



VERSION - ENDL - ABSA - TC- 1.0 ENDOWMENT POLICY TERMS AND CONDITIONS

(The Policy is underwritten by Absa Life Limited)

This document contains the terms and conditions applicable to your Policy and sets out the rights and responsibilities of the parties involved.

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1. DEFINITIONS

Absa Life Limited – “the Insurer”

Absa Life Limited (with company registration number: 1992/001738/06) is the company that is registered as an insurer under the Long-term Insurance Act, and as such issues this Policy. Any underlying Product forming part of this Policy belongs to the Insurer - they permit you or your appointed FSP to select the underlying Product and will provide you with Policy Benefits in terms of the Policy.

AOS / Itransact – “the Administrator”

Automated Outsourcing Services (Pty) Limited (with company registration number: 1997/013802/07) trading as iTransact, is the company that is a licensed administrative FSP in terms of the Financial Advisory and Intermediary Services Act. They have been appointed by the Insurer to administer the Policy on their behalf.

Investor – “the Investor or you”

This is the individual, trust or legal entity in whose name the Policy is issued. You are entitled to receive the Policy Benefits from the Insurer. In this document “you” includes reference to persons acting for you such as a parent or guardian in respect of a minor, or a curator, or authorised representatives if you are a legal entity.

Policy – “the Policy”

The Policy is a single-premium linked endowment policy underwritten by Insurer in terms of which Policy Benefits are provided to you on expiry of a five-year term or earlier on your request.

Beneficiary

The person(s) or legal entity you nominate to receive a Policy Benefit after your death. A Beneficiary can be nominated as a Beneficiary for Ownership or as a Beneficiary for Proceeds. You may nominate up to a maximum of 5 (five) Beneficiaries for Proceeds but only 1 (one) Beneficiary for Ownership.

Financial adviser – “FSP”

This is the person or entity that you appoint to give you advice or provide you with intermediary services and that is duly licensed and/or authorised as a financial services provider in terms of FAIS to render financial services in respect of the Policy.

Investors Independent (Pty) Limited – “the Nominee”

Investors Independent Custodian (Pty) Limited (with company registration number 2009/003227/07) is the company that has been approved as a nominee company by the Financial Services Board and that holds the assets in trust.

Investment Amount

The once-off lump sum amount paid by you, which must be equal to or more than the minimum amount specified in the Product Brochure of the Product you selected, and that must be received in the Nominee's bank account before 11:00 on the last day of the Offer Period.

Investor Account

This is the account opened by the Administrator for you through which the Policy and the Product you choose are administered.

Life Assured

This is the individual to whose life the Policy is tied. A legal entity cannot be appointed as a Life Assured. The Policy comes to an end when this person dies. If there is more than one Life Assured, the Policy will end when the last surviving Life Assured dies.

Offer Period

This is the period during which you are given the opportunity to invest through the Policy in the specific Product for which the Offer Period is open.

Policy Benefit

This is one or more sums of money payable to you by the Insurer under the Policy. The amount payable will be determined in accordance with legislation and the Product terms and conditions and is based on the proceeds payable by the Product Issuer to the Insurer, as calculated on the Scheduled Maturity Date of the Policy, or the date of your earlier withdrawal (whether in full or part) from the Policy, or upon the death of the last surviving Life Assured under the Policy.

Policy Surrender Value

This is the maximum amount payable on withdrawal from the Policy prior to the Scheduled Maturity Date. By law, the amount that may be paid out to you is limited. It is the lesser of:

- a. The total value of your Investment Amount, plus 5% interest compounded annually; or
- b. The value of the Investor Account, less any fees and charges.

Product

This is the investment product selected by you on the application form into which your Investment Amount is invested in terms of the Policy, the details of which are reflected more fully in the Policy summary. The assets comprising the Product are held by or on behalf of the Insurer specifically for the purposes of this Policy.

Product Brochure

This is the document produced by the Product Issuer in relation to the Product that describes the features of, and the terms and conditions of it in greater detail.

Product Issuer

This is the company or legal entity that makes the Product available for investment under the Policy.

Product Withdrawal Value

This is the amount that can be realised by the Insurer from the Product when you request a withdrawal from the Policy prior to the Scheduled Maturity Date.

