

# Lifetime

RETIREMENT INCOME




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**At **Lifetime** we have an affinity and passion for developing transparent, low-cost, high value retirement income solutions that New Zealand retirees can have confidence in 🌿**

# Welcome to your retirement, the time of your life

When you stop working, the pay cheque stops too, so how do you worry less about paying the bills and spend more time enjoying life with friends and family?

Lifetime Retirement Income can help turn your savings into a fortnightly income designed to last for the rest of your life.

This leaves you free to get out there and enjoy living.









# Mind the (income) gap

**Research shows that NZ Superannuation (NZ Super) is not enough to cover living expenses for many retirees, even those on a no-frills budget.**

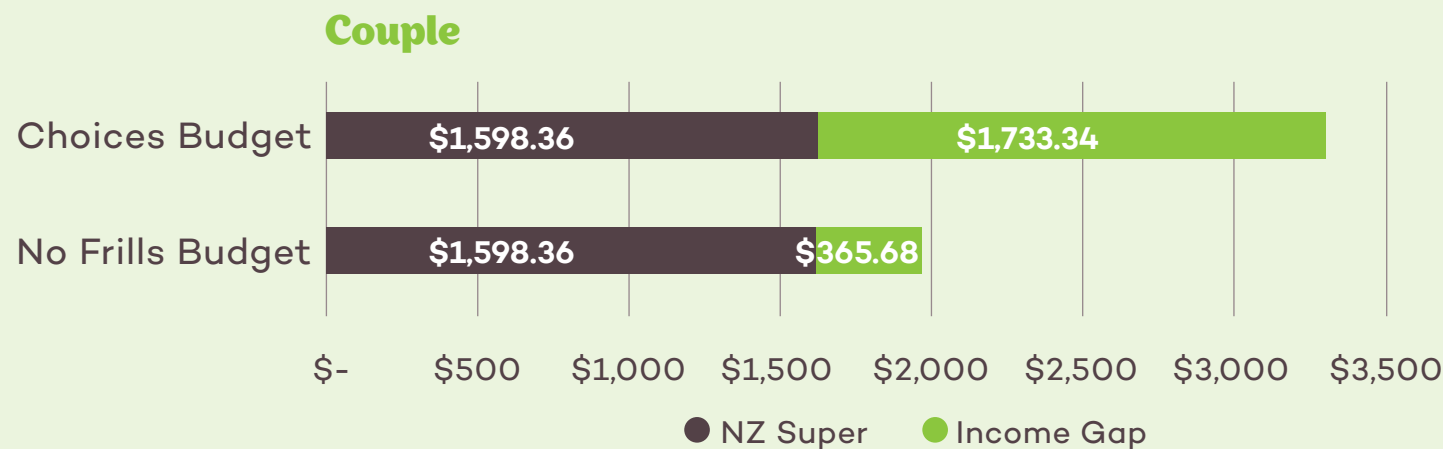
When it comes to thinking about retirement these days it's all about minding the gap - the income gap that is.

Lifetime Income is designed to help you bridge the gap between your expenses and the money you get from NZ Super.

