

2. Investor Tax Status Details

Are you a tax resident (taxpayer) in a country other than South Africa? Yes No

If yes, please provide the following details:

	Country 1	Country 2
Foreign tax number	<input type="text"/>	<input type="text"/>
Country of tax residency	<input type="text"/>	<input type="text"/>
Foreign passport number	<input type="text"/>	<input type="text"/>
Nationality of foreign passport	<input type="text"/>	<input type="text"/>

3. Beneficiary details (must be completed by the owner of the policy)

If you are applying for a Recurring Dollar Endowment Plan with a life assured, you can nominate a person(s) or institution(s) to receive the proceeds of the investment in the event of your death. If you are applying for a Recurring Dollar Endowment Plan without a life assured, the investment will continue in the event of your death until a withdrawal or surrender application is submitted for the policy.

Only the following beneficiaries are allowed on the policy:

- South African or non-South African resident (the bank account must be in a country approved by Guernsey Financial Services Commission)
- Your estate, offshore trust or offshore entity (the bank account must be in a country approved by Guernsey Financial Services Commission)
- If there is no nominated beneficiary the benefits will devolve upon your Estate.

Note: if the legal entity is an offshore trust please ensure that you provide us with identification and verification information of the beneficial owner and underlying principal as per the *Legal Entities* form. To obtain a copy of this form, please send an email to: Invest_Offshore_Team@Discovery.co.za

General

Please review your beneficiary nomination regularly to take account of changed circumstances. For all named beneficiaries FICA will be required. If you are married in community of property, consent is needed from your spouse to nominate a beneficiary other than your spouse. If you do not obtain your spouse's consent, he/she may be entitled to claim a share from you if your estate is divided. If this applies to you, you must complete the standard *Discovery Invest offshore – request to change details* form. You can change the beneficiary nomination or add more beneficiaries at any time by completing and submitting the *Discovery Invest Offshore - request to change details* form which is available on www.discovery.co.za.

3.1 Beneficiary

Percentage %

Natural person <input type="checkbox"/>	Relationship to owner <input type="text"/>
Surname	<input type="text"/>
First names	<input type="text"/>
Initials <input type="text"/>	Title <input type="text"/> Sex <input type="text"/> <input type="text"/> Date of birth <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Previous/maiden name	<input type="text"/>
ID/passport number <input type="text"/>	Nationality <input type="text"/>
Place of birth <input type="text"/>	Does the beneficiary hold public office? Yes <input type="checkbox"/> No <input type="checkbox"/>
OR	
Legal entity <input type="checkbox"/>	Relationship to owner <input type="text"/>
Name	<input type="text"/>
Registration number <input type="text"/>	Date of incorporation <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Country of incorporation	<input type="text"/>
Principal place of business	<input type="text"/>

3.2 Beneficiary

Percentage %

Natural person <input type="checkbox"/>	Relationship to owner <input type="text"/>
Surname	<input type="text"/>
First names	<input type="text"/>
Initials <input type="text"/>	Title <input type="text"/> Sex <input type="text"/> <input type="text"/> Date of birth <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Previous/maiden name	<input type="text"/>
ID/passport number <input type="text"/>	Nationality <input type="text"/>
Place of birth <input type="text"/>	Does the beneficiary hold public office? Yes <input type="checkbox"/> No <input type="checkbox"/>
OR	
Legal entity <input type="checkbox"/>	Relationship to owner <input type="text"/>
Name	<input type="text"/>
Registration number <input type="text"/>	Date of incorporation <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Country of incorporation	<input type="text"/>
Principal place of business	<input type="text"/>

7. Payment details

Details of your bank account from which the contributions will be collected

- It is important that you provide us with the correct banking details from which to collect the contributions. Discovery Invest will not be legally responsible if you supplied us with incorrect banking details.
- Proof of South African banking details in the form of a cancelled cheque, bank statement (stamped by the bank), or a confirmation letter from the bank confirming banking details must be provided.
- The debit order will be collected on the 25th of each month or the nearest business day to the 25th if the 25th is a non-banking day.
- You must inform us if your banking details change.

Accountholder name	<input type="text"/>																													
Bank name	<input type="text"/>																													
Branch name	<input type="text"/>															Branch code	<input type="text"/> - <input type="text"/> - <input type="text"/> - <input type="text"/>													
Account number <small>(credit cards cannot be accepted)</small>	<input type="text"/>										Account type	Current <input type="checkbox"/>	Transmission <input type="checkbox"/>	Savings <input type="checkbox"/>																
Source of funds <small>(compulsory for GFSC purposes)</small>	<input type="text"/>																													

Have you during the current year exceeded your SDA for any reason? Yes No

Do you have a valid tax clearance certificate to use your annual FCA for the payment of the contributions for this policy? Yes No

Please note: The acceptance of this application will be delayed until you have provided the necessary approvals from SARS for the payment of contributions if you have already exceeded your SDA in the current calendar year.

The undersigned authorises Discovery Invest:

- To debit this bank account for the full recurring contribution as per the accepted quote on the 25th day of each and every month commencing on the policy start date. In the event that the payment day falls on a Sunday or a recognised South African public holiday, the payment day will automatically be the very next business day. Further, if there are insufficient funds in the nominated account to meet the obligation, Discovery Invest is entitled to track this account and represent the instruction for payment as soon as sufficient funds are available in this account.
- To issue and deliver payment instructions to the bank for collection of the contributions against the above-mentioned account (or any other bank or branch to which the account may be transferred) on condition that the sum of such payment instruction(s) will never exceed any obligations as agreed to in the policy contract. This authority shall endure until 20 days written notice of termination is provided to Discovery Invest.
- To collect all contributions, charges and fees owed from the nominated account.
- To collect the contributions by debit order the 25th day of each and every month when the contributions become due (the bank will treat every payment instruction to pay the contributions to Discovery Invest as if each payment instruction came from the payer personally).

The undersigned warrants that the information supplied above is true and correct and agrees to be bound by the payment terms applicable to the policy as set out in point 8.3 and 8.4 in the Terms and Conditions section.

Signature of accountholder

Date

Second signature (if applicable)

8. Statutory disclosure and Terms and Conditions

8.1 Statutory disclosure

Discovery Life Investment Services (Proprietary) Limited (Discovery Invest)

In terms of an administration agreement between Discovery Invest and Discovery Life Limited the linked Endowments and funds within the investment account linked to the investor's Recurring Dollar Endowment Plan including the placement of purchase instructions, switches, encashments/withdrawals, amendments to the Endowment are administered by Discovery Invest.

Discovery Invest is a wholly owned subsidiary of Discovery Limited and is an authorised South African financial services provider duly registered in terms of section 8 of the FAIS Act and by virtue thereof is entitled to effect such administration.

