

Investment Schedule

Equity Linked Accumulator

Issue 2



Important Dates and Rates

Application open date:
13 April 2021

Application close date:
14 May 2021

Investment Start Date:
21 May 2021

Maturity Date:
21 May 2026

Annual Observation Dates:
23 May 2022, 22 May 2023, 21 May 2024, 21 May 2025, 21 May 2026

Enhanced Return: 12.5% per annum (pre-tax)
Return Barrier Level: $\geq 90\%$ of Initial Index Level
Return Lock-in Level: $\geq 110\%$ of Initial Index Level

About the Investment

Investment type: Linked endowment policy.

Minimum Investment Amount: R100 000 (One hundred thousand rand).

Investment term: Five (5) years.

Currency: South African rand (ZAR).

Investment objective(s)

The Investment is a five-year conditional capital-protected investment linked to an Index that tracks the performance of top performing European companies. The Investment is linked to the MSCI EMU Select Profitability Leaders Index (the 'Index').

At the end of each year (on each Annual Observation Date), there is a potential to earn an Enhanced Return that will be payable at maturity.

If the Index is above the Return Barrier Level, an Enhanced Return will be locked-in for that year.

Returns that are locked-in cannot be lost.

Currency risk

Your Investment is made in South African rand and you are not exposed to any movements (positive or negative) of foreign currencies over the Investment term. This Investment does not use any of your individual foreign exchange allowance.

Capital protection on maturity

Provided you hold your Investment for the full term and the Final Index Level is not below 70% of its initial level, your South African rand Investment Amount will be repaid in full.

The Index

The Index to which the Investment is linked is the MSCI EMU Select Profitability Leaders Index (the 'Index'). The Index fact sheet can be found on our [website](#) or ask your financial adviser to provide you with a copy.

Index Performance Calculation

Initial Index Level (i)

The level of the Index on the Investment Start Date at the Valuation Time as determined by the Calculation Agent.

Final Index Level (f)

The level of the Index on the Maturity Date at the Valuation Time as determined by the Calculation Agent.

Index Performance (IP)

$$IP = (f-i)/i$$

Valuation Time

The time at which the official closing level of an Index is calculated and published.

Final Redemption Amount

At maturity Investors receive capital back plus any Enhanced Returns locked-in during the investment term, subject to 'Capital Protection' provisions.

If on any of the Annual Observation Dates the Index is at or above 90% of initial level (the Return Barrier Level) an Enhanced Return will be locked-in for that year.

If on any of the Annual Observation Dates the Index is at or above 110% of its initial level (the Return Lock-In Level), all Annual Enhanced Returns will be locked in for the rest of the Investment Term and 100% of the South African rand Investment Amount will be repaid at maturity, irrespective of the performance of the Index.

If the Index has fallen below 90% of its initial level on any Annual Observation Date, no Enhanced Return will be locked-in for that year.

About the counterparties

Issuer/Product Provider

Absa Bank Limited.

Issuer credit rating

Absa Bank Limited provides the capital protection of your Investment. They are rated by Moody's National as Aa1.za and by S&P National as zaAA at the time of the preparation of this document.

Administrator

Automated Outsourcing Services (Pty) Ltd T/A iTransact are the Administrator of the Policy. Please contact them for valuations, any administrative queries full Policy Terms and Conditions. They are an authorised Financial Services Provider.

Fees and charges paid upfront

All fees below are integrated into the structure of the Investment, so 100% of the money that you invest will be invested.

Financial Adviser Fee: 2.875%

Administration Fee: 1.60%

Insurer's Fee: 0.50%

Total Fees: 4.975% (incl VAT)

FSCA License Category

Financial advisors need the following FSCA license - Category: Long Term Cat C.

Other important information

Tax implications of the product

Generally speaking, the long term insurer is subject to tax on the growth and maturity of this policy. The tax incurred by the long term insurer will be deducted from the policyholder's investment before payout.

A long term insurer is required to maintain five separate funds, of which four are liable for tax. Each of the four tax paying funds is subject to specific income tax and capital gains tax rates.

Any amendment to the tax legislation relating to long term insurers may affect the surrender value or maturity value of this policy. Should this occur, Guardrisk Life Limited will contact you.

Please obtain your own tax advice, relevant to your circumstances, prior to investing.

Valuations, early redemptions and maturity

During the term of the Investment you will be entitled to make one withdrawal from the policy. You cannot make more than one withdrawal during the term of the Investment.

Please note that any withdrawals will be done at the prevailing market value of the Investment and any such early withdrawal could result in you losing some or all of your Investment Amount.

Further, note that all investment proceeds due to you will be paid out within approximately seven (7) business days after the Maturity Date.

Cooling-off Period

You have a 31 (thirty one) calendar day cooling-off period (the 'Cooling-off Period') from the Investment Start Date in which to change your mind about your Investment. If you change your mind within this period, we will sell the instruments at market value and pay you this plus any fees that have been included in the cost of the Investment. This value may be lower than your initial Investment Amount.

If you surrender your Investment after the Cooling-off Period, we will sell the instruments and pay you the current market value. This will be seen as an Early Redemption – see section above.

Investor Declaration

The Investor hereby confirms that they have read and understood the information contained in this Investment Schedule.

Signed at

Investor full name

Signature of Investor (or duly authorised person/s for minor Investors)

Signature of Contact Person or Legal Guardian

Signature of authorised and mandated Financial Adviser

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Date (dd-mm-ccyy)

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Date (dd-mm-ccyy)

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Date (dd-mm-ccyy)