START YOUR JOURNEY
AND STAY ON TRACK

No matter what life stage you are in right now, being able to retire financially independent with an income that will sustain your lifestyle is a dream that all of us wish for.

The journey from savings to retirement starts with a simple step. Start by saving what you can afford **from today** and increase this whenever you can.

"SAVING FOR RETIREMENT IS NOT DIFFICULT – JUST TAKE THAT FIRST STEP AND KEEP GOING"

For more information on Max Investments go to www.oldmutual.co.za/maxinvestments

Disclaimer:
* Growth illustrations used assume a 10% rate of return and a 4% annual premium increase.
It assumes that all premiums are paid when due and does not take fees and charges into account.
**The base RIY rate assumed is 3% over 25 years.

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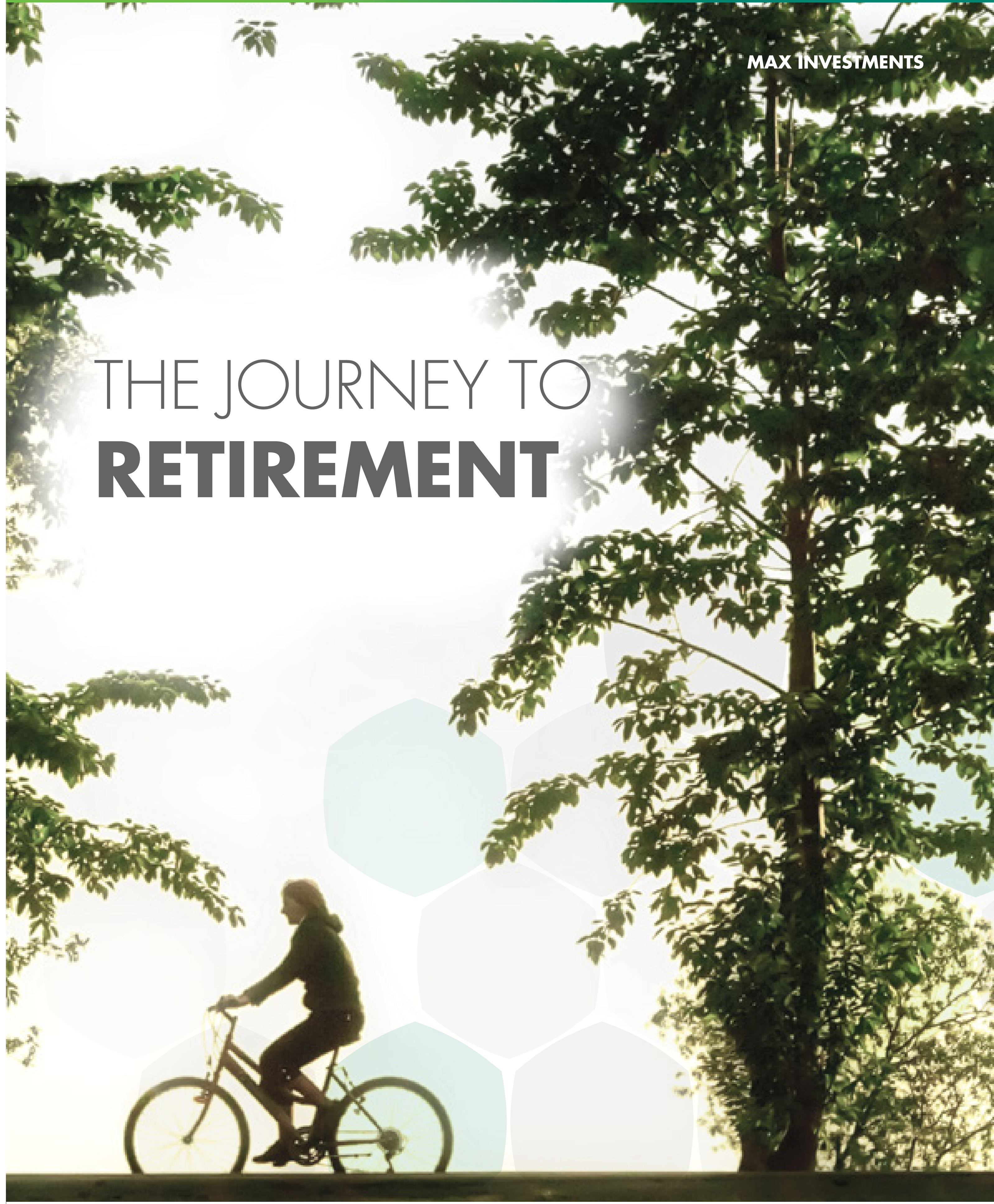

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THE JOURNEY FROM SAVING TO RETIREMENT

THREE SIMPLE STEPS

STEP 1 START SAVING

Start by putting away as much as you can, as early as possible. It's best to start earlier so you can increase your premiums gradually. But if you didn't start saving young, you should start with a higher premium.

Be aware of the **"costs of delay"**. Starting to save too late or too little could mean a huge capital gap at retirement.