Lloyds Bank (the bank)

Discovery in turn has entered into an agreement with the bank in terms of which the bank provides access to the funds on the Discovery Fund list. The bank shall therefore effect any investment instructions, switch instructions, encashment/withdrawal instructions or other related instructions conveyed to it by Discovery on behalf of the investor.

Credit Suisse Trustees Limited (the trustee)

The trustee appointed by the Branch must hold the licensed insurer's assets representing at least 90% of investor liabilities in trust as imposed by standard conditions on the licence of the Insurer under section 12 of the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended). In pursuance of this obligation Discovery Life International has entered into a Trustee Agreement with the trustee pursuant to which the trustee will hold in trust assets equating to not less than 90% of investor liabilities.

Investment value

The value of the investment is determined with reference to the total value of the investment account being investments made in the funds as directed by the investor less any permissible deductions such as fees, charges and taxes.

Annual administration fee

An annual administration fee of 1.5% is payable to Discovery. This fee is made up of a 0.80% Discovery Invest Administration fee and a 0.70% Commission Recoupment Charge. The fee of 1.5% will be payable to Discovery for administering the investment as set out in the accepted quote and will be levied proportionately across all the chosen portfolios. This fee will be based on the client's asset balance and will be divided by 12 and deducted monthly.

Financial adviser's Fee

The Financial adviser initial fee is already included in the annual administration fee described above of 1.5%.

Fund management fees

These fees are payable to the fund managers in whose funds the investor has elected to invest the investment account linked to the investment and may include early realisation fees.

Switching

Switches will attract a fee of 0.25% of the value switched up to a maximum of \$50.

Fee reviews

Fees quoted at inception of the investment are not fixed and may be amended by Discovery if it in its sole discretion deems necessary and we will advise the investor of these amendments in writing.

8. Statutory disclosure and Terms and Conditions (*continued*)

8.2 Terms and conditions

Introduction

Set out below are the key terms of the Recurring Dollar Endowment Plan which is an Endowment policy issued by Discovery Life International, the Guernsey branch of Discovery Life Limited (South Africa), registered long-term insurer in the Republic of South Africa and an authorised Financial Services Provider registered in terms of section 8 of the FAIS Act. Discovery Life International is licensed by the Guernsey Financial Services Commission (GFSC) under the Insurance Business (Bailiwick of Guernsey) Law 2002 to carry on long term insurance business. The Recurring Dollar Endowment Plan is administered by Discovery Investment Services (Pty) Limited, trading as Discovery Invest, a subsidiary of Discovery Limited. Discovery Limited is a company listed on the Johannesburg Stock Exchange (JSE).

Key Terms used

- 8.2.1** **"The Act"** means the Long-Term Insurance Act, 1998 of South Africa and any regulation or notice promulgated thereunder.
- 8.2.2** **"Anniversary"** shall mean each date on which a period of one or more years calculated from the commencement date of the Endowment shall have expired.
- 8.2.3** **"Application form"** means the form completed by you and which must be accepted by Discovery before the Endowment contract comes into being.
- 8.2.4** **"The Bank"** means Lloyds Bank, a bank duly incorporated and registered in the United Kingdom, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under number 119278, and is part of the Lloyds Banking Group.
- 8.2.5** **"Beneficiary"** means the person or persons named as beneficiaries to receive the benefits under the Endowment.
- 8.2.6** **"BWCI"** means BWCI Insurance Management Limited, a specialised consulting and administration Company.
- 8.2.7** **"Claim date"** means the date on which the value of the Endowment is computed and which date shall be a business day in both Guernsey and South Africa and subject to:
- 8.2.7.1 Any notice period that may be in place from time to time;
- 8.2.7.2 Receipt by Discovery of the death certificate of the investor as the case may be;
- 8.2.7.3 The written application for the surrender of the Endowment by you in full or in part.
- 8.2.8** **"Commencement date"** means the date of commencement of the Endowment as shown on the policy schedule.
- 8.2.9** **"Commission"** means the remuneration paid to your Financial Adviser in terms of the Commission Regulations promulgated under the Act.
- 8.2.10** **"Contract denomination"** means the currency that the Endowment contract is denominated in.
- 8.2.11** **"Contribution"** means the contributions you make to the Endowment.
- 8.2.12** **"CPI"** means the inflation rate measure in the United States of America.
- 8.2.13** **"Discovery"** means Discovery Life International being the Guernsey branch of Discovery Life Limited a public company with limited liability duly incorporated in terms of the laws of South Africa and a registered long-term insurer and an authorised financial services provider duly registered in terms of section 8 of the FAIS Act. Discovery Life International is licensed by the GFSC under the Insurance Business (Bailiwick of Guernsey) Law 2002 to carry on long term insurance business.
- 8.2.14** **"Discovery Invest"** means Discovery Life Investment Services (Proprietary) Limited a private company with limited liability duly incorporated in terms of the Law of South Africa and an authorised financial services provider duly registered in terms of section 8 of the FAIS Act.
- 8.2.15** **"Endowment"** or **"Endowment Contract"** means collectively this application form, policy schedule, the Recurring Dollar Endowment Plan Fact File and the Discovery Business Practices Manual.
- 8.2.16** **"Excess contribution"** means the first increase on the recurrent contribution which causes the total value of the contributions received by Discovery during the contribution period to exceed 20% of the total value of the contributions received by Discovery during any one of the two previous contribution periods.
- 8.2.17** **"FAIS Act"** means the Financial Advisory and Intermediary Services Act, 2002 of South Africa and any regulation or notice promulgated thereunder.
- 8.2.18** **"FATF"** means the Financial Action Task Force.
- 8.2.19** **"FATF Standards"** means the International endorsed global standards against money laundering and terrorist financing.
- 8.2.20** **"FCA"** means your Foreign Capital Allowance determined by the SARB from time to time and more fully described in the Exchange Control Manual. The latest FCA limit is available on the South African Reserve Bank website: <https://www.resbank.co.za>.
- 8.2.21** **"FDA"** means your annual Foreign Discretionary Allowance determined by the SARB from time to time and more fully described in the Exchange Control Manual. The latest FDA limit is available on the South African Reserve Bank website: <https://www.resbank.co.za>.
- 8.2.22** **"Financial Adviser"** means a Representative of a Financial Services Provider or a Financial Services Provider who is authorised to render Financial Services in terms of the FAIS Act.
- 8.2.23** **"Financial Services"** has the same meaning ascribed thereto in section 1 of the FAIS Act.
- 8.2.24** **"FinSurv SARB"** means the Financial Surveillance Department of the South African Reserve Bank.
- 8.2.25** **"FRB"** means FirstRand Bank Limited.
- 8.2.26** **"FSB"** means the Financial Services Board of South Africa.
- 8.2.27** **"Fund"** means a fund or other financial instrument administered by a fund manager or other financial institution and which is listed on the fund list from time to time.
- 8.2.28** **"Fund list"** means the list of funds, as amended from time to time, that Discovery has made available and which funds may be selected by you for the investment account linked to the Endowment contract.
- 8.2.29** **"Fund manager"** means the investment manager responsible for the management of a fund on the fund list.
- 8.2.30** **"GFCA"** means the Guernsey Foreign Currency Account.
- 8.2.31** **"GFSC"** means the Guernsey Financial Services Commission.
- 8.2.32** **"The Handbook"** means The Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing and is a statement of the standards expected by the GFSC of all financial services businesses in Guernsey to ensure Guernsey's compliance with the FATF's standards.
- 8.2.33** **"Interest bearing account"** means an interest bearing account held in the name of Discovery, with such banking institutions and in such bank account types, and subject to such interest rates, as Discovery may in its sole discretion select, taking into account the policyholders and the purpose for which the account has been opened. Notwithstanding anything to the contrary contained in this policy contract, any reference to Discovery utilising an interest-bearing account or utilised money market fund shall not preclude Discovery if so requested by the policyholder from using a non-interest bearing account on his/her benefit.
- 8.2.34** **"Investor"** means you as the policy owner, payer and life assured named as such in the policy schedule.
- 8.2.35** **"Investment account"** means the nominal account linked to the Endowment and maintained by Discovery for holding such assets of Discovery with reference to which the value of the Endowment is determined.
- 8.2.36** **"Investment allocation"** means the percentage of the contribution allocated to a fund as selected by you.
- 8.2.37** **"Investment anniversary"** means the day in each year that corresponds to the date on which the Endowment commenced.
- 8.2.38** **"Investment value"** means the value of the Endowment determined from time to time as being equal to the aggregate of the values of the assets held in the Investment Account, net of all costs, fees and expenses.
- 8.2.39** **"Notice period"** means the time period required to elapse before the processing of investments, switches, and withdrawals, exchange of units or claims as applied by the various funds.