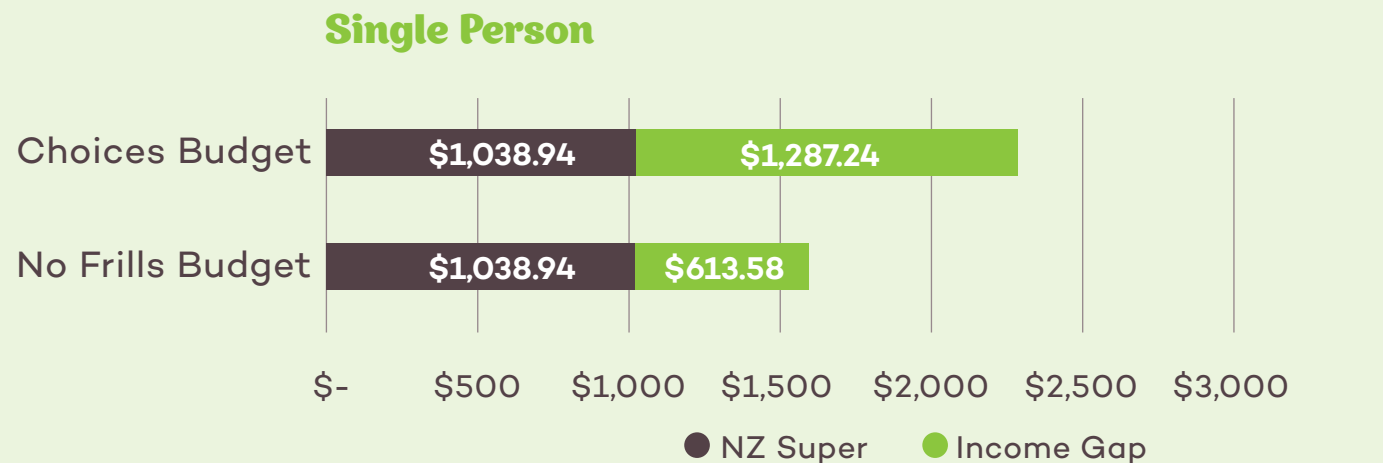


# The New Zealand Retirement Income Gap

A couple living in a metro area could have an income gap of up to \$1,733 a fortnight.



A single person living alone in a metro area could have an income gap of up to \$1,287 a fortnight.



<sup>1</sup>New Zealand Retirement Expenditure Guidelines 2023, Massey University and 1 April 2024 NZ Superannuation





## Liz Koh

Liz Koh is a money expert who specialises in retirement planning. The advice given here is general and does not constitute specific advice to any person.

[www.enrichretirement.com](http://www.enrichretirement.com)

# You have permission to spend!

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What I really like about Lifetime is that they understand retirees.

They know that managing your investments to spend in retirement is different to saving for retirement. It requires different strategies.

One of the biggest challenges for retirees is planning how to spend their retirement nest egg. Because retirement money is so hard won, it can be nerve-wracking trying to decide what to do with it. Indeed, underspending can end up being as much of a risk as running out of money in retirement.

The truth is that money only has value when it is spent, and if you don't spend your money your children and grandchildren certainly will. So, don't feel guilty about using up your hard earned nest egg.



# The two challenges of retirement

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## How do I invest my money?

The overwhelming answer to this is you should be investing in a diversified portfolio. Lifetime looks after that with a balanced fund, which is diversified portfolio with many securities in it.

## How much do I drawdown from my investment?

There are a lot of different rules of thumb that give you some indication of how much to draw but really it comes down to your personal situation, specifically your age, gender, tax, life expectancy (how long your money needs to last) and expected investment returns. This needs to be tailored to you, and reviewed annually, which is what Lifetime does.



## Martin Hawes

Martin Hawes is not a Financial Adviser or a Financial Advice Provider.

The views and opinions are general in nature and may not be relevant to an individual's circumstances.

Before making any investment, insurance or other financial decisions, you should consult a professional financial adviser.

Martin Hawes is a director and shareholder in Lifetime Retirement Income.









# Reliable Retirement Income

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**Turn your retirement savings into a regular, tax-paid income designed to last for life.**

When it comes to designing your retirement plan, it's important to make sure you've got a regular income, as well as money set aside to pay for holidays, emergencies, and other large expenses.

Our income solutions complement a diversified investment plan, taking care of your regular retirement income requirements.









# Maximise your income in retirement

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**Our investment strategy is focused on maximising long-term performance.**

Lifetime actively manages the two key unknowns: your life expectancy and investment returns.

Lifetime is focused on the long-term preservation of your capital to support your ongoing retirement income payments for life.

As retirement income specialists, our sole purpose is giving you the confidence to spend in retirement.



