

LIVING VS LIFE VS BLENDED ANNUITY

LIVING ANNUITY

- Monthly income selected by the policyholder between regulatory drawdown limits of 2,5% - 17,5% per year.
- The product provides no guarantees on income or capital. ASISA and draft FSCA guidelines are available to determine what drawdown percentage is regarded as sustainable.
- The capital remaining when the policyholder dies will be distributed between the nominated beneficiaries according to the wishes of the policyholder.



LIFE ANNUITY

- There are various options available that primarily depend on what income structure the policyholder chooses, which is how the annuity increases.
- Initial income is determined by insurer based on age/sex/health and lifestyle factors and product benefit options selected.
- Guaranteed to be paid for the life of the policyholder (or last survivor in the case of a joint life annuity).
- The policyholder can select a minimum payment period of up to 20 years.

BLENDED ANNUITY

- A combination of a guaranteed life and a living annuity, which provides a guaranteed income for life to cover essential expenses and a capital portion with a reduced effective drawdown rate, that can grow over time to cover additional expenses and be left as a legacy to beneficiaries.
- Unlike having two separate products, blended annuities allow the policyholder to structure a suitable portfolio over time, balancing the trade-offs of essential and discretionary spending as they arise.
- As the policyholder ages, they can switch additional tranches into the life annuity component to increase the guaranteed income portion if necessary.