8. Statutory disclosure and Terms and Conditions (*continued*)

- 8.2.40** “Policy schedule” means the document containing the salient details of the Endowment.
- 8.2.41** “POPIA” means the Protection of Personal Information Act.
- 8.2.42** “Relevant legislation” means any legislation that applies to the Recurring Dollar Endowment Plan which shall include but not be limited to, the FAIS Act, the Income Tax Act of South Africa, POPIA, the Exchange Regulations, any Regulation or Directive issued by any relevant regulatory authority including the GFSC, SARS and the FSB. Legislation shall include any regulation or notice promulgated thereunder from time to time.
- 8.2.43** “Representative” shall have the same meaning ascribed to it in section 1 of the FAIS Act.
- 8.2.44** “Restriction Period” is the minimum period that an endowment policy must exist. This is extended if the contributions are increased above the legislated limits. For more information please refer to the Recurring Dollar Endowment Plan Fact File.
- 8.2.45** “SARS” means the South African Revenue Services.
- 8.2.46** “SDA” means your annual Single Discretionary Allowance determined by the SARB from time to time and more fully described in the Exchange Control Manual. The latest SDA limit is available on the South African Reserve Bank website: <https://www.resbank.co.za>.
- 8.2.47** “Switch” means the exchange of assets in one fund for assets in another fund.
- 8.2.48** “Trustee” means Credit Suisse Trustees Limited appointed by Discovery to hold in trust policy assets as required under paragraph 3 of the Guernsey Insurance Business (Licensing) Regulations, 2002 as amended from time to time.
- 8.2.49** “You and your” refers to you as the Policy owner/Investor/Life Assured set out in this application form.
- 8.2.50** “We, us and our” refers to Discovery Life International, a Guernsey branch of Discovery Life Limited, a public company with limited liability registered under the company laws of the Republic of South Africa, registration number 1966/003901/06. The principal place of business is 155 West Street, Sandton, Johannesburg, 2196.

Clause headings have been inserted for ease of reference only and shall not affect the interpretation of the clauses. If a provision in a definition clause is a substantive provision conferring rights or imposing obligations, effect shall be given to it as if it were a substantive clause in the main body of these general terms and conditions. Where the context of these general terms and conditions requires, any reference to “person” shall include natural and legal persons, including corporate bodies; any reference to one gender includes the other gender and the neuter, and any reference to the singular shall include the plural, and vice versa. References to statutory provisions shall be construed as those as modified or re-enacted from time to time, including subordinate legislation.

8.3 Commencement of the Endowment and contributions

- 8.3.1** The Endowment will only come into effect when Discovery has informed you, in writing, that this application form has been accepted and when we have received the first contribution on the date it is due. Discovery may decline an application at its own discretion and shall not be required to disclose any reason therefore.
- 8.3.2** A payment will only be considered to be a contribution for the Endowment once we have collected the Rand equivalent of the US Dollar denominated contribution amount from your bank account and have successfully converted the Rand amount into US Dollars at the prevailing forward rate supplied to us by the bank on a monthly basis and transferred this full converted amount into the GFCA. We will convert the Rand amount within a reasonable time after collection at the rate available to Discovery at the time. Discovery will not be liable for any loss or harm that you may suffer as a result of the conversion. It may occur that a contribution is successfully paid into the GFCA after which we are informed that your annual SDA or FCA limit has been exceeded or that you are prohibited from transferring funds offshore due to a ruling by a relevant regulatory authority or to comply with relevant legislation or an order of a competent Court. In such cases, Discovery will not be required to repatriate those contributions which are in breach of your SDA or FCA limit; however, you will be liable to face a penalty as imposed by SARB at their discretion.
- 8.3.3** Contributions will only be accepted via debit order. No cash payments will be accepted in any currency.
- 8.3.4** If Discovery does not receive contributions for longer than our grace period allows, this may incur a penalty.

8.4 What happens when the policy is in arrears

- 8.4.1** If we are unable for any reason whatsoever to collect the Rand equivalent of the contribution from your bank account or convert such collected amount or transfer such converted amount to the GFCA or comply with a ruling by a relevant regulatory authority or relevant legislation or an order of a competent Court then your Policy will be in arrears and you will be in breach of your obligation to pay contributions under the Policy.
- 8.4.2** In cases where we have been unable to collect a contribution from your bank account we will attempt to collect two contributions (double debit) from your account in the following month when your next contribution becomes due.
- 8.4.3** If your Policy is in arrears by one contribution payment we will notify you of the arrears and that you are in breach of your obligations. We will request that you remedy this breach. While your Policy is in arrears by one payment, your Policy will be in what we call a period of grace.
- 8.4.4** If you have been unable to remedy your breach to pay the arrear contribution and you fail to pay a second contribution, we will request that you remedy your ongoing breach. While your policy is in arrears by two contribution payments, your Policy will be in what we call a lapse status. If you do not pay the two arrear contributions before the end of the month when the second contribution became due your policy will be cancelled.
- 8.4.5** If your policy is in arrears due to Discovery being unable to transfer the Rand equivalent of the contribution from your bank account to the GFCA as a result of your breaching of your SDA or FCA limit, it is your responsibility to remedy your position. In the event of you breaching the SDA limit, you will be required to present Discovery with a Tax Clearance Certificate obtained from SARS to utilise your FCA limit before the end of the month in which your second contribution payment would have been due. Failure to do this may result in your policy being cancelled.