Scheduled Maturity Date

This is the date that the Policy automatically terminates, and is 5 (five) years from the Policy start date as set out in the Policy summary.

Business Day

This is any day apart from a Saturday, Sunday or official South African Public holiday. In this document day and business day have the same meaning, except where the clause specifically states "calendar" days.

2. DOCUMENTS THAT FORM THE BASIS OF THE POLICY

Your Policy with the Insurer is based on:

- Your investment application form, as accepted by the Administrator
- Your supporting documents
- Your Policy summary
- This Policy document
- The Product Brochure
- Any later instructions from you that has been accepted by the Administrator
- Any later amendment to the Policy terms and conditions.

3. LAWS THAT APPLY TO THE POLICY

The Policy is subject to all the relevant laws of South Africa. Please note that changes to or replacements of any applicable law may change the terms and conditions of the Policy. The most important laws that apply to this Policy are:

3.1. The Long-term Insurance Act - "LTIA"

This act controls the administration of insurers and policy benefits provided by them.

3.2. Financial Intelligence Centre Act - "FICA"

This Act requires the Administrator to establish and verify your identity before accepting your investment application to prevent money laundering and terrorist financing. There are also legal obligations that apply to investment in the Policy in terms of the Prevention of Organised Crime Act ("POCA") and the Prevention of Constitutional Democracy against Terrorism and Related Activities Act ("POCDATARA").

3.3. Financial Advisory and Intermediary Services Act - "FAIS"

This Act controls the activities of anybody who gives advice or provides intermediary services to investors about certain financial products. It requires that such persons be licensed and that professional behaviour be controlled through codes of conduct.

3.4. Income Tax Act

This Act deals with taxation of income, including dividends and capital gains.

3.5. Securities Services Act

This Act deals with the administration of and participation on registered stock exchanges. Certain provisions apply to investment in the Product.

4. HOW THE POLICY WORKS

- a. The Policy is issued by the Insurer
- b. The Insurer appointed the Administrator to make the Policy available and to administer it on its behalf
- c. The Insurer offers you the opportunity to invest, through the Policy, in a Product issued by the Product Issuer
- d. The details of how the Product works are set out in the Product Brochure
- e. The Investor is the registered owner of this investment which is held in custody, on behalf of the investor, with an approved nominee company, the Investors Independent Nominee (Pty) Ltd.
- f. You or your discretionary FSP must select the Product underlying the Policy. The Insurer may at any time restrict or enhance the range of Products available to you to choose from
- g. You may only select one Product per Policy

The Policy has a fixed 5- (five) year term and begins on the day set out in your Policy summary. It is when the Administrator has accepted your completed and duly signed application form, together with your supporting documents and your Investment Amount is invested via the Nominee's bank account into the Product.

The value of your Investor Account is directly linked to the value of the Product selected by you. As the value realisable under the Product rises, the value of your Investor Account will rise. Similarly, as the value realisable under the Product you selected decreases, so will the value of your Investor Account. It will also decrease when you make an early withdrawal and as a result of the fees and charges you pay.

The Policy has a fixed termination date and will end on the Scheduled Maturity Date. On this date, an amount becomes payable under the Product to the Insurer and Policy Benefits will become payable to you by the Insurer. The amount of the Policy Benefit payable under the Policy is not guaranteed by the Insurer, the Product Issuer or the Administrator. However, the investment assets that make up the Product do provide different levels of capital protection.

Depending on the Product you select and the performance thereof, and provided no early withdrawals were made by you, one of the following becomes payable to the Insurer on the Scheduled Maturity Date:

- a. Repayment of a portion of the Investment Amount, without any interest from the investment start date or any investment return
- b. Repayment of the full Investment Amount, without any interest from the investment start date or any investment return
- c. Repayment of the full Investment Amount plus payment of investment returns as calculated in terms of the Product Brochure

Prior to the Scheduled Maturity Date, you may access Policy Benefits due to you from the Insurer by withdrawal subject to the requirements of legislation and the terms set out in this document.