# Benefits of Lifetime?

## Choice and flexibility

You have the flexibility to change your annual income levels from one year to the next in response to your personal circumstances.

## Income is tax-paid

Your income payments are tax and fee paid. As this is a portfolio investment entity (PIE), it means that tax is paid at your own personal tax rate (PIR).

## Maximise your income

We invest your retirement savings locally and internationally to secure attractive returns, with the express purpose of preserving capital to support the provision of retirement income with a high prospect of lasting your lifetime.

## Account balance returned to estate

We ensure your account balance goes to your estate when you pass away.



## **A regular fortnightly income**

We pay you an income each fortnight, the same week as NZ Super, so you can continue paying the bills. This has no effect on your NZ Super payment.

## **Quick, easy access to your money**

Your money is always your money. You can withdraw part or all of your account balance whenever you choose.

**No withdrawal penalties charged.**

## **Spend with confidence**

We calculate an annual income level that means you can confidently draw an income from your retirement savings that is likely to last your lifetime.

# **1.35% P.A**

An annual management fee of 1.35% is charged, this includes annual income reviews.







# We manage money differently

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**Ralph Stewart**  
**Founder &**  
**Managing Director**

Managing your money in retirement is very different to saving for retirement, with a unique set of needs and challenges. The crucial difference is that retirees need to generate a life-long income from their savings.

Lifetime understands this, in fact we specialise in it. Our team of experienced investment professionals invests your retirement savings so they continue to grow, while at the same time limiting the uncertainty of sharp share price fluctuations on the long-term sustainability of your capital. Every year we calculate your Personal Annuity Factor which tells us the amount of income you can safely drawdown from your savings without running out too soon.

In a nutshell, we manage your money in a way that maximises investment returns while ensuring that your capital base will last as long as you do.

## Lifetime Annuity Factor

**65+**

Age



Gender



Tax rate



Savings balance



Investment returns



**Your  
Lifetime  
Annuity  
Factor**





# How does Lifetime Income work?

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We have created an Annuity Factor. It is unique to you.

We take into consideration your gender, your age, your tax rate and what we expect future investment returns to be at any point in time.

We combine these into a single number which is your unique Annuity Factor. We then apply this to your account balance, which tells us how much income you can drawdown each year, paid fortnightly after tax, and be confident it will last you a lifetime.

Your Annuity Factor varies over time because the underlying variables are not fixed. For instance, everyone's lifespan is different and it's always changing. That's why every year, on your birthday, we review your Annuity Factor to make sure you can always be confident your income will last your lifetime.

## Your results

We have calculated your  
projected retirement income

**\$1,000** 4-weekly  
At age 65

**\$1,000** 4-weekly  
At age 85

**\$1,000** 4-weekly  
At age 94

Your investment of  
**\$250,000**  
gives you a total estimated  
income over your next 30 years

**\$402,273** Total income





# It's your retirement, it's your choice!

Lifetime is designed to give you a reliable, tax-paid, fortnightly retirement income that is managed to last a lifetime.

We know everyone is different, so we have developed simple approaches to delivering you a regular retirement income.

These solutions can be further customised - just talk to us at Lifetime for further information.

**Call us on 0800 254 338**

**Email us at [retire@lifetimeincome.co.nz](mailto:retire@lifetimeincome.co.nz)**

**Get a Lifetime Income Projection today, it takes just 2 minutes!**

With our Online Income Calculator you can try out different income variations. When you are happy, simply request a detailed plan outlining your projected retirement income.

# Key questions

## **Could my retirement income change year to year?**

Each year we review your retirement income to check on your account balance and life expectancy. This may result in your retirement income being adjusted to provide a higher prospect of your income lasting your lifetime. As a result your income could fluctuate from year to year, up or down.

## **Do I have to change my annual retirement income each year?**

The short answer is no. During your annual retirement income review, you can choose to select an income level to suit your situation.

