



OLDMUTUAL

INTRODUCING SPLIT OWNERSHIP FOR INVESTMENT PORTFOLIO+ (IP+)



INTERNATIONAL

INTRODUCING IP+ SPLIT OWNERSHIP

DEATH OF LAST CONTRACT HOLDER

NO NOMINATED BENEFICIARIES

Ownership will be transferred to the Estate of the last Contract Holder

NOMINATED BENEFICIARIES

If there are multiple beneficiaries - the contract can be split into Individual single plans OR the contract can be issued to new Joint owners:

THE CONTRACT WILL BE SPLIT INTO INDIVIDUAL SINGLE PLANS AS PER THE EXISTING BENEFICIARY ALLOCATION SPLIT:

- Section 54 falls away
- Assets remain offshore
- Assets:
 - If the contract contains funds, these will require unit transfer;
 - Authorised Custodian held cash and assets will be split as per the existing beneficiary allocation and as indicated on the asset split table submitted to Old Mutual Isle of Man; and
 - New Authorised Custodian accounts will be opened in each beneficiary/new owner's name; and
 - Normal IP+ premium limits remain
- Fees and Tax liabilities will be allocated proportionately to the individual plans

The following documents will need to be submitted to your applicable regional mailbox:

- IP+ Death Claim Option form signed by all beneficiaries
- IP+ Transfer of Ownership upon death form signed by each beneficiary
- For Authorised Custodian funds:
 - the Authorised Custodian Addendum and relevant Custodian account opening documents per beneficiary.
- E-statement or certified proof of residential address per beneficiary
- Certified copy of proof of identification per beneficiary

ISSUE CONTRACT TO NEW JOINT OWNERS:

- Section 54 falls away
- Fees and tax liability remains the same
- If custodian held funds, the existing custodian remains the same

The following documents will need to be submitted to your applicable regional mailbox:

- IP+ Death Claim Option form signed by all beneficiaries
- IP+ Transfer of Ownership upon death form signed by all beneficiaries
- For Authorised Custodian funds:
 - the Authorised Custodian Internet Access Request form.
- E-statement or certified proof of residential address per beneficiary
- Certified copy of proof of identification per beneficiary

INTRODUCING IP+ SPLIT OWNERSHIP

SPLITTING IP+ CONTRACTS FOR EXISTING CONTRACT HOLDERS

Joint Owners of an IP+ contract decide to split their contract (e.g. Divorce, dissolved partnerships)

- Issue separate NEW plans, with new plan numbers
- If the new plans are issued in the restricted period, the restrictions remain
- New Individual contract owners to advise on allocation split
- Section 54 falls away
- Assets remain offshore
- Assets:
 - If the contract contains funds, these will require unit transfer;
 - Authorised Custodian held cash and assets will be split as indicated on the asset split table submitted to Old Mutual Isle of Man;
 - New Authorised Custodian accounts will be opened in each new owner's name; and
 - Normal IP+ premium limits remain
- Fees and Tax liabilities will be allocated proportionately to the individual plans



The following documents will need to be submitted to your applicable regional mailbox.

- IP+ Deed of Assignment form
- For Authorised Custodian funds:
 - The Authorised Custodian Addendum; and
 - The relevant Custodian account opening documents per new owner.





IMPORTANT FACTORS

Beneficiaries

- This applies at the death of the last contract holder.
- All beneficiaries or contract holders need to agree to split the plan or take joint ownership.
- The allocation of underlying value will be in line with the beneficiary nomination we have on record.
- Section 54 restricted period falls away on death of last contract holder.
- Beneficiaries who decide to split a plan for individual ownership will need to meet all the necessary regulatory requirements for documentation and information required to on board them as a client. New beneficiaries will need to be nominated on the new plans.
- If the one or more beneficiaries, for whatever reason do not qualify for a new contract due to regulatory reasons, the proceeds will be paid out.

Authorised Custodian Facility

- If the contract has a custodian facility and after the split, the plan does not meet the premium requirements for an investment into an authorised custodian account, (minimum of USD75 000 per account), then Old Mutual Isle of Man may instruct the sale of all assets and transfer them to the Transaction Account (cash) before proceeding with the split in accordance with the allocation set out by the contract holder. The plan holders need to agree to new investment choices at which point the event will incur tax and fees to be deducted from the contract prior to issuing the plan.
- The timeline for completing a splitting of plan could be extensive as it involves complex asset transfers and the opening of new custodian accounts. Conservatively assume 8-12 weeks to complete the process.
- The Discretionary Investment Manager, in accordance with the new plan holders instructions, drives the splitting of assets held within the authorised custodian account and will make decisions on the treatment of certain assets, specifically if the assets are illiquid.

Existing Contract Holders (a non death event)

- Existing contract holders can elect to split the contract for a non death event as well; such as a divorce, a immigration of one party etc.
- Existing contract holders need to agree to split the plan and indicate the percentage split per individual plan.
- For existing contract holders, Section 54 still applies and the 120% rule restrictions on premiums remain in place. Any capacity is split proportionately going forward.

For Beneficiaries and Existing Contract Holders

- There will be fees and taxes due on the original contract and the liability will be transferred to the new plans in proportion to the split.
- There is no Capital Gains Tax (CGT) payable when the contract is split into new plans. However, CGT will be applicable if the beneficiaries choose other investments or funds.

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