



FOR PROFESSIONALS  
SINCE 1941

INVESTMENTS

# PPS LIVING ANNUITY WITH LIFETIME INCOME

MANAGE YOUR WEALTH  
AFTER RETIRING

## Retirement that is worth looking forward to

At PPS Investments, we believe that you should enjoy your retirement without the fear of running out of your savings. The PPS Living Annuity with Lifetime Income incorporates the benefits of a life annuity (where the risk of running out of funds due to poor investment performance or living longer is not borne by the policyholder) into a living annuity. PPS Insurance owns a life annuity portfolio underwritten by Just Retirement Life. Electing the Lifetime Income portfolio option under your PPS Living Annuity provides an income stream for the rest of your life thereby affording flexibility and control within your Living Annuity.

## More about PPS Investments

We are a subsidiary of PPS, a mutual organisation that offers a wide range of bespoke financial solutions exclusively to graduate professionals, including wealth management services, insurance and fiduciary services. We believe that success is better shared. As a mutual organisation, PPS shares 100% of its profits (from all its subsidiaries) among its qualifying members.

As the preferred wealth management services provider of choice for graduate professionals and their families, we offer a suite of transparent and flexible investment solutions. Geared towards the creation and management of long-term wealth, these solutions are supported by an experienced team driven by passion, accountability and integrity.

Invest in your goals by investing with us.

## Who is Just Retirement Life?

Just Retirement Life is a subsidiary of the UK-listed Just Group plc that focuses on providing retirement income solutions. The Lifetime Income portfolio is provided and underwritten by Just Retirement Life who insures your life and ensures the payment of a monthly lifetime income for the rest of your life. The amount of the lifetime income that is paid to you is based on particular criteria, such as your age, gender, lifestyle, health and socio-economic information.

Just Retirement Life is a registered insurer that is regulated in South Africa by the Financial Sector Conduct Authority under the name Just Retirement Life (South Africa) Ltd.

## What is the Lifetime Income?

The Lifetime Income portfolio secures the payment of a monthly lifetime income for the rest of your life. This lifetime income is provided and underwritten by Just Retirement Life and can be purchased in the PPS Living Annuity using a portion of your retirement savings. The monthly lifetime income is paid into the unit trust portion of your Living Annuity throughout your life. The portfolio provides a secure income that will be paid, regardless of the investment return environment.

The amount of lifetime income quoted is calculated by Just Retirement Life and based is on your age and gender. Once you have been provided with a lifetime income quote, you have the option to be underwritten. The underwriting process consists of a phone call where you will be asked questions regarding your health and general lifestyle habits. In opting to be underwritten, the lifetime income quoted may increase based on the results, but it will never decrease.

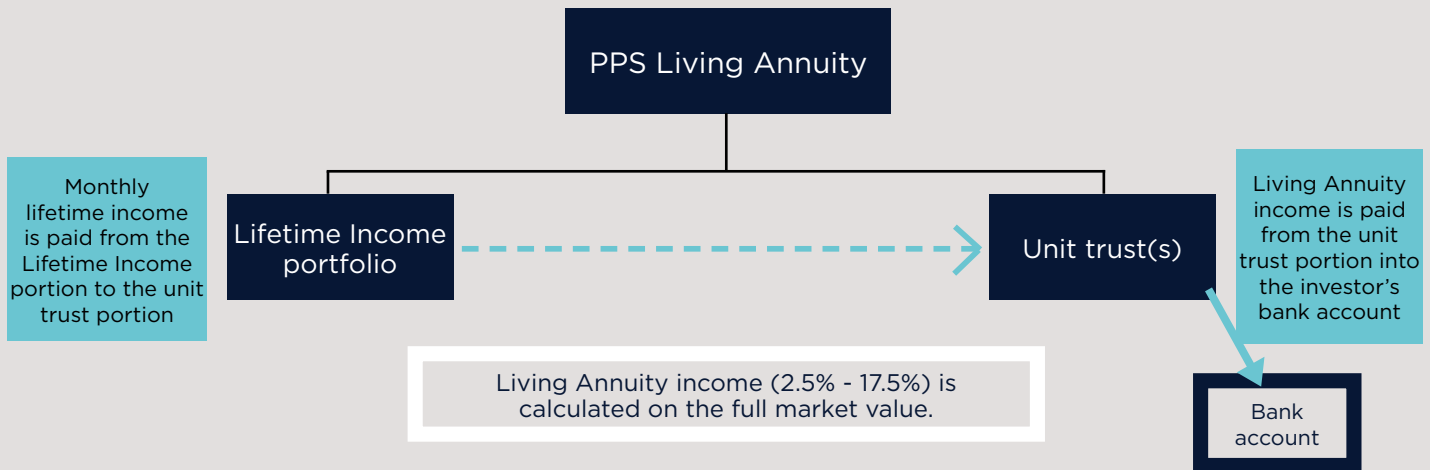
The Lifetime Income portfolio aims to award an income increase that is in line with inflation each year. While the increase amount is not guaranteed, the lifetime income you receive will not decline in nominal value. The increase is primarily based on the average performance of the PPS Balanced Index Tracker Fund over a 6-year period.

