

# Keep your retirement on track after your contribution holiday

The recent slowdown of the South African and global economy brought on by COVID-19 has resulted in cash flow and revenue issues for many businesses and individuals. We wanted to support you on your retirement journey through this challenging time by offering you a contribution holiday for up to six months without any of your benefits falling away.

At the end of your contribution holiday, your debit order will automatically start again. We strongly recommend that you continue your contributions to stay on track towards your retirement goals.

## Stick to your investment strategy to avoid losing out, and keep your benefits

Consider the following illustrations of what will happen in 10 and 20 years if you don't continue making your contributions after the holiday period. It is based on the projected fund balances for Discovery Retirement Plans and Discovery Retirement Optimisers that have been in force for five years.

Remaining term to retirement	Effect if you don't continue your contributions
10 years	70% to 86% reduction in projected retirement value
20 years	86% to 94% reduction in projected retirement value

Assumptions: Effect range includes the effect of benefits | Age 55 (ten-year term), age 45 (20-year term) | Silver Vitality status, four Active Rewards weekly goals achieved | 8% investment growth net of asset management fees | Starting at R2 000 monthly contribution | Age-related yearly contribution increases for Discovery Retirement Optimiser, 5% yearly contribution increase for retirement annuities.

This shows that a person who started saving five years ago and was on track to save R1 000 000 at their retirement date in 20 years' time, would have a retirement value of less than R140 000 instead. This is if they did not continue their contributions.

## You'll also keep your valuable Discovery benefits

If you have a Discovery Retirement Optimiser you may:

- Qualify to **convert your life cover into extra tax-free cash in retirement**
- Get **boosts** to your monthly contributions
- Get ongoing **fee discounts of up to 100%**
- Get a **PayBack of admin fees**
- Get **boosts** to any Discovery Life PayBack you reinvest.

For our retirement annuities, you may:

- Qualify for **boosts** to your monthly contributions
- Get a **PayBack of admin fees**

You can only get these benefits if you keep your contributions going until your chosen retirement date.

## Stay on track to reach your financial goals

To reach your retirement goals and secure your future financial wellbeing, we strongly encourage you to continue making contributions and to stay committed to your retirement plan. As you keep contributing regularly, you can get larger savings balances and will benefit from compound growth.

For more information, please contact your financial adviser.

### FAIS notice and disclaimer

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