

# KEY INFORMATION DOCUMENT

## JUST LIFETIME INCOME: INVESTMENT DRIVEN

### AF Investments Performer Managed Unit Trust

The Just Lifetime Income (Investment Driven) provides a guaranteed income for life to people retiring from registered retirement schemes, or transferring from a living annuity.

The guaranteed income can never reduce, regardless of what happens to investment markets or how long you live.

Annual increases in your guaranteed income are linked to the performance of the AF Investments Performer Managed Unit Trust (Class L), but are guaranteed to be no lower than zero. The details of the AF Investments Performer Managed Unit Trust (Class L) are set out in the Fund Fact Sheet.

### Important points

- Once you have received your first annuity income, your purchase amount cannot be returned and there is no cooling-off period.
- The policy has *no surrender value at any time*.

### Cession and attachment of the policy

You cannot use the policy as security, transfer it to someone else or make it over to a third party. Your creditors cannot attach the policy.

### Deductions for tax

Just is obliged to deduct tax from all income payments made to you unless your income is below the threshold at which one becomes liable for tax. We will calculate the tax payable to the South African Revenue Services (SARS) using the PAYE tax tables as issued by the SARS. If you want us to deduct an amount of tax which is different from the rate that we determine using the tax table, you must provide us with a tax directive issued by the SARS. A directive must be updated annually and it is your responsibility to do this. If we have not received an updated directive, tax will be deducted according to the applicable tax tables.

### Choosing your starting income and targeted future annual increase in income

- You need to select a guaranteed interest rate (post-retirement interest rate, or PRI). Your selected PRI will determine your starting income as well as the targeted future increases in income.
- There is a trade-off: the higher the PRI, the higher your starting income, but the lower your targeted future increases.
- The table overleaf sets out the targeted increases as a percentage of consumer price inflation (CPI) for each PRI category.

PRI	Targeted increase as a percentage of CPI
0%	133%
0.5%	125%
1%	115%
1.5%	108%
2%	100%
2.5%	90%
3%	80%
3.5%	70%
4%	60%

# KEY INFORMATION DOCUMENT

- Actual increases for each PRI category are available on the Fund Fact Sheet. Note, however, that past performance of an investment portfolio is not an indication of the future performance of the portfolio. Investment markets can go down as well as up. If markets go down, your guaranteed income will not decrease, but future annual increases may be less than expected.

## Annual increase formula

You can calculate a close approximation of the increase as follows:

- 75% of average investment return (after deducting asset management fees) on the investment portfolio over the six years up to the date the increase is calculated,
- less PRI,
- less the annual product management fee,
- add/less an experience adjustment.

An independent actuary, with regulatory responsibility for protecting policyholders' reasonable benefit expectations, sets best estimate assumptions for certain things, apart from investment return, that could affect your future increase. These need to be reviewed as time passes and an adjustment may be required to annual increases to reflect:

- actual longevity (how long policyholders live) being different to best estimate longevity;
- changes to other best estimate assumptions over time;
- actual outcomes being different to the assumed market volatility, trading cost or third party administrator expense assumptions;
- failure of one of the large South African banks to meet their deposit obligations.

The adjustment is spread equally over six years, subject to the guarantee that your income can never be decreased. It is determined by an independent actuary, using published principles and practices of financial management, and is audited.

## If you have qualified for an enhanced Just Lifetime Income (Investment Driven) with a mortality guarantee

If you have qualified to receive a higher annuity income (after all charges) with a full mortality guarantee, your future increases will not be affected in any way by longevity experience (how long other policyholders actually live).

## Other product conditions and details

	Entry Age	Purchase Amount
<b>Minimum</b>	50	R50 000.00
<b>Maximum</b>	85	R10m*
<b>Spouse's annuity</b>	0% to 100% of annuitant's annuity	
<b>Enhanced Initial Level Income period</b>	An option to select a higher level income for a period of 3 or 5 years, with increases starting after this on the increase date.	
<b>Guarantee period</b>	0, 5, 10, 15 or 20 years paid to your nominated beneficiary(ies) as a lump sum or as a continuing monthly income.	
<b>Payment frequency</b>	Monthly, on the 25th of each month.	

\*Higher amounts will be considered on request

# KEY INFORMATION DOCUMENT

## Fees

### Fees already included in the quoted starting income:

- **An initial fee of 1%**

This fee is for the expenses associated with setting up the policy contract, administration records and obtaining transfer of your purchase amount.

**This fee will be 2% should you elect a PRI of 4%.**

- **A monthly administration fee of R38.42, including VAT**

This amount is payable to the administrator of your policy. This amount will increase every year.

- **All costs of the mortality guarantee for qualifying applicants.**

### Annual deductions from the policyholders' assets:

- **A product management fee of 1.1%**

This amount is to cover the guarantees provided by Just Retirement, and for the monthly administration costs of maintaining policyholder records, operating the insurance company and reporting on business under management to the regulatory authorities.

- **An asset management fee of 0.97%, including VAT**

This fee is paid to Alexander Forbes Investments for the management of the investment portfolio. The fee may change because of other charges, such as offshore manager charges and transaction costs.

### Financial adviser commission:

An amount as agreed between you and your financial adviser subject to a legal maximum of 1.5% (plus VAT) of the full purchase amount payable at the start of your policy.