



DISCOVERY
RETIREMENT
INCOME PLANS





Contents

Retirement Income Plans

Our Retirement Income Plans are designed to give you a regular income throughout your retirement (known as annuity income or a pension). The amount you receive depends on the type of plan you choose (a Living Annuity or a Fixed Annuity) and your applicable tax rate.

Living Annuity

Fixed Annuity



What is a living annuity?

A living annuity allows you to manage your retirement savings the way that you want to. It also gives you flexibility to choose your income each year (within regulatory limits).

When you are 55 or older and decide to retire, you can withdraw up to a third of your retirement savings as a cash lump sum that you can use as you wish. You can then invest the rest in a living annuity.

Features of a living annuity



You need at least R75 000 to invest in our Living Annuity. The different sources of money that you can use to invest in a Living Annuity are:

- Pension funds
- Provident funds
- Preservation funds
- Retirement annuities
- Transfers from other living annuities.



You can withdraw an income of between **2.5% - 17.5%** a year.



You need to manage your investment so that it lasts throughout your retirement.

[See our guidelines on withdrawals for more information >](#)



All investment growth on the investment funds you choose is tax-free under current tax practice but your income will be taxed.

[See more details on tax >](#)



You can leave your remaining investment value to your beneficiaries when you die.

[Read more about what happens to your investment when you die >](#)



Summary of our Living Annuity

With our Living Annuity, you choose the income you want to receive, in addition, you can get rewarded with income boosts of up to 50% for living well and withdrawing wisely.

Minimum investment amount

- R75 000

Minimum investment amount of R100 000 for investments into Cogence models.

Unique rewards and boosts

We reward you for healthy financial and lifestyle behaviour with more income in retirement. Get rewarded with up to 50% extra income each month for life for withdrawing wisely and managing your health.

The Living Annuity with boosts for neurological conditions offers enhanced boosts of up to 100% on your retirement income in the case of certain diseases that could affect your nervous system.

Competitive fees

- Discovery fees
- Financial adviser fees
- Investment manager fees

A wide range of investment funds

You can tailor your investment to your own personal investment goals. We have a wide range of funds available for investment, with almost 200 funds from leading investment managers to choose from.

Investment guarantees

- No guarantee of performance

Tax

- Income payments (annuities) are taxed as gross income
- Any boosts you receive will be taxed in the same manner and at the same rate as your income payment

Read the relevant Fact Files for details of:

- How you can get boosts to your income
- How the fees work
- What happens to your investment on your death

Why the Discovery Living Annuity?

Income boosts for Living Annuities

Get rewarded with up to 50% extra income each month for life for withdrawing wisely and managing your health

We reward your positive behaviours by increasing the income you receive from your Living Annuity with a boost to your retirement income.

Withdraw wisely

by withdrawing responsibly from your retirement savings.

Live well

by managing your health through Vitality.



Up to 50%
extra income



Choose the Living Annuity with boosts for neurological conditions and you may also qualify for higher boosts of up to 100% in the case of certain diseases that could affect your nervous system.

Refer to the Retirement Income Plan fact file to read more on how to maximise your income boost.

We are the first investment provider to reward your healthy investment and lifestyle behaviours. You can learn more about our investment philosophy by scanning this QR code:



Live well and withdraw wisely

With our Living Annuity, you can get boosts added to your income for living well and withdrawing wisely.



Your behaviour

- Maintain your overall health by engaging in Vitality
- Withdraw responsibly from your retirement savings

What you get

You get a boost of up to 50% to your retirement income.

Extra benefits from our Living Annuity

We increase your investment value if you die as a result of an accident. We do this through a benefit called the Protection Boost.

Your behaviour

Live healthily and manage your Vitality status

What you get

You can receive an increase to your investment value of up to 15% if you die as a result of an accident. The size of the increase depends on your Vitality status.

[See what happens to your investment when you die >](#)

Certain neurological conditions are more prevalent later in life, and can have a significant impact on your quality of life in retirement.

Your behaviour

Withdraw wisely from your retirement savings.

What you get

Get an enhanced boost of up to 100% to your retirement income if you meet the qualifying criteria.