8.5 Contributions

8.5.1 You may cancel your permission for us to collect funds for the payment of contributions

You may cancel the permission for us to collect funds from your bank account for the payment of contributions, but this may lead to the eventual cancellation of your Policy if you do not give us new bank account details or if you stop paying contributions when they become due. However, you cannot claim any refund of any funds that we have collected from your bank account while you legally owed the contributions to us in terms of the Policy contract.

8.5.2 You agree to tell us when any details of your bank account change or to stop collecting funds for contributions

We are not responsible for any harm or loss that you might suffer because the bank account details are incorrect or if they have changed or if there are not enough funds in your bank account to pay the contributions and we have not been notified.

8.5.3 You may not ask us to make contribution payments for you

All contribution payments must be paid from funds collected from your own bank account. You may not in any circumstances ask us to lend or advance any monies to you for the purposes of payment of contributions.

8.5.4 Contributions are to be collected from a bank account in your name

You know and understand that you must be the life assured/investor and the payer of this policy at all times and that you can only pay contributions from a bank account in your name. You confirm that you are aware of the exchange control regulations and the limitations that apply in respect of the payments that are to be made from your own bank account.

You give us permission to obtain any information relating to you from one or more of the following:

8. Statutory disclosure and Terms and Conditions (*continued*)

- 8.5.4.1 Any credit bureau;
- 8.5.4.2 Any Life assurance or credit providers industry association;
- 8.5.4.3 Any other association of an industry in which we operate

This includes information related to your creditworthiness, credit history, financial history, personal information, judgement history and default history.

8.6 Adhoc contributions

Ad hoc contribution increases that bring the total annual US dollar contributions above 120% (excess contribution) of the greater of the contributions paid in the previous year and the year before that, will force a new five year restriction period on the whole policy, which starts from that point onwards.

8.7 Funds and fund managers available on the Discovery fund list

- 8.7.1 Discovery shall in its sole discretion be entitled to add, withdraw, alter or suspend the funds available on its fund list without any prior notice to you and shall accordingly update the relevant fund list for an applicable fund offering from time to time to reflect such changes. Discovery shall give you at least seven days written notice before removing the fund from the fund list and may thereafter release all holdings in the affected fund and deposit the proceeds in an interest bearing account pending your further instructions. Discovery shall not be liable for any direct or indirect or consequential loss, harm or damage that you or a third party may suffer as a result of the withdrawal or suspense of the fund from the fund list.
- 8.7.2 The inclusion or removal of a fund by Discovery in or from the fund list shall not be construed by you as a recommendation or endorsement or representation by Discovery as to the legal standing, validity, suitability, acceptability, administrative ability, integrity, or competence of a particular fund, its management or agents, or as to the fund's past or present performance or ability to generate satisfactory returns in the future. You know and understand that you will be solely responsible for the consequences of selection of that particular fund.
- 8.7.3 You shall be bound by the rules, terms and conditions of the underlying funds selected by you.
- 8.7.4 Discovery may debit the investment account linked to the Endowment with the amounts in respect of:
 - 8.7.4.1 The expenses of acquiring, charging, disposing of, managing, maintaining and valuing the assets of the fund; and
 - 8.7.4.2 Any actual or prospective liability with regards to tax, levy, duty or other charge on the assets or income of the fund or in respect of any transaction or dealing connected therewith.
- 8.7.5 The prices for the assets in each fund are communicated to Discovery by the funds through the bank. Discovery does not accept any liability for loss, harm or damage that you may suffer directly or indirectly as a result of the failure of the fund(s) or the bank to timeously communicate or correctly communicate the prices of the assets for purposes of switches, withdrawals, claims or purchases.
- 8.7.6 The value of the Endowment shall be equal to the value of the investment account linked to the Endowment being the aggregate of the value of the assets in the investment account less any permissible expenses and charges in accordance with these general conditions.

8.8 Switching between funds

- 8.8.1 You may request Discovery by way of a formal instruction to change the investments in your investment account by exchanging some or all of the investments in a fund for investments in another fund offered by Discovery on its fund list and deemed by Discovery to be available for switches.
- 8.8.2 Following Discovery's acceptance of the request for a switch, the value of the investments will be calculated at the price ruling provided by the fund or the bank on the date of the switch transaction. This will normally be the date following acceptance of the switch request but may be later for certain funds and where a notice period applies. The resulting amount less any applicable switch charge (if applicable) will then be applied to purchase new investments at the asset price provided to Discovery on the same day or next available date.
- 8.8.3 Discovery shall not be bound to accept a notice of fund switching if the value of the assets to be redeemed or to be allocated to any fund is less than such amount as it may from time to time determine.
- 8.8.4 Switches will attract a fee of 0.25% of the amount up to the maximum of US \$50. Discovery may in its sole and absolute discretion amend this clause from time to time.
- 8.8.5 Redemption restrictions may apply to certain funds offered by Discovery on its fund list. Discovery may invest in assets which have redemption restrictions imposed from time to time. Such redemption restrictions may have the effect of delaying the processing of switches, withdrawals, exchanges of units and claims.

8.9 Death benefit

As investor and life assured, on your death, the death benefit shall be the investment value on the date of claim and paid to the nominated beneficiaries under your Recurring Dollar Endowment Plan or if there is no nominated beneficiary, to your Estate.

As investor, on your death, the investment value will continue until a withdrawal or surrender application is submitted for the policy.

8.10 Withdrawals

- 8.10.1 You are allowed one withdrawal during the first five years, as calculated from the commencement date. Such withdrawal amounts may not exceed the aggregate of contributions received (in US Dollars) plus 5% per year compounded. Discovery shall be entitled to refuse withdrawals from the Endowment or limit the quantum thereof pursuant to the interpretation of any law or regulation that may apply.
- 8.10.2 Withdrawals before the fifth policy anniversary may result in early exit fees being charged. See the Recurring Dollar Endowment Plan Fact File for details on how these exit fees are calculated.
- 8.10.3 After the fifth anniversary of the Endowment, as calculated from the commencement date, you may withdraw the full value of the Endowment in a lump sum or make partial withdrawals as long as the contribution during that period has not been increased above the 120% limit.
- 8.10.4 Payment will be made from Guernsey in US Dollars. You may request that we repatriate the proceeds of any withdrawal to you. We shall not be liable for any loss or harm that you may suffer as a result of the transfer at a particular exchange rate. In other words you bear the exchange rate risk and the costs associated with any bank charges your bank may charge to convert your benefits from one currency to another.
- 8.10.5 If the contribution is increased above 120% of the contributions made in each of the previous two years, and this increase occurs within an existing restriction period, that restriction period will be extended for five years from the date of the increase and only one withdrawal will be permitted in the whole restriction period (including the extension). If the contribution is increased above the 120% limit outside of a restriction period, a new five year restriction period will start and one withdrawal will be permitted within the new restriction period regardless of any previous withdrawals made in the policy.
- 8.10.6 We may consider a request to pay a withdrawal in South Africa. You will bear the risk if such withdrawal contravenes any relevant legislation and we shall not be liable for any loss or harm that you may suffer as a result thereof. Such withdrawal will be paid on admittance thereof in South African Rands as converted from the Dollar denominated withdrawal amount prevailing exchange rate and subject to any costs associated with any bank charges your bank may charge to convert your benefits from one currency to another.