This also allows you to start and pause income payments when you choose, as well as increase and lower income payments to meet your circumstance.

## **How do you review my retirement income?**

We review your account balance and life expectancy to ensure it sits within the Safety Zone.

The Safety Zone is the minimum and maximum risk range we set when we invest your savings in order to maximise your income, while ensuring your income is likely to last your lifetime. If your account balance moves within the Safety Zone there is no expected change to your income.

If it moves outside the Safety Zone then we could suggest a change in your regular income payments for the forthcoming year, either up or down.



### **What annual fees are charged?**

1.35% per annum of your investment account balance. The fund management fee is to invest and manage your capital in the Lifetime Retirement Income Fund. **Plus an annual retirement income review is completed.**

### **Can we invest as a couple?**

You may invest as an individual, or jointly with a partner. Joint investors must be in a relationship (i.e. de facto, civil union, marriage or a relationship determined by Lifetime to be similar in nature to those relationships). The annuity factor for joint investors will be based on the person with the longest life expectancy.

### **Can I add to my investment?**

You can add to an existing investment at any time. Upon receiving additional money, Lifetime will recalculate your annual retirement income or projected annual retirement income. There is a minimum of \$5,000 when adding to an existing investment.

### **Can I change the type of income solution I am receiving?**

At each annual review (conducted in your birthday month) you have the choice to change your approach to life expectancy and the income solution.

### **Can I make a partial withdrawal?**

You can make a partial withdrawal at any time, but you must retain a minimum account balance of \$25,000 (unless we agree otherwise). There is no limit on the number of partial withdrawals you can make from your account balance, as long as you have sufficient funds. If you choose to make a partial withdrawal this will trigger an interim retirement income review, which could result in your retirement income reducing.



# What you need to consider

We do not provide financial advice and recommend that you seek independent advice if you have questions about whether this investment is appropriate for you.

Your Annual Retirement Income is not guaranteed, it is Lifetime's calculation of the level of income appropriate for you, based on your age, tax rate and gender.



**Please read our  
Product Disclosure  
Statement at**

**[lifetimeincome.co.nz](http://lifetimeincome.co.nz)**





# Lifetime Investment Fundamentals

When you invest with Lifetime, your savings are invested in a balanced fund, the Lifetime Retirement Income Fund.

This is a managed investment scheme designed as a retirement income vehicle for retirees. It transforms your retirement savings into a retirement income that is managed for you and paid out fortnightly (or 4-weekly).

The Fund's investment objective is to preserve capital to support the provision of retirement income for life, delivering a target minimum return of 5.50% per-annum (before taxes and fees) over the long term. Note returns are not guaranteed.

Lifetime Retirement Income Fund invests in diversified investments with underlying exposure to international and Australasian equities (shares) and fixed interest.

LIFETIME RETIREMENT INCOME

**Lifetime**  
RETIREMENT INCOME

**Apply  
today**







# How do I get an income with Lifetime?

Apply online at **lifetimeincome.co.nz** or fill in the Application Form at the back of the Product Disclosure Statement.

Ensure all supporting documentation is provided with the Application Form.

Fund the investment within 14 days after receipt of the Application Form.

## Contact Lifetime for help

Call us on **0800 254 338**

Email us at **retire@lifetimeincome.co.nz**

View our Website at **lifetimeincome.co.nz**

## For more information

Please read our Product Disclosure Statement at **lifetimeincome.co.nz**

Or consult your financial adviser.

## Supporting documents required

### • Evidence of your identity, such as:

- Copy of your NZ passport
- Copy of your NZ driver licence (accompanied by a bank statement issued by a registered bank in the last 12 months)

### • Evidence of your address, such as:

- Copy of your bank statement
- Copy of your power bill
- Copy of your home phone bill
- Copy of your Inland Revenue Statement

### • Evidence of your bank details, such as:

- Copy of your bank statement
- Bank deposit slip



**LIFETIMEINCOME.CO.NZ**

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