

STATUTORY NOTICE AND REPLACEMENT ADVICE NOTICE

IMPORTANT - PLEASE READ CAREFULLY

PART 1

STATUTORY NOTICE TO LONG-TERM INSURANCE POLICYHOLDERS

(THIS NOTICE DOES NOT FORM PART OF THE CONTRACT)

As a long-term insurance Contract Holder, or prospective Contract Holder, you have the right to the following information:

1. THE FINANCIAL ADVISER/BUSINESS INTRODUCER (INSURANCE BROKER OR REPRESENTATIVE) DEALING WITH YOU MUST AT THE EARLIEST REASONABLE OPPORTUNITY DISCLOSE:

- Name, physical and postal address and telephone number.
- Legal capacity: whether independent or representing an insurer or brokerage.
- Concise details of relevant experience.
- Insurance products that may be sold.
- Insurers whose products may be marketed.
- Indemnity cover held - Yes / No.
- Shareholdings in insurers if 10% or more.
- Name of insurers from which the business introducer received 30% or more of total commission and remuneration during the past calendar year.

The financial adviser/business introducer must be able to produce proof of contractual relationship with and accreditation by the insurers concerned.

2. YOUR RIGHT TO KNOW THE IMPACT OF THE DECISION YOU ELECT TO MAKE:

- The financial adviser/business introducer or insurer dealing with you must inform you of:
 - The contribution you may be paying.
 - The nature and extent of benefits you may receive.
- If the benefits are linked to the performance of certain assets:
 - How much of the contribution will go towards the benefit?
 - To what portfolio will your benefits be linked?
- The possible impact of this purchase on your finances.
- The possible impact of this purchase on your other policies (affordability).
- The possible impact of this purchase on your investment portfolio (affordability).
- The flexibility of changes you may make to the proposed contract.
- The contract terms of the product you intend to purchase.

It is very important that you are quite sure that the product or transaction meets your needs and that you feel you have all the information you need to make a decision.

3. YOUR RIGHT WHEN BEING ADVISED TO REPLACE AN EXISTING CONTRACT.

You may not be advised to cancel a contract to enable you to purchase a new contract or amend an existing contract, unless:

- The financial adviser/business introducer identifies the contract as a replacement contract.
- The implications of cancellation of the contract are disclosed to you such as:
 - The influence on your benefits under the old contract.
 - The additional costs incurred with the replacement.
- The insurer which issued the original contract will contact you, you are advised to discuss the matter with its representative.

4. YOUR RIGHT TO BE INFORMED BY THE INSURER:

The insurer will forward you documentation confirming contract details as discussed in paragraph 2 of this Notice, which will also include:

- The name of the insurer.
- The product being purchased.
- The cost in the contract denomination of the transaction and specifically
 - the loadings, if any;
 - the initial expense; and
 - the amount of commission and other remuneration being paid to the financial adviser/business introducer.
- In the case of contracts with an investment element, the ongoing expense and any other fees or charges payable.
- The summary in terms of section 48 of the Long-term Insurance Act, 1998.
- The contact number and address of the complaints and compliance officers of the insurer.

The insurer may disclose the above information on a generic basis with additional Contract Holder specific disclosure.

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5. YOUR RIGHT TO CANCEL THE TRANSACTION

In most cases, you have a right to cancel a contract in writing within 30 days after receipt of the summary contemplated in section 48 from the insurer. The same applies to certain changes you may make to a contract. The insurer is obliged to confirm to you whether you have this right and to explain how to exercise it. Please bear in mind that you may not exercise this right to cancel if you have already claimed under the contract or if the event, which the contract insures you against, has already happened. If the contract has an investment component, you will carry any investment loss.

6. IMPORTANT WARNING

It is very important that you are quite sure that the product or transaction meets your needs and that you feel you have all the information you need before making a decision.

It is recommended that you discuss with the business introducer or insurer the possible impact of the proposed transaction on your finances, your other policies or your broader investment portfolio. You should also ask for information about the flexibility of any proposed contract.