8.11 Beneficiary nomination

- 8.11.1 You may nominate one or more beneficiaries to receive the proceeds of the Endowment on your death. The beneficiary nomination is subject to the requirements set by Discovery from time to time.
- 8.11.2 If there is more than one nominated beneficiary; they will receive equal shares, unless otherwise directed in writing.

8. Statutory disclosure and Terms and Conditions (*continued*)

8.12 Cession/Assignment

You may not absolutely or collaterally cede or assign your rights and obligations under this Endowment.

8.13. Licences and authorities

- 8.13.1 The Endowment is administered on behalf of Discovery Life Limited by Discovery Invest in terms of an administration agreement between the two parties.
- 8.13.2 Discovery Invest has the necessary licences and authority to administer the Endowment and the Policy.
- 8.13.3 Access to the funds and investment into the funds is made available to Discovery through the bank in terms of an agreement entered into between the bank and Discovery. All trading instructions of the investor are transmitted by Discovery Invest to the funds via the bank.
- 8.13.4 The trustee appointed by the Branch must hold the licensed insurer's assets representing at least 90% of investor liabilities in trust as imposed by a standard condition on the licence of the Insurer under section 12 of the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended). In pursuance of this obligation Discovery has appointed the trustee to hold sufficient assets in trust to comply with these regulations.
- 8.13.5 Discovery warrants that it holds professional indemnity and fidelity insurance cover as required by the Financial Advisory and Intermediary Services Act (FAIS Act).
- 8.13.6 Discovery reserves the right to accept or reject your application form and/or subsequent transactions/instructions and will not enter into any discussion with regard to accepting or rejecting the application and/or subsequent transactions/instructions.
- 8.13.7 The products and agreements entered into by Discovery, in respect of any investment options, are subject to all statutory and regulatory requirements.

8.14 Regulatory and contact information

- 8.14.1 The Endowment is issued by Discovery International whose principal place of business is at: PO Box 68, Albert House, South Esplanade, St. Peter Port, Guernsey, Channel Islands, GY1 3BY.
- 8.14.2 Discovery is licensed to write long-term insurance business under the Insurance Business (Bailiwick of Guernsey) Law 2002 (as amended). The statutory functions of regulation under the legislation are carried out by the GFSC. To protect investors, a standard condition imposed on Discovery's insurance licence requires Discovery to hold assets representing at least 90% of investor' liabilities in trust with an approved third party trustee. Discovery complies with this and also with the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law 1999.
- 8.14.3 Discovery Life Limited trades under the name Discovery Life International in Guernsey from PO Box 68, Albert House, South Esplanade, St. Peter Port, Guernsey, Channel Islands, GY1 3BY.
- 8.14.4 The registered office of Discovery Life Limited is 155 West Street, Sandton, South Africa with registration number 1966/003901/06.
- 8.14.5 The marketing of the Endowment within the Republic of South Africa takes place in accordance with the applicable legislation and in particular the FAIS Act.
- 8.14.6 The information given in this document is based on Discovery's understanding of current law and practice in South Africa and Guernsey. No liability will be accepted for the effect of any future legislative or regulatory changes.
- 8.14.7 Discovery does not accept any liability for any loss, harm or damage suffered directly or indirectly by you, the investor, or anyone through you as a result of any personal tax consequences or for the effect of any future tax changes whether in South Africa or Guernsey or elsewhere.

8.15 Funds, fund managers and investment performance

- 8.15.1 Past performance of a fund is no guarantee of future returns or performance.
- 8.15.2 Since some funds are priced on a weekly or less frequent basis and certain funds also have cut-off times for taking instructions and dealing purposes, they may not be able to invest or disinvest as quickly as they would like during periods of extreme volatility. Discovery will not accept any liability for any harm, loss or damage that you or anyone through you may directly or indirectly suffer as a result of Discovery or the funds being unable to effect investment, switch, withdrawal, redemption or investment instructions.
- 8.15.3 Some funds may have redemption restrictions imposed on them from time to time which may significantly delay the processing of investments, switches, withdrawals, redemptions, exchanges of units and claims. Discovery will not accept any liability for any harm or loss or damage that you or anyone through you may directly or indirectly suffer as a result of the delay in the processing of such switches, encashments, exchanges or redemptions of units and claims.
- 8.15.4 Discovery is not liable for any loss, harm or damage that you or anyone through you may directly or indirectly suffer arising from the use of or reliance on this document. This document does not constitute an offer or solicitation where or if such offer or solicitation is deemed to be unlawful.
- 8.15.5 Discovery is not liable for any loss, harm or damage that you or anyone through you may directly or indirectly suffer as a result of delays, oversight or any other errors attributable to the manager of any investment options or funds.
- 8.15.6 Should any investment options or funds be capped for whatsoever reason, the investment allocation amount specified for the capped investment option or fund will default to an interest-bearing account until Discovery has been notified by you as to an alternative investment choice or fund. Discovery will not be liable for any loss, harm or damage that you may directly or indirectly suffer as a result of such investment or fund being capped.
- 8.15.7 Discovery will not be liable for any loss, harm or damage that you or anyone through you may directly or indirectly suffer as a result of any occurrence which relates to the investment or fund which is beyond the reasonable control of Discovery.

8.16 Financial advisers

- 8.16.1 If Discovery is not the appointed financial adviser then Discovery does not provide any advice to you as the investor.
- 8.16.2 Discovery will only allow financial advisers who are authorised and licensed by the Financial Services Board (FSB) to act as financial services providers on behalf of investors, to advise the investor in making the appropriate investment choices.
- 8.16.3 Unless the financial adviser is an employee of Discovery, you cannot hold Discovery responsible, accountable or liable for suffering any loss or damage if the financial adviser is not authorised as a financial services provider, and the processing of this application form is delayed and afterwards rejected because of that fact.
- 8.16.4 The financial adviser has the responsibility to act within his/her licence conditions and authority. Unless the financial adviser is an employee of Discovery, you cannot hold Discovery responsible or liable for suffering any loss or damage as a result of the financial adviser acting outside the scope of his/her authority and licence conditions.
- 8.16.5 The financial adviser must ensure that you receive and understand all appropriate advice, product and fee information.