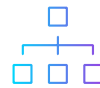


A wide choice of funds to invest in

There are over 200 funds to choose from managed by leading investment managers. You can choose from either Discovery funds or external funds, giving you the diversification you need.

Your plan is a collection of funds

We offer you access to a range of unit trust funds across various providers through a single entry point. This means you can invest in our investment plans and choose investment funds that are managed by leading investment managers. The income boost you receive depends on the funds you choose. Please note that some funds may be excluded from any income boosts. See the most recent fund list available on



You can invest in a wide range of Discovery funds, covering any need. From single-asset class funds (shares, bonds, cash, property etc), to funds where the managers pick and dynamically blend the allocation to different asset classes.



You can also invest in an extensive selection of funds managed by top external investment managers.



We offer both local and offshore investment opportunities.

Competitive fees for your investment

There are certain fees that apply to our retirement income plans



Fees to Discovery Invest

There is a yearly admin fee based on the size of your investment.

When selecting the Living Annuity with boosts for neurological conditions, an initial fee applies. An additional fee may then be payable once every 10 years.



Fees to the investment manager

Investment managers may charge initial and ongoing fees. You can find these fees on the relevant fund fact sheets available at



Fees to your financial adviser

your financial adviser may charge initial and ongoing fees for giving financial advice.

Refer to the Fact File for more information about all fees.



Summary of our Fixed Annuity

A fixed annuity gives you peace of mind from knowing what your income will be in retirement and you'll receive an income for the rest of your life. Our Fixed Annuity is purchased with the full or two-thirds benefit that you receive from your pension fund, provident fund or retirement annuity when you retire.

The guaranteed term

You can choose to have a guarantee term, which ensures that if you die within the first few years of the annuity, your dependants or estate will continue to receive the income. For both the single-life and joint-life annuity the guarantee terms available range from 5 years to 20 years.

Minimum investment amount

- R60 000

You can choose a single-life or joint-life annuity

- Single-life: You will receive a regular income until you die, or your guaranteed term ends, whichever is later.
- Joint-life: A regular income is paid for as long as you or your spouse are alive or until the end of the guarantee term, whichever is later. You can also choose for the surviving spouse to receive a lower income for life after the first spouse dies.

What happens when you die

The fixed annuity policy ends on your death with no remaining amount to be distributed to beneficiaries. If you die before the end of a guarantee term, we'll keep paying the income payments to your beneficiaries until the end of that term. If you have selected the joint-life option we will keep paying the income payments to your spouse for the rest of their life.

You can choose to have your income increased

At the start of the investment you can choose the rate you want your income to increase by on each anniversary of the fixed annuity. You can choose a fixed rate (between 0% and 15%) or at a CPI-related rate. You can also choose how often you would like to receive your income (referred to as the frequency) — this can be monthly, quarterly, half-yearly or yearly.

Fees

Your lump-sum contribution will be reduced by any financial adviser initial fees plus VAT if applicable. The balance will be used to buy your annuity income. No additional charges will be levied.

Investment guarantees


- Guarantee of income

Tax

- Income payments (annuities) are taxed as gross income

Read the relevant Fact Files for details of:

- Choosing a guarantee term
- What happens to your investment on your death
- How the fees work



Read the relevant fact file
and speak to your financial adviser

The details of the features we offer are set out in the relevant
Fact File at _____

Speak to your financial adviser to help you make informed
decisions about your investments. If you don't have a financial
adviser, you can contact our call centre on 0860 67 57 77.

Discovery Invest | www.discovery.co.za

This document is meant only as information and should not be taken as financial advice. For tailored financial advice, please contact your financial adviser. Discovery Life Investment Services Pty (Ltd): Registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. All life assurance products are underwritten by Discovery Life Ltd. Registration number: 1966/003901/06, a licensed life Insurer, an authorised financial service provider and registered credit provider, NCR Reg No. NCRCP3555. All boosts are offered through the insurer, Discovery Life Limited. The insurer reserves the right to review and change the qualifying requirements for boosts at any time. Product Rules, Terms and Conditions apply.