

Classic Linked Life Annuity

Choosing to start your retirement is one of the most important decisions you will make. While it may be tempting to cash out as much of your pension as you can, buying an annuity product to secure you a regular income in retirement is often essential to managing a long and happy retirement. The Classic Linked Life Annuity is a flexible investment product, intended to provide you with a retirement income.

What is the solution?

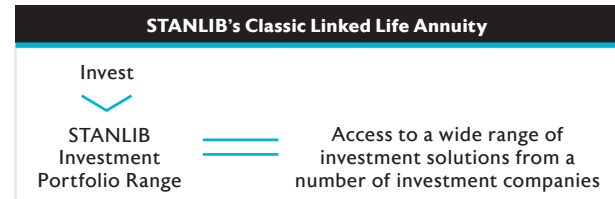
The Classic Linked Life Annuity is a compulsory annuity which is purchased from the Liberty Group Limited (a registered long-term insurer and authorised FSP) and is administered by STANLIB.

The product is flexible and allows you to choose what which investment portfolios to invest your retirement savings into. You can also select how much income you withdraw from your savings every year, within the limits of 2.5% to 17.5% per annum, and how often you receive a payment.

What STANLIB's Classic Linked Life Annuity offers

Flexible investment structure

Offering full diversification, you can access a wide range of investments with different risk and return objectives.



Product features

| | |
|----------------------|---|
| Tax efficiency | The capital investments in STANLIB's Classic Linked Annuity are not subject to income, dividends or capital gains tax. Only the annuity income is taxed in your hands and is subject to individual tax rates. |
| Contribution options | Minimum lump sum amount: R50 000, originating from money which you have saved for your retirement via an approved retirement fund such as a Pension or Provident Fund, Retirement Annuity Fund or Preservation Fund. You may make additional contributions into your policy from retirement savings as they become available, or via transfer of an existing policy from another insurer. |
| Transparency | Detailed information regarding fees, risks are available in the Product Information as well as the Fee Information Document. |
| Switching funds | You may switch funds in your Classic Linked Life Annuity at any time and at no cost. |
| Transfers | You may transfer your Living Annuity from any insurer to STANLIB. Transfers are done at the current market value of the investment. |
| Income drawdowns | Current legislation allows you to select an annuity income of between 2.5% and 17.5% of the value of your policy per year, calculated on the anniversary date of the policy. You can select how often you would like your income to be paid: monthly, quarterly, bi-annually or annually. You are only allowed to change your income once a year on the anniversary date. |
| Death benefits | Your remaining capital passes on to your nominated beneficiaries on death. |
| Estate duty | The money in your policy will not form part of your estate if you have nominated beneficiaries, and therefore will not be subject to estate duty tax or executor fees. |

Detailed Product Information is available at www.stanlib.com

STANLIB

| | |
|--------------------|---|
| Insolvency | The assets do not form part of your estate in the event of insolvency and therefore may not be attached by your creditors. |
| Withdrawals | You may not withdraw from your Living Annuity policy in addition to your annuity income unless the value of the policy is below the legislated minimum amount of R125 000, in which case a full withdrawal may be requested. Withdrawals will be subject to income tax. |
| Guarantees | The level of income you select is not guaranteed for the rest of your life and will stop being paid if the value of your policy has reduced to zero. You need to manage your annuity income drawdown relative to the investment return on the capital. |

The sustainability of your linked life annuity

The income from your linked life annuity is directly linked to the performance of your investments, so a regular review is important.

To ensure your capital lasts throughout your retirement, you should review your income amount at least annually to make sure that the income selected is sustainable.

You can draw an income of between 2.5% and 17.5% per annum of your Linked Life Annuity capital value. The minimum and maximum limits are determined by the legislation, and may change from time to time.

| Investment return per annum (Before inflation and after fees) | | 2.5% | 5.0% | 7.5% | 10.0% | 12.5% |
|--|-------|------|------|------|-------|-------|
| Annual income rate selected at inception | 2.5% | 21 | 30 | 50+ | 50+ | 50+ |
| | 5.0% | 11 | 14 | 19 | 33 | 50+ |
| | 7.5% | 6 | 8 | 10 | 13 | 22 |
| | 10.0% | 4 | 5 | 6 | 7 | 9 |
| | 12.5% | 2 | 3 | 3 | 4 | 5 |
| | 15.0% | 1 | 1 | 2 | 2 | 2 |
| | 17.5% | 1 | 1 | 1 | 1 | 1 |

The table to the left, provided by The Association of Savings and Investment of SA (ASISA), shows how many years it will take before your income starts to reduce, given a specific investment return and selected income rate. The rate is adjusted annually for inflation of 6% per annum.

Contact Details

STANLIB Wealth Management (Pty) Limited

Registered office: 17 Melrose Arch Boulevard, Melrose Arch 2196

Postal address: P O Box 202, Melrose Arch, 2076

Queries: Email: contact@stanlib.com Tel: 0860 123 003

Instructions: Email: lispinstructions@stanlib.com

Website: www.stanlib.com

Compliance Department:

Email: LISPRiskandCompliance@stanlib.com

Directors: DTV Msibi (CEO), AP Cunningham*, MW Hlahla, DC Munro, JH Sutcliffe*, H Walker (*British)

Secretary: JM Parratt

Liberty Group Limited

Physical address: Liberty Centre, 1 Ameshoff Street, Braamfontein, 2001

Postal address: P O Box 10499, Johannesburg, 2000

Contact Centre: 0860 456 789

Tel: 0860 123 003 / 011 408 4871

Fax: 086 688 0717

Email: info@liberty.co.za

Website: www.liberty.co.za

Directors: JH Maree (Chairman), DC Munro* (Chief Executive), Y Maharaj* (Financial Director), AWB Band, SL Botha, CL Roskrugge Celect, AP Cuningham*, MW Hlahla NY Khan, Dr SP Sibisi, YGH Suleman, JH Sutcliffe*, SK Tshabalala (*Executive Direct, *British)

Secretary: JM Paratt

Disclaimer

As neither STANLIB Wealth Management Pty Ltd nor its representatives did a full needs analysis in respect of a particular investor, the investor understands that there may be limitations on the appropriateness of any information in this document with regard to the investor's unique objectives, financial situation and particular needs. The information and content of this document are intended to be for information purposes only and STANLIB does not guarantee the suitability or potential value of any information contained herein. STANLIB Wealth Management Pty Ltd does not expressly or by implication propose that the products or services offered in this document are appropriate to the particular investment objectives or needs of any existing or prospective client. Potential investors are advised to seek independent advice from an authorised financial adviser in this regard.

Compliance No: 50ZB21

stanlib.com

Liberty Group Limited is an Authorised Financial Services Provider in terms of the FAIS Act (Licence No 02409). Liberty Group Limited - Reg. No. 1957/002788/06. STANLIB Wealth Management (Pty) Limited is an authorised Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (License No. 590).