8.17 Documents that make up the Endowment contract

On commencement of the Endowment, we will e-mail the documents that include the investment schedule, the Recurring Dollar Endowment Plan Fact File, any endorsement or amendment made to the Endowment contract. If we don't have a direct e-mail address, we will post the documents to you. You have 10 business days from receipt of the documents to inform us if any of the personal or investment information is incorrect.

8.18 Fees

The fees, charges and commissions relating to the investments/Endowment are set out in the Recurring Dollar Endowment Plan Fact File.

8.19 Spouses married in community of property

If you are married in community of property, then the consent of your spouse is required for you to nominate a beneficiary other than your spouse. Should you fail to obtain the consent of your spouse then your spouse may be entitled to claim a share from the joint estate.

8.20 Taxation

- 8.20.1 In the offshore endowment policy, interest and rental income will be taxed at 30%, foreign dividends are taxed at 15% and capital gains, calculated based on the growth in rands, are taxed at 12% (March 2016). Tax will be calculated and deducted by Discovery Invest on your

8. Statutory disclosure and Terms and Conditions (*continued*)

behalf. Since capital gains in an endowment policy are calculated based on the growth in rands, this means that if your investment portfolio makes an overall gain in rands due to foreign currency appreciation, you will pay capital gains tax (CGT) on that gain.

- 8.20.2 Discovery will not be held responsible, accountable or liable for any loss or damage suffered directly or indirectly by you or anyone as a result of any change in or loss of the tax exempt status.

8.21 Cooling-off period

You have the option to withdraw from this Endowment within 30 calendar days of the commencement date. Should you avail yourself to this option then Discovery shall refund all contributions received less any investment losses.

8.22 The sole record

This Endowment contract constitutes the sole record of the agreement between Discovery and yourself concerning the subject matter of the Endowment and supersedes and overrides all previous agreements between us whether oral or written. Discovery shall not be bound by any representation, warranty, promise or the like not recorded in this Endowment contract.

8.23 Severability

Each provision of the Endowment application, or part thereof, is severable, the one from the other, and if at any time any such provision is or becomes or is found to be illegal, unenforceable, invalid or defective for any reason whatsoever by any competent court, the remaining provisions shall operate and continue to be of full force and effect.

8.24 Variations to the Endowment contract

Discovery reserves the right to vary or amend the terms of the Endowment contract at any time on the giving of 30 days written notice to you in the case where such variation or alteration is deemed necessary at the discretion of Discovery:

- 8.24.1 To prevent or avoid any infringement of law or regulation or to adjust or conform to any new law or regulation, statutory or otherwise, affecting directly or indirectly the Endowment contract, Discovery or any assets of Discovery; or
- 8.24.2 To recover from the Endowment any taxes, duties, levies or other fees payable which were not anticipated to be payable at the time the Endowment contract was issued, and whether under fiscal, investor protection or other legislation or regulation now or in the future; or
- 8.24.3 That does not materially increase your financial or economic obligations nor materially prejudices the aforesaid interests in the Endowment, nor is relevant to your choice of fund(s) or investment; or
- 8.24.4 Where a circumstance(s) has arisen which may adversely affect your interests.

8.25 Your obligations

- 8.25.1 You know and understand that it is your responsibility to ensure that you do not breach the Exchange Control Regulations, the SDA or FCA limits and that a breach may expose you to a penalty or fine imposed by SARB at their discretion, as well as the Endowment being terminated (made paid-up), potentially resulting in penalty fees charged against your investment value.
- 8.25.2 Discovery cannot be held liable for any consequences, loss or harm that you or any other party has suffered as a result of a breach of the Exchange Control Regulations, the SDA or FCA limits arising out of, or as a result of or from this Endowment.
- 8.25.3 Should it be necessary you will be responsible for reporting to the SARB or any appropriate exchange control authority the requisite information relating to:
- 8.25.3.1 Contributions repatriation; or
- 8.25.3.2 Claim payment repatriation; or
- 8.25.3.3 Contractual payment repatriation; or
- 8.25.3.4 Any relevant exchange control reporting requirements.

8.26 If you lose your South African residency

In the event of you losing your South African residency, your Endowment will remain in force provided that your contributions continue to be paid from funds collected from your own South African bank account. In order to do this, you will be required to obtain the necessary approval from your authorised foreign exchange dealer to continue paying the contributions via debit order. An authorised dealer is a bank registered with the Registrar of Banks that is subsequently authorised to deal in foreign exchange. A list of authorised dealers can be found on the SARB website.

8.27 Fair Collection Notice

- 8.27.1 This Fair Collection Notice ("Notice") notice explains how we obtain, use, disclose and otherwise process personal information, which may include health and financial information ("Personal Information"), as required by the Protection of Personal Information Act ("POPIA").
- 8.27.2 Acceptance of these terms and conditions is voluntary, but is a requirement for activation and servicing of your policy. If you do not accept these terms and conditions, we cannot activate and service your policy.
- 8.27.3 Discovery Invest (we/us) will keep any information, including Personal Information relating to yourself and your dependants and/or beneficiaries, supplied to us in this application or collected from other sources ("Your Personal Information") confidential. You confirm that when you provide Discovery Invest with Your Personal Information, your dependants and/or beneficiaries have provided you with the appropriate permission to disclose their Personal Information to Discovery Invest for the purposes set out below and any other related purposes.
- 8.27.4 You hereby consent to the collection, collation, processing, storage and disclosure of Your Personal Information for any purpose relating to this product (or use of your Discovery Card – if applicable) for the purpose of:
- 8.27.4.1 Administering this policy and for the assessment of any claim(s) under this policy;
- 8.27.4.2 Enabling any entity within the Discovery Group and/or any third party provider or financial services provider or its representative approved by Discovery to advise you of or offer to you any enhanced benefits or new products which become available from time to time which you may become entitled to or qualify for; and
- 8.27.4.3 Providing relevant information, including Your Personal Information, to a contracted third party who requires such information to render a service to you in relation to this policy, provided that such contracted third party agrees to keep the information confidential.
- 8.27.5 Please note:
- 8.27.5.1 We may amend this Notice from time to time. Please check our website periodically to inform yourself of any changes;
- 8.27.5.2 You have the right to object to the processing of Your Personal Information;
- 8.27.5.3 Should you believe that we have utilised Your Personal Information contrary to applicable law, you will first resolve any concerns with us. If you are not satisfied with such process, you have the right to lodge a complaint with the Information Regulator, once established.
- 8.27.6 You confirm that Your Personal information may be provided to any other entity within the Discovery Group where you or your dependant/s already have a relationship with, or where you or your dependant/s have applied for a product or benefit from, such entity. This information will be provided for the administration of your or your dependant/s products or benefits.
- 8.27.7 By signing this application form, you authorise Discovery Invest to: Obtain and share information about your creditworthiness with any credit bureau or credit provider's industry association or other association for an industry in which Discovery Invest operates. This includes information about credit history, financial history, judgments and default history and sharing of information with tracing agents.
- 8.27.8 Please contact us if you do not wish to receive any direct telephonic marketing from us.
- 8.27.9 You have the right to request a copy of the Personal Information we hold about you. To do this, simply complete the 'Data Subject Request Form' on www.discovery.co.za and specify what information you would like. We will take all reasonable steps to confirm your identity before providing details of your personal information.