Where paper forms are required, it is advisable to sign them only once they are fully completed. Feel free to make notes regarding verbal information, and to ask for written confirmation or copies of documents.

7. PARTICULARS OF FAIS OMBUD (OFFICE OF THE OMBUD FOR FINANCIAL SERVICES PROVIDERS)

The FAIS Ombud: Noluntu Bam

PO Box 74571

Lynwood Ridge

0040

Tel: +27 12 470 9080

Fax: +27 12 348 3447

E-mail: info@faisombud.co.za

Website: www.faisombud.co.za

The Long-term Insurance Ombudsman does not have jurisdiction, complaints will be dealt with as stated in the product literature.

In terms of the legislation you may be requested to sign a copy of this document. Old Mutual International has combined this statutory notice with other compulsory disclosures. You will be required to sign at the end of the combined document. By appending your signature you will acknowledge having read and understood the disclosures in Parts 1 & 2 of this Notice.

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PART 2

ADVICE ON REPLACEMENT OF A CONTRACT



Please tick if the funds for the contract are derived from the early surrender of a South African Insurance policy.
If you have ticked the box, then the following section will apply.

The replacement of one or more financial product with another may not be in the Contract Holder's best interests. The following information is provided to enable you to assess whether the proposed new contract is indeed the correct decision. Any portfolio change should be done with regard to the investor's overall financial position with due regard to needs for life cover, investment needs and retirement planning.

Please read each item below.

WHERE THERE IS NO RISK COVER ON THE PRODUCT TO BE REPLACED.

- There may be a duplication of fees and charges.
- Unrecouped costs may be recovered from the product's value before payout.
- Early encashment penalties may start to run from the inception date of the new product.
- If the product to be replaced is an insurance contract, there may be restrictions on the amount you may withdraw, and a waiting period before the balance can be paid to you.
- There may be a new restricted period in respect of the new product leading to a reduction in liquidity.
- The investment risk of the new product will almost certainly differ from that of the replaced contract.
- The tax implications of the new product may differ from the replaced contract.

- If investment performance is a reason for the replacement, note that past performance is generally no guarantee of future returns.
- If either product is market related, note that there will be a risk attached to the timing of your withdrawal, and of your new investment. The same applies if there is to be a change of currency.

Where there is risk cover on the product to be replaced.

- There may be a loss or reduction of life cover.
- There may be a loss or reduction in other risk benefits, such as health or disability cover.
- Because of increased age, the premium on the new product may be higher than for equivalent cover on the replaced product.
- Additional health loadings may be applicable.
- There may be a waiting period for claims under the new contract.

I/We have read and understood the disclosures made in Parts 1 & 2 above

Signature(s) of Contract Holder(s)

1.	
2.	
3.	
4.	
5.	
6.	

Date	D	D	M	M	Y	Y	Y	Y
Date	D	D	M	M	Y	Y	Y	Y
Date	D	D	M	M	Y	Y	Y	Y
Date	D	D	M	M	Y	Y	Y	Y
Date	D	D	M	M	Y	Y	Y	Y
Date	D	D	M	M	Y	Y	Y	Y

I declare that I have furnished the Contract Holder(s) with all information relevant to the application and with a copy of this disclosure document.

Signature of Financial Adviser

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Date	D	D	M	M	Y	Y	Y	Y
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www.oldmutualinternational.com

Old Mutual Isle of Man, Branch of Old Mutual Life Assurance Company (South Africa) Limited, is registered in the Isle of Man under number 005664F and whose principal place of business is King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles. Phone: +44 (0)1624 653 400. Fax: +44 (0)1624 622 296.

Licensed by the Isle of Man Financial Services Authority.

Old Mutual Life Assurance Company (South Africa) Limited is incorporated in South Africa (reg. number: 1999/04643/06).

Registered office: Mutualpark, Jan Smuts Drive, Pinelands, Cape Town, South Africa.

Old Mutual Life Assurance Company (South Africa) Limited is a registered long-term insurer and a licensed financial services provider.