## Additional features of the Lifetime Income

- The Lifetime Income portfolio allows you to purchase an option which provides a secured lifetime income for both yourself and your spouse. This option is called a spouse's income and can be set at 50%, 75% or 100% of your income payments. Your spouse's lifetime income will be paid to them in the event that you pass away.
- The Lifetime Income portfolio also offers you the ability to add a minimum payment period. With this feature you have the ability to ensure that the secured income will be paid out even in the event that you pass away. For example, if you purchase a minimum payment period of 5 years then in the event that you pass away during that 5-year period the remaining payments due to you for that period will be paid out to your living annuity as a lump sum. The available minimum payment period options available are 5, 10, 15 and 20 years.

It is important to note that the additional features will impact the quoted lifetime income.

# PPS Living Annuity with Lifetime Income



## Key information

### Lifetime Income product features

- Provides a secured monthly lifetime income provided by Just Retirement Life for life which is paid into a Unit Trust in your PPS Living Annuity.
- Your lifetime income will never reduce in nominal terms – regardless of market movements.
- The lifetime income targets but does not guarantee inflationary increases every year.
- A spouse's income benefit may be added to the Lifetime Income portfolio.
- You can choose to add a minimum payment period.
- At death no further income payments will be received and the value of the Lifetime Income portfolio will reduce to zero (unless spouse's income and/or minimum payment period was elected).

### Minimum investment

- PPS Living Annuity minimum of R100 000
- Lifetime Income portfolio minimum of R50 000
- Additional purchase of Lifetime Income portfolio minimum R50 000

### Tax

No income tax will be applicable to the lifetime income payments as it is paid directly into your living annuity. However, any annuity payment withdrawn from the Living Annuity will be taxed according to your current personal income tax rate.

For more information, please refer to the PPS Living Annuity with Lifetime Income Terms and Conditions.

### Fees

#### Lifetime Income Portfolio

An initial fee of 1% of the amount you invest in the Lifetime Income portfolio is deducted upon investment. There is an ongoing annual product management fee of 1.1%. Asset management fees levied will vary. Please refer to the Lifetime Income portfolio factsheet that is provided by Just Retirement Life for the latest Total Investment Charge (TIC).

#### PPS Living Annuity

The PPS Investments platform does not charge any initial administration fees on the Living Annuity; only standard platform administration fees apply. An upfront advice fee may be payable as agreed between you and your accredited financial adviser.

The ongoing advice fees that have been agreed upon between you and your accredited financial adviser will be calculated on the market value of your whole PPS Living Annuity, which includes the Lifetime Income portfolio. These advice fees are then deducted from assets in the PPS Living Annuity that are not invested in the Lifetime Income portfolio.





# WEALTH AWAITS

Consider the option of a PPS Living Annuity with Lifetime Income which combines the benefits of a living annuity and a life annuity that is guaranteed to last for the rest of your life.

Please contact your PPS Investments accredited financial adviser alternatively, contact us directly on 0860 468 777 (0860 INV PPS) or at [clientservices@ppsinvestments.co.za](mailto:clientservices@ppsinvestments.co.za).

[www.pps.co.za/invest](http://www.pps.co.za/invest)



\*Qualifying members share in the profits of PPS

Kindly note that the information, opinions provided are expressed in good faith and not intended as investment advice, neither does it constitute an offer or solicitation in respect of any financial products. Furthermore, all information provided is of a general nature with no regard to the specific investment objectives, financial situation or particular needs of any person. It is recommended that investors first obtain appropriate legal, tax, investment or other professional advice prior to acting upon such information.

Collective Investment Schemes in Securities (CIS) are generally medium-to long-term investments. The value of participatory interests (units) may go down as well as up, and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending up to 10% of the market value of the portfolio to bridge insufficient liquidity. The manager does not provide any guarantee either in respect of the capital or the return of a portfolio.

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