STEP 2 MAINTAIN YOUR SAVINGS

Make sure you know where you are on your savings journey and if you are on track to meet your goal. Keep up with inflation by having **annual premium increases**. Do **voluntary premium increases** whenever you get a promotion or salary increase. Don't forget to make **Lump Sum Injections** into your savings when you can.

Zolani started working as a junior IT technician in **1995** with a salary of **R5 500** a month (which is equivalent to **R1 826.34** in today's terms).

To cover the same expenses he had in **1995**, he needed to earn **R16 563.22** a month in **2013**.

Source: www.inflationcalc.co.za

STEP 3 EARN AN INCOME IN YOUR GOLDEN YEARS

At retirement, you have to invest at least two thirds of your retirement annuity in an Income Solution to earn an income.

There are various types of income solutions **to meet your specific needs at retirement**. These range from guaranteed annuities to living annuities and even a combination of both.

A RETIREMENT ANNUITY THE IDEAL WAY TO SAVE FOR RETIREMENT

A retirement annuity (RA) fund is the perfect retirement savings vehicle for the self-employed or as a top-up to a pension fund etc. It allows you to plan for your retirement with manageable steps.

Most people know that contributions to a retirement annuity are tax deductible up to certain limits, but few realise that a retirement annuity has many more benefits than just 'tax saving'.

HERE ARE A FEW REASONS TO SAVE IN A RETIREMENT ANNUITY:

1. Contributions are tax deductible up to a certain maximum.
2. Contributions that were not allowed can be carried over to the next tax year.
3. If you change jobs and get a withdrawal benefit from your pension or provident fund, you can transfer it into a retirement annuity fund tax free.
4. There is no Capital Gains Tax on retirement annuities.
5. On death, any benefits paid either as an income or lump sums are free of estate duty.
6. The growth of the fund is not taxed.
7. As a member of a retirement annuity, your benefits are protected against claims from creditors.

If you earn **R30 000 per month** and contribute **R1 500** to your RA monthly, you could have a total tax savings of **R726 800** (assuming 10% rate of return)*.

With other savings funds, you are taxed on your **investment growth** (i.e. interest, dividends and capital appreciation).

These taxes do not apply to your RA investment, so you'll earn investment returns on money that would otherwise have gone to tax.

MAX INVESTMENTS ENHANCING YOUR RETIREMENT SAVINGS

Let the Max Investments Retirement Annuity help you on your journey to a sustainable retirement. With a range of product features aimed to help you to reach your retirement goal, saving has never been so easy.

DON'T UNDERESTIMATE THE IMPACT OF FEES AND CHARGES

Did you know that you pay fees and charges on any savings and investments that you have? The higher the fees and charges, the less your money grows.

SAVINGS OF JUST 0.5% IN FEES AND CHARGES OVER 25 YEARS ON A R1 500 MONTHLY PREMIUM CAN MEAN R131 600 MORE FOR YOU WHEN COMPARED TO OTHER MORE EXPENSIVE PRODUCTS**.

Max Investments Focussed RA has very low fees and charges and your savings will grow faster.

GET CLOSER TO YOUR SAVINGS GOAL WITH PRODUCT REWARDS

Halfway through your premium-paying term, Old Mutual starts paying product rewards into your Max Investments Focussed Plan. And the product rewards keep increasing your retirement savings the longer you stay invested.

AT A PREMIUM OF R1 500 PER MONTH FOR 15 YEARS, THE IMPACT OF THE REDUCED CHARGES AND THE POWER OF COMPOUND GROWTH COULD ADD UP TO AN ADDITIONAL R60 860.

ACCESS TO A WIDE RANGE OF INVESTMENT FUNDS

You have access to a wide range of investment funds managed by leading fund managers in South Africa. This means that you can combine an Old Mutual fund, an Allan Gray fund and an Investec fund in one Max Investments Plan. You can also switch between funds as many times as you like for free (each fund must be regulation 28 compliant). **But you can save up to 0.35% in charges by investing in Old Mutual funds.**

THIS SEEMS SMALL, BUT NOT IF YOU LOOK AT THE VALUE OF 0.35% OVER 25 YEARS, WHICH IS AN EXTRA R68 000 IN FUND VALUE FOR A R1 500 MONTHLY PREMIUM INVESTMENT.

MAXIMUM EXPOSURE TO GROWTH INVESTMENTS WITH OUR EDGE 28 FUND

Younger investors with plenty of time before retirement would ideally want much of their savings invested in growth assets. Old Mutual Edge 28 Life Fund is a fund that invests close to the maximum allowed into growth assets under regulation 28. This means potential high long-term capital growth, with a performance target of CPI + 8%.

IS EDGE 28 SUITABLE FOR ME?

- Are you at the start or middle of your retirement saving phase?
- Are you more than 10 years away from retirement?
- Are you looking for high long-term capital growth?
- Do you think that a bigger weighting in equities and property will result in higher returns over the long term?