



Income Drawdown Tool

STANLIB

The STANLIB Income Drawdown Tool is for our Equity & Linked Life Annuity and Classic Investment Plan investors. This user-friendly tool enables you to see a breakdown of the projected gross income on your investment before making a commitment.

The tool provides a projection of the expected cash flows when a desired income amount, the income growth rate and any fees that are charged on the investment, are entered. It also displays a graph with your projected available income and the remaining capital balance. Fees and taxes are taken into account.

Equity & Linked Life Annuities – Why the Income

Drawdown Amount is so Important Current legislation allows you to select an income level of between 2.5% and 17.5%. You are also able to select a wide range of investments in respect of the capital that will generate your income. The level of income you select is not guaranteed for the rest of your life and may not be sustainable if:

You live longer than expected with the result that the capital is significantly depleted before your death; or Your return on the capital is lower than that required to provide a sustainable income for life.

It is your responsibility, in consultation with your financial adviser, to ensure that the income level you select will be sustainable for the rest of your life. In order to achieve this, you need to carefully manage your income drawdown relative to the investment return on your capital.

Where to Find the Tool

The tool is available on our website www.stanlib.com (Individuals/Tools & Calculators).

How to Use the Tool

1. Open the tool.
2. Enable the macros in the tool.
3. Complete the required fields for the Investor, Financial Adviser, Investment and Fee sections.
4. Note the additional selections, e.g. Income Gross of Tax or Net of Tax.
5. Click on the Calculate button; a table with the projection of Capital, Income (Gross of Tax), Returns, Tax, Fees and Income (Net of Tax) will be displayed until age 95. A graph will also be displayed with the Capital Balance Remaining and Income Withdrawn. Once happy with the output, a proposal can be generated which includes the table and graph.

Disclaimer

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