ABOUT THE TYPE OF ANNUITY THAT MAY BEST SUIT YOU:

IF MOST OF YOUR TICKS ARE IN THE BLUE BLOCKS	<p>A Guaranteed (Life) Annuity might be the most appropriate solution for your needs and preferences.</p> <p>It offers:</p> <ul style="list-style-type: none"> • Guaranteed retirement income for your life • The possibility of yearly retirement income increases • Extra cover options for a spouse or partner • A minimum guaranteed period effective from your date of retirement, for which your retirement income will continue to be paid for the remainder of the period even if you pass away within that period <p>It doesn't offer:</p> <ul style="list-style-type: none"> • A lump sum death benefit • The option to transfer the annuity, once purchased, to another Insurer nor the option of converting the annuity to a Living Annuity
IF MOST OF YOUR TICKS ARE IN THE GREEN BLOCKS	<p>A Living Annuity might be the most appropriate solution for your needs and preferences.</p> <p>It offers:</p> <ul style="list-style-type: none"> • Control over where you invest • A choice of retirement income (as a % of your capital) • A death benefit should you pass away before your capital is used up • The option to transfer the annuity, once purchased, to another Insurer and the option of converting the annuity to a Guaranteed (Life) Annuity <p>It doesn't offer:</p> <ul style="list-style-type: none"> • A guaranteed retirement income for life • Automatic retirement income increases <p>It is important to note that in purchasing a Living Annuity you are responsible for making your capital last, this means ensuring your drawdown rates (% of your capital) are sustainable over time. Old Mutual will assist and recommend a sustainable drawdown rate at the start.</p>
<p>Your needs may lie somewhere between these two options. In which case the best solution for you may be a combination of these two types of annuities.</p>	

It is important to get professional financial advice before making a final decision therefore, speak to your financial adviser. For free guidance and information about your retirement options* call an Old Mutual Retirement Benefits Counsellor (RBC) on 0860 388 873 or email them at omannuitystrategy@oldmutual.com**

* If your retirement fund is not one of the funds to which an Old Mutual RBC has been appointed, the Old Mutual RBC will not be able to provide you with the information. Instead, you will need to liaise with your retirement fund for information about your retirement options.

** RBCs are not financial advisers and therefore will not give you financial advice. They also don't earn any commission for the guidance or information they give you. If however you use the services of a financial adviser, you may be charged for his or her services.