The Policy will terminate earlier than the Scheduled Maturity Date when:

- a. you withdraw the total amount available under the Policy
- b. the last Life Assured dies prior to the Scheduled Maturity Date
- c. the value of your investment is zero

5. YOUR RIGHTS AND RESPONSIBILITIES

Read the information about the Policy and Product carefully

Please read the application form, the Product Brochure(s) and this document before making your investment. You are responsible for your investment decisions and must carefully consider whether this investment is right for your needs.

Consider the consequences of investing in the Policy from a financial, legal, tax, accounting and regulatory perspective; all the fees and charges payable, and make sure that you understand the risk and returns on your investment. Every investment has some degree of risk and it is possible to lose some or all of your money, especially when you withdraw early from the Policy.

5.1. Obtain independent, professional advice

The Insurer and the Administrator cannot give you any advice. If you need financial, legal or tax advice or assistance in respect of investing in the Policy, it is your responsibility to consult with a professional investment, financial, legal and/or tax adviser.

5.2. Appoint a FSP

You must appoint a FSP to provide you with financial advice or other financial services regarding the Policy, or to act on your behalf when dealing with the Administrator, by completing the relevant section on the application form. The Administrator will pay the fee as agreed and reflected in the Policy summary to the FSP.

You must check with the FSP that he/she is authorised to give you financial advice on this investment based on his/her FAIS licence(s) read with the conditions or restrictions applicable to his/her FAIS licence(s). As a minimum requirement, the FSP must have a Category 1 license for the products he/she declared to you on the application form.

The FSP you appoint is not an employee or agent of the Administrator or the Insurer but acts independently from them. If you elect to deal with the Administrator through the FSP, and his/her details appear on the application form, it will be assumed that all future dealings will also, until the Administrator is advised otherwise, take place through that FSP.

5.3. Change your FSP

You may appoint a new FSP that the Administrator has authorised to market its products at any time by informing the Administrator in writing. You must specify the fees that you agree with your new FSP. The Administrator will cancel the existing appointment, record the appointment of the new FSP and confirm the change with you, your current and new FSP. The Administrator will thereafter pay any agreed fees to the newly appointed FSP unless you advise them otherwise.

5.4. Confirm you understand the implications of replacing an existing financial product with the Policy

You must confirm to the Insurer via the Administrator on a "Replacement Policy Advice Record" that you understand the consequences of replacing an existing financial product with the Policy. Therefore, if this Policy is a replacement (in whole or in part) of another existing financial product you own, please ensure you understand the actual and possible implications and costs involved.

5.5. Send instructions to the Administrator

The Administrator receives and accepts your instructions on behalf of the Insurer. All your instructions to the Administrator must be completed on their latest forms that are available via the website or from your FSP.

You or your duly mandated FSP must send instructions by fax or e-mail to the numbers provided on the instruction form. The sender of the fax or the e-mail must ensure that the completed forms have actually been received by the Administrator. The sender can contact the Administrator telephonically at the telephone numbers specified in Section 11 of this document.

5.6. Provide complete and accurate information

You must complete and sign the application form and ensure that all of the information, including any supporting documentation, is accurate, clear and complete. You must initial any changes to the information you submit.

5.7. Choose the underlying Product for the Policy

The Insurer permits you to select the underlying Product forming part of this Policy from a range of financial products made available by them. You may only select one Product from the available options for this Policy, but will be allowed to enter into separate policies if you wish to invest in more than one of the Products. The Insurer may restrict or enhance the available options at any time, or suspend further investments into a Product, and the Administrator or your FSP will contact you if this happens.

5.8. Comply with FICA and keep details and supporting documents updated

You must comply with certain requirements under FICA before the Administrator will process your application form or subsequent instructions. You must provide your FSP, and if specifically so required, the Administrator with certain information of a personal and financial nature required for purposes of identification and verification. Please refer to Section 6 below in this regard.

You warrant that the money which you are investing in the Policy is not the proceeds of unlawful activities or related to terrorist financing activities and understand that the Administrator or FSP may request proof from you regarding the source of these funds at any time.

You must update your personal and banking details if these change and provide the FSP and/or the Administrator with new supporting documentation. All supporting documents must be clear and readable, less than 3 (three) months old and copies must be correctly certified.