8. Statutory disclosure and Terms and Conditions *(continued)*

- 8.27.9.1 Please note that any such Data Subject Request may be subject to a payment of a legally allowable fee.
- 8.27.9.2 You have the right to contact and ask us to update, correct or delete your personal information.
- 8.27.10 You agree that Discovery may transfer Your Personal Information outside the borders of the Republic of South Africa if you provide an email address which is hosted outside the borders of South Africa. We may also need to transfer your personal information to another country for processing, storage or academic research. We will ensure that anyone to whom we pass your personal information agrees to treat your information with the same level of protection as we are obliged to.
- 8.27.11 You agree that Discovery may retain Your Personal Information until such time as you request us to destroy them (unless we are obliged by law to retain it, regardless of such request).
- 8.27.12 You agree that Discovery may give Your Policy Information to the SARS and/or the Financial Intelligence Centre and/or the Guernsey Financial Services Commission and/or FRB for purposes of reporting to SARB.
- 8.27.13 If Discovery Limited becomes involved in a proposed or actual merger, acquisition or any form of sale of some or all its assets, we may use and disclose Your Personal Information to third parties in connection with the evaluation of the transaction. The surviving company, or the acquiring company in the case of a sale of assets, would have access to Your Personal Information which would continue to be subject to this Notice.
- 8.27.14 Discovery Invest is required to collect and retain information in terms of the following legislation:
- 8.27.14.1 The Financial Advisory and Intermediary Services Act (FAIS);
- 8.27.14.2 The Financial Intelligence Act (FICA);
- 8.27.14.3 The Long Term Insurance Act (LTIA);
- 8.27.14.4 The Pension Fund Act and
- 8.27.14.5 The Collective Investment Schemes Control Act amongst others.
- 8.27.15 By signing this application form, you authorise Discovery Invest to share information, including Personal Information, in this application or in any related document with:
- 8.27.15.1 Insurers;
- 8.27.15.2 Industry Registers such as ASISA and ASTUTE; and
- 8.27.15.3 Contracted third parties, such as tracing agents.

9. Declarations

- 9.1 I have read and understand the contents of this application form for the Recurring Dollar Endowment Plan.
- 9.2 I agree to be bound by the terms and conditions of the application form, Investment Schedule, the Recurring Dollar Endowment Plan Fact File, any endorsement or amendment made to the Endowment, and the Business Practices Manual, which read together, make up the Endowment Contract.
- 9.3 I agree that any commission payable in terms of the Act may be paid to my appointed financial adviser in respect of the Recurring Dollar Endowment Plan. I further agree that any fee payable in accordance with the FAIS Act of 2002, may be paid from my Endowment to my appointed financial adviser on my behalf. I further agree to pay from my investments, the fees charged by Discovery in the amounts and on the basis explained to me by my financial adviser.
- 9.4 I agree that any alterations or amendments made to the application form by me or my financial adviser are not binding unless Discovery agrees to accept the alterations. Acceptance will be communicated by the processing of the application form, after the receipt of any monies paid to Discovery and the issuing of the Endowment.
- 9.5 I understand that the Recurring Dollar Endowment Plan may be subject to tax and exchange control regulations. I acknowledge that if any of the tax laws, tax regulations, exchange control regulations, SARS practice or any other law or regulation governing the products changes, this may have an effect on the products and the benefits that are payable to me. Discovery has not given me any tax advice or advice relating to exchange control and I undertake to seek such advice if I consider this necessary.
- 9.6 I understand that I bear any and all risks associated with the investment options chosen, as I have personally selected the investment options into which the investment amounts are to be placed.
- 9.7 I understand that the value of the funds under this Endowment will vary and fluctuate depending on the prevailing market conditions and applicable legislative and regulatory treatment of the investment options. Discovery has made no representation or guarantees to me regarding the performance of the investment options/ funds.
- 9.8 I confirm that, to the extent that Discovery is not my appointed financial adviser, Discovery has not advised me (as defined in the FAIS Act) to invest in a particular investment option and as such are not responsible for any choices I have made.
- 9.9 I confirm that I made the decision to invest in the funds out of my own free will and from advice given to me by my financial adviser.
- 9.10 I confirm that the monies paid into the products are not from proceeds of crime.
- 9.11 I confirm that Discovery can take instructions from my financial adviser regarding the Recurring Dollar Endowment Plan if I have provided the correct mandate. If Discovery acts on any instruction from my financial adviser and it is later found that my financial adviser did not act in terms of the instructions or authority that I gave him/her, then, unless my financial adviser is an employee of Discovery, Discovery will not be liable for any loss, harm or damage that I gave him/her/it. I confirm and agree that, unless my financial adviser is an employee of Discovery, Discovery will not be liable for any loss or damage I may have suffered.
- 9.12 Discovery will not be responsible for any failure, malfunction or delay of any networks or electronic or mechanical device or any other form of communication used in the submission, acceptance and processing of applications and/or transactions. Discovery will not be liable to make good or compensate me or any third party for any damages (whether direct or consequential), losses, claims or expenses.
- 9.13 It is my responsibility to ensure that these application forms, any instructions that are part of the application form and subsequent instructions submitted electronically by fax or email to Discovery, have been received by Discovery. I acknowledge that Discovery does not consider a fax confirmation or printed copy of a sent email as proof of it receiving the document or instruction.
- 9.14 I understand that Discovery does not set or determine the prices for the funds/investment options, investments or the funds and receive these directly from the fund managers or via the bank. Discovery will not accept any liability for any loss, harm or damage I may suffer directly or indirectly due to the fund incorrectly communicating such prices.
- 9.15 I understand that some funds do not trade on a daily basis and that these funds may only process my trading instructions in respect of purchases, switches, withdrawals, exchanges or claims as and when they do trade and therefore there may be a delay in effecting these trading instructions. Discovery will not accept any liability for any loss, harm or damage I may suffer directly or indirectly due to such delay.
- 9.16 My spouse confirms that he/she has read and understood the terms and conditions of the application form and agrees to be bound by them, where applicable. I have acquired the permission of my spouse to nominate the beneficiaries as set out in point 3 of the application form and to transact on our collective assets as required by Chapter 3 of the Matrimonial Property Act, No. 88 of 1984. My spouse understands the legal consequences of such nomination where applicable.
- 9.17 Discovery shall be entitled to implement all instructions and applications of whatsoever nature received by Discovery on their internet site, by telephone, fax or any other form of electronic medium and which appear to emanate from me. Discovery is indemnified against any such losses, claims or damages which arise from acting on instructions received via these forms or any other forms of electronic mediums processed on my behalf or which purports to be processed on behalf of myself, notwithstanding that it may later be proved that any such instruction was not given by me.

