

JUST TERM CERTAIN INCOME

Key Information Document



The Just Term Certain Income pays a guaranteed income of a predetermined amount for a chosen period.

This type of annuity could be helpful if you are seeking a guaranteed income stream for a set period, or if you are approaching retirement and are looking for a secure, predictable income supplement until other sources of income begin. It could also be useful if managing the financial affairs of a minor who has received a lump-sum payment and requires a series of payments for a set period.

Important points

- Just Term Certain Income must be purchased with voluntary or discretionary savings.
- Once the policy has started, your purchase amount cannot be returned and there is no cooling-off period.
- The policy has no surrender value at any time.
- You cannot make any changes after the income starts.

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

A Term Certain Income purchased with voluntary or discretionary savings can serve as a highly tax-efficient way to provide regular income that is guaranteed because the income derived is only partially taxable.

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 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.

What happens following your death?

If you die within the chosen term, income payments can continue to be paid to a nominated second life assured until the end of the term, otherwise a death benefit is payable as a lump sum (the present value of the income for the remainder of the term) to your beneficiaries.

Product conditions and details

Options	
Minimum purchase amount	R50,000
Minimum term	5 years
Escalation	Any selected percentage from 0% to 10%
Taxation	Retirement income will be taxed in accordance with the statutory tax rates issued annually by the South African Revenue Service (SARS). Tax treatment depends on individual circumstances and may be subject to change in the future.
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.
Monthly administration fee	R44.92 plus VAT per month payable to the administrator of your policy. The fee will be reviewed annually in July in line with inflation. This fee is already included in the calculation of your annuity and will not be an additional deduction.
Payment frequency	Monthly, on the 25th of each month.