5.9. Appoint a Life Assured

There must be at least one Life Assured appointed for the Policy which must be a natural person. If the Investor is a natural person, you will automatically be appointed as the Life Assured under the Policy and you may appoint 1 (one) additional Life Assured. If the Investor is a legal entity, you may appoint a maximum of 2 (two) Lives Assured under the Policy. The maximum age at inception of the Policy for the youngest Life Assured may not exceed age 90 (ninety) on his/her next birthday. You can add another Life Assured during the term of the Policy but cannot remove or replace an existing Life Assured.

5.10. Adhere to Administrator timelines

All documentation required by the Administrator in respect of the investment under the Policy must be delivered to the Administrator in accordance with the timelines set out in Section 8 of this document. If you and/or your FSP fail to adhere to the timelines, the Administrator will deem your investment instruction as cancelled and will repay the Investment Amount less any costs incurred by the Administrator.

5.11. Pay the Investment Amount

The Administrator will only accept your Investment Amount prior to the end of an Offer Period and does not accept cash payments. You must pay the Investment Amount into the Nominee's bank account in South African Rand, by way of electronic transfer or bank deposit.

You must make sure that your Investment Amount is available in the Nominee's bank account by no later than 11:00 on the day the Offer Period in respect of a Product ends.

5.12. Read statements and report errors

The Administrator will send you periodic statements and you or your FSP may request a statement in writing, via fax or telephone at any time. If you find any errors, you have 30 (thirty) days to tell the Administrator. Therefore, please read all documents you receive in respect of the Policy promptly and carefully.

5.13. Make an early withdrawal from the Policy

Under the Long-term Insurance Act, only 1 (one) full or partial withdrawal from the Policy is permitted during the 5 (five) year term of the Policy. You can request an early withdrawal by submitting a completed and signed "Surrender Form" to the Administrator within the specified time periods.

When you request a withdrawal, the Insurer will request an early withdrawal from the Issuer and the Product Withdrawal Value will be realised in accordance with the Product Brochure. An early redemption charge may be levied against the Insurer and this charge will be deducted from the amount available. The Product Withdrawal Value may therefore be less than the Investment Amount paid by you into the Policy.

By law, the maximum amount that may be paid to you on withdrawal is the Policy Surrender Value. Where the Product Withdrawal Value is less than the Policy Surrender Value, the Product Withdrawal Value will be paid to you. However, where the Product Withdrawal Value exceeds the Policy Surrender Value, only the Policy Surrender Value may be paid to you, and any amount realised in excess of the Policy Surrender Value must stay invested until the Scheduled Maturity Date. If you requested a partial withdrawal, any excess will remain invested in the Product itself until the Scheduled Maturity Date. However, if you requested a full withdrawal, the investment in the Product will be terminated and any amount in excess of the Policy Surrender Value will be retained in your Investor Account in cash until the Scheduled Maturity Date.

The amount due to you, after deducting fees and charges payable (if relevant), will be paid to you once all processing and regulatory requirements have been met.

Please note:

The Insurer may require you to withdraw in full from the Policy if the difference between a partial withdrawal amount and the balance in the Investor Account is less than R2500, or such other amount prescribed by legislation. The entire amount remaining will be paid to you and the Policy will terminate.

5.14. Cede the Policy as security or outright (transfer ownership)

You may use the Policy as security with another person or financial institution during its 5- (five) year term. You or your FSP must notify the Administrator immediately if you have done this and request that they record the security cession. It is your responsibility to manage the repayment of the debt and make sure the cession is cancelled when appropriate. By recording the security cession on its records, neither the Insurer nor the Administrator is confirming that the cession is in fact valid in law. It is up to you and the party taking cession to ensure the cession is valid and lawful.

You may transfer ownership of your Policy to another person or legal entity. The other person or legal entity will become the policyholder provided they meet the requirements of the Administrator and have completed and submitted the relevant documentation.

5.15. Decide what happens to the Policy after your death

You may nominate Beneficiaries to receive the Policy Benefits on your death. It is important to keep your nominations up to date. To change your nomination you must complete and sign a Beneficiary Nomination form. This form must be received by the Administrator while you are still alive.