9. Declarations (continued)

- 9.18 I acknowledge that all the personal information that either I or my financial adviser will provide to Discovery in my application forms may be processed by Discovery to provide and administer the Recurring Dollar Endowment Plan and will be retained and accessible from South Africa. Such access will be in accordance with confidentiality restrictions and safeguards imposed and will operate in compliance with the Guernsey Data Protection Law.
- 9.19 I confirm that I am fully aware of the implications of the Act on the Recurring Dollar Endowment Plan.
- 9.20 I understand that the Investment options may be subject to tax. I acknowledge that if any of the tax laws, tax regulations, the SARS practice or other laws governing the products change, this may have an effect on the Endowment and the benefits that are payable to me. Discovery has not given me any tax advice and I undertake to take such advice if I think it necessary.
- 9.21 I warrant that I have disclosed all material information to Discovery and that such information is true and correct and I know and understand the implications of the breach of this warranty.

SARB Declarations

- 9.22 I understand that it is an important condition of this Endowment that I am at no time in contravention of any Exchange Control Rulings and/or Regulations or Anti-Money Laundering and Terrorist Financing Legislation or that I do not exceed my annual SDA or FCA limits, which contravention may compromise my ability to pay Contributions or in general to adhere to my obligations under this Endowment and may lead to the cancellation thereof. I acknowledge that Discovery will not be liable for any loss or harm that I or any third party may suffer as a result of my failure to adhere to my obligations under this Endowment.
- 9.23 I warrant that the currency applied for will only be used for the specific purposes stated herein.
- 9.24 I warrant that any documentation that I have submitted for purposes of making these applications is in all respects authentic.
- 9.25 I have been informed of the limits of the SDA and FCA and understand the implications of these limits being exceeded by me as a result of my obligations to pay contributions hereunder.
- 9.26 I know and understand that any monies (proceeds of a claim or contributions) that Discovery repatriates to me, whether on my request or in compliance with relevant legislation or an order of a competent Court, shall be at the prevailing exchange rate and I bear the exchange rate risk. Discovery will not be liable or responsible for any loss or harm that I may suffer as a result of the repatriation of any such monies.
- 9.27 I know and understand that Discovery will not be responsible for reporting to SARB in the event of repatriation of any monies to me or my beneficiaries. I agree to ensure that such reporting is at all times complete and in order and understand that in failing to do this, Discovery will not be held liable for any breach in this regard.
- 9.28 Declaration required for Exchange Control (Balance of Payments Reporting) purposes:
- 9.28.1 I have read this document and know and understand the contents thereof;
- 9.28.2 The information furnished above is in all respects both true and correct;
- 9.28.3 The currency applied for in respect of each contribution payment will only be used for the specific purpose stated herein;
- 9.28.4 The documentation presented in support of this application is in all respects authentic;
- 9.28.5 I have been informed of the limits applicable to this transaction and confirm that this limit will not be exceeded as a result of the conclusion of the transaction; and
- 9.28.6 I consent to this information being provided to the South African Revenue Service and/or the Financial Intelligence Centre.

10. Signatures

Signature for the Statutory Disclosure, Terms and Conditions and Declaration

10.1 Quote declarations:

- 10.1.1 My financial adviser presented me with a final quote (quote number compulsory).
- 10.1.2 The investment options as reflected in the quote correspond to the information in my application form and I confirm that the product fees, commission, benefits and all other information contained in the quotation was explained to me by my financial adviser.

The Discovery Business Practices Manual describes the various administration processes and the general administration of your Endowment. (This is available on www.discovery.co.za)

I declare that the statutory disclosure, terms and conditions and declaration sections of this application form shall bind me and will apply in all future dealings with Discovery Life and Discovery Invest.

Signature of Investor

Date

11. Financial adviser details

1. Primary financial adviser

Financial adviser name	<input type="text"/>	Code	<input type="text"/>
Financial adviser ID number	<input type="text"/>		
Financial adviser house	<input type="text"/>	Code	<input type="text"/>
DCS branch	<input type="text"/>		
DCS branch code	<input type="text"/>		
DCS Consultant name	<input type="text"/>	Code	<input type="text"/>
PRI number (ABSA and FNB financial advisers)	<input type="text"/>	Lead reference number	<input type="text"/>
Financial adviser's fee split:	<input type="text"/> %		

I am a Representative of a Financial Services Provider authorised by the FSB in terms of the FAIS Act and I have completed the necessary requirements prescribed by Discovery Life International to sell this product. I have seen the original identity document in the name of the principal life and confirm that this is a true and accurate copy of the original. Where the document contains a photograph, I confirm that the image bears a true likeness of the individual.

Commission:

As a Financial Adviser I know and understand that commission in respect of this application and policy contract will be paid in Rands in the Republic of South Africa and that due to Exchange Control Legislation this commission cannot be paid in any offshore jurisdiction.

Quote declaration:

I declare that I have presented a final quote to the investor.

The investment options as reflected in the quote corresponds to the information in the investor's application form and I confirm that the product fees, commission, benefits and all other information contained in the quotation was explained to the investor.

Replacement of an existing policy declaration:

If this application is to replace an insurance policy discontinued within the past four months or to be terminated within the next four months, please discuss and complete the Replacement Policy Advice Record and attach it to this application form.

I hereby declare that I have requested and recorded the investor's responses to the questions in section 6 of the application form. I explained the following to the investor:

- The meaning of replacement
- That a replacement is potentially prejudicial
- The levying/deduction of a termination charge and
- That where a replacement is considered, the investor is legally entitled to comprehensive information regarding the consequences of replacement.

Additional note on replacements:

As a financial adviser I know and understand that if an existing recurring investment policy is being replaced and it results in charges being levied of more than 15% of the replaced policy's fund value, the financial adviser's initial fee on the new policy will be paid using the "Ongoing" basis.

Signature of the primary financial adviser	<input type="text"/>	Date	<input type="text"/>
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2. Secondary financial adviser

Financial adviser name	<input type="text"/>	Code	<input type="text"/>
Financial adviser ID number	<input type="text"/>		
Financial adviser house	<input type="text"/>	Code	<input type="text"/>
DCS branch	<input type="text"/>		
DCS branch code	<input type="text"/>		
DCS Consultant name	<input type="text"/>	Code	<input type="text"/>
PRI number (ABSA and FNB financial advisers)	<input type="text"/>	Lead reference number	<input type="text"/>
Financial adviser's fee split:	<input type="text"/> %		

I am a representative of a Financial Service Provider authorised by the FSB in terms of the FAIS Act.

Commission

As a Financial Adviser I know and understand that commission in respect of this application and policy contract will be paid in