5.16. Beneficiary for ownership

If you are not the Life Assured, or if there is more than one Life Assured, you may nominate a Beneficiary for ownership. This is only possible if the Investor is a natural person. This Beneficiary will become the owner of the Policy after your death if there is still a surviving Life Assured.

5.17. Beneficiary for Proceeds

If you are a natural person and the only Life Assured, you may nominate a Beneficiary for proceeds. This Beneficiary will receive payment of the Policy Benefit after your death. Proceeds will be shared equally between those persons nominated unless you specify otherwise.

If you die, and have not nominated a Beneficiary for ownership, and there are still other surviving Lives Assured under the Policy, the Policy will remain in force and will form part of your estate. Your duly appointed executor will have to decide how to deal with the Policy.

If you die, and there are no other Lives Assured under the Policy, the Policy will terminate and the Policy Benefit will become payable to any Beneficiary for proceeds that you may have nominated in writing. If no such Beneficiaries for proceeds were nominated, then the Policy Benefit will become payable to your estate.

If you ceded the Policy as security, the rights of the person to whom the Policy has been ceded takes preference over the rights of Beneficiaries, but only if the security cession was recorded by the Administrator. A Beneficiary for ownership nomination will lapse if the Policy is ceded outright, surrendered in full or if the Beneficiary for ownership accepts the nomination.

6. THE FSP'S ROLE AND RESPONSIBILITIES

6.1. Maintain the relevant FAIS license

The FSP appointed by you must be licensed and authorised by the Financial Services Board in terms of FAIS to provide the advice and financial services in respect of the Policy in terms of his/her FAIS license, read with the conditions or restrictions applicable to his/her FAIS license. The FSP must maintain this license on an ongoing basis and must immediately inform the Administrator should his/her license be suspended or revoked for any reason.

6.2. Act in accordance with your mandate

The FSP must act with honesty and integrity and in accordance with the mandate in terms of which you appointed him/her in all its dealings on your behalf with the Insurer and the Administrator. The FSP must provide the Administrator with a copy of such mandate promptly on request, or together with the initial application form if he/she has entered into a discretionary mandate with you.

6.3. Provide financial advice and information on the Policy and Product

The FSP gives you advice on whether the Policy is suitable for your needs and meets your investment objectives. He/she must understand and provide you with sufficient particulars relating to the Policy, the Product and any other related financial services and documents, for you to make an informed investment decision. He/she must specifically, fully and adequately explain the information contained in the Product Brochure, and the fees and charges applicable under the Policy.

The FSP must also explain the potential or actual consequences of replacing an existing financial product with the Policy, especially the costs involved.

6.4. Client identification and screening

The FSP must satisfy himself/herself of the identity of the Investor and of the status of the Investor as sanctioned or non-sanctioned person or entity in terms of anti-money laundering legislation and any United Nations sanctions lists before entering into a business relationship with the Investor, or before concluding any transaction with the Administrator or with the Insurer for and on behalf of the Investor.

The FSP must explain the relevant FICA and other anti-money laundering requirements to the Investor and must also explain what the consequences will be if the Investor does not provide the Administrator and the Insurer with the required documents. Neither the Administrator nor the Insurer shall be liable or responsible for any damages or loss as a result of any delay in the processing of the application form as a result of non-compliance with the requirements in terms of FICA, POCA, POCDATARA and the United Nation's sanctions lists.

6.5. Receive statements and correspondence

Unless otherwise instructed by you, and where relevant, the Administrator will send and/or transmit all statements, reports or other relevant correspondence or documents in respect of the Policy, including this Policy document, to you and the FSP.

7. THE INSURER'S RIGHTS AND RESPONSIBILITIES

7.1. Provide Policy Benefits

The Insurer must provide a Policy Benefit in South African Rand which will be paid by the Administrator by electronic fund transfer only, into a current, transmission or savings account in the name of the person entitled to the Policy Benefit. No payments will be made to third-party bank accounts.

7.2. Deduct and pay tax

The Insurer is subject to tax on income and capital gains that might accrue with respect to the aggregate income and/or gains forming part of that specific policyholder category. The Insurer will deduct an appropriate amount from your policy assets in order to settle its overall tax liability. Such amounts shall be deducted from the Policy prior to providing Policy Benefits. The Policy Benefit paid to you is not subject to income tax or capital gains tax in your hands.

7.3. Suspend investment into the Product under the Policy

The Insurer may suspend investment into the Product under the Policy at any time and will give written notice to this effect to the Administrator and the FSP.

7.4. Change the terms of the Policy

The Insurer may make changes to the terms of the Policy but may not reduce the rights and benefits you have under the Policy unless the amendment is due to changes in taxation, legislation or practise or interpretation by any court, regulatory authority or the Insurer. Any such changes will be communicated to you and your FSP in writing by the Insurer.

8. THE ADMINISTRATOR'S RIGHTS AND RESPONSIBILITIES

8.1. Make the Policy available and deal with investors

The Administrator has been appointed as a binder holder by the Insurer to make the Policy available to investors through its administrative platform. The Administrator is also authorised to administer the Policy and to pay all Policy Benefits due under the Policy, and in doing so, to deal with investors on behalf of the Insurer.

8.2. Communicate with you

The Administrator will communicate with you on behalf of the Insurer. On your instruction, the FSP may receive all communications on your behalf, or may be copied on these communications.

The Administrator will:

- a. Provide you and the FSP with this Policy document, the Policy Summary and all information about the Investor Account
- b. Advise you and/or the FSP that the application form and the relevant supporting documents have been received, and whether delivery or submission of any outstanding or additional documents under FICA is required
- c. Provide you and the FSP with a minimum of 3 (three) months' notice of a variation in the fees and charges payable
- d. Provide you and the FSP with reasonable notice about changes made to the Policy by the Insurer or in respect of the availability of the Product
- e. Provide quarterly statements to you and the FSP
- f. Provide statements to you or your FSP on request

8.3. Process your instructions

The Administrator will process all instructions in respect of the Policy. The Administrator may on behalf of the Insurer accept, delay or deem as cancelled your instructions, based on business requirements and administrative processes, the minimum Investment Amount required, timing standards, and the relevant legislation at the date of your instruction.

You consent that the Administrator may implement all instructions received via email or fax, which appear to come from you or your FSP, provided the Administrator exercised reasonable care to establish the identity of the issuer of the instructions.

The Administrator will identify the Investment Amount deposited by you by reference to the cheque or direct debit instruction sent to the Administrator for purposes of investment in the relevant Product. If the Administrator cannot identify you via the means of payment, the Administrator will request an alternative, acceptable means of identification and/or verification from you or the FSP.

8.4. Processing timelines

8.4.1. New Policy application

Processed on the same or following business day, when the Administrator has received a fully and correctly completed, duly signed application form or additional investment application form (for a new policy by existing Investor) with all required FICA documentation; and your Investment Amount is reflected in the Nominee bank account before 11:00 on the relevant closing date of Offer Period.

Please note

Payments by way of an electronic bank payment via the internet may take up to 2 (two) Business Days from the date of making the electronic bank payment to be received and/or recorded in the bank account of the Nominee Company.

As per banking legislation, cheque deposits will need to undergo a clearing period of 10 (ten) calendar days within the Rand Monetary Area, and 15 (fifteen) calendar days outside the Rand Monetary Area (that is from Lesotho, Namibia and Botswana) and the money will therefore only be available for investment after the relevant clearing period.

8.4.2. Early withdrawal

Processed on the same or following business day, when the Administrator has received a fully and correctly completed, duly signed early withdrawal form before 11:00, in order to receive value for the price on such day. If the bank details provided on the withdrawal form differ from those recorded on the Investor's account, proof of bank details must be provided before the instruction will be executed by the Administrator on the market. Payment of the Policy Surrender Value into the Investor's bank account will be made 7 (seven) business days after processing the instruction.

8.4.3. Cessions

Processed on the same or following business day when the Administrator has received a fully and correctly completed, duly signed security cession or outright cession form before 11:00.

8.4.4. Pay Policy Benefits

Payment of Policy Benefit on Scheduled Maturity Date into verified Investor bank account within 7 (seven) business days after processing instruction

8.5. Deduct and pay fees and charges

The Administrator will collect and distribute the investment and/or transaction charges and fees payable under the Policy.

8.6. Pay bank interest

Interest earned in the bank account of the Nominee Company in respect of the Investment Amount(s) will be payable by the Administrator to you only when all required completed and signed documents have actually been received by the Administrator prior to the stipulated cut-off date and time, and the investment instructions have been processed within the turnaround time as stipulated on the application form. The interest payable will be capitalised and added to your initial Investment Amount for investment in the relevant Product.

8.7. Make payments

The Administrator will make payments on behalf of the Insurer. No third-party payments will be made.

8.8. Insurance cover

The Administrator maintains professional indemnity and fidelity insurance cover. This means you are protected against fraud, negligence, and dishonest conduct by the Administrator.

9. FEES AND CHARGES

All the fees and charges payable under the Policy are set out in the application form. The fees and charges must be explained to you by your FSP. With your signature on the application form, you acknowledge, declare and confirm that you understand what fees and charges are payable.

It is important to note that since all administration, transactional and advice fees are integrated into the structure of the Product, a 100% allocation of the Investment Amount received will be made into the relevant Product.

All fees and charges are subject to change, and the Administrator will give you and/or your FSP 3 (three) months' written notice of such change.

10. EXCLUSIONS, RISKS AND RESPONSIBILITY

10.1. Advice

No communication of any nature received from the Administrator in respect of the Policy or the Product can be regarded as tax, legal, accounting or financial advice. You are responsible for obtaining your own professional advice about the consequences of investment in the Policy and/or Product.

10.2. Market risk

The Product is exposed to market risk. The market price of shares and the levels and values of share indices will fluctuate according to market conditions, general sentiment and other factors. The price at which shares trade on the JSE Limited and the levels and values of shares indices and the income derived from shares (if applicable) and the value of investments linked to shares indices may go up or down and the Investor has no guarantee of receiving the Investment Amount back, unless the Product under the Policy has a feature in terms whereof the Investment Amount is protected if the Investor remains invested in the Product until the Scheduled Maturity Date without making an early withdrawal.

10.3. Switching out of the Product

You cannot switch your investment from the Product underlying the Policy to another product offered by the Insurer. You may only make an early withdrawal as explained in Section 5 above.

10.4. Cooling-off period

A cooling off period applies to the Policy. This means you have the right to cancel the Policy within 30 calendar days from the date on which the Administrator confirms that your application has been accepted. You must submit your cancellation instruction to the Administrator in writing. No right to cancel applies if you received any benefits during the cooling-off period. The amount that becomes payable to you on cancellation is the value of your Investment Amount, less / add any market or currency losses / gains.

10.5. Losses suffered during administration of the Policy

You are responsible for losses suffered as a result of;

- Delays in the processing or the rejection of your investment application for reasons beyond the Administrator's control. Included but not limited are;
 - a. If your FSP does not have a FAIS licence or acts beyond the scope of the FAIS licence
 - b. If your FSP is not authorised to market the Administrator's products
 - c. If you or your FSP on your behalf submits unauthorised instructions
 - d. If you or your FSP provides us with incorrect information
 - e. If a third party does anything illegal or invalid or does not do something they should have done
 - f. If you or your FSP fail to comply with FICA
 - g. If the Administrator cannot verify your bank account details
 - h. Any legal requirements, Product limits, timing standards, administrative practices and procedures that apply to the Policy and Product
- If you are married in community of property, failure to get your spouse's permission
- Your FSP does not provide you with correspondence sent to them, or if any correspondence is lost in the mail
- A person acting for you acting beyond the scope of their authority
- Changes in tax or other laws that affect the Policy and/or Product
- The failure or delay of any networks, electronic or mechanical devices, or any other form of communication used to process instructions
- Your FSP being in possession of or using information that you deem confidential
- Electronic transacting, whether via telephone, other electronic means or by fax

10.6. Life cover and Policy loans

There is no life cover under the Policy and you cannot obtain a loan from the Insurer via the Policy. You are responsible for obtaining life cover under a separate policy should you require it, and may use the Policy as security for a loan from another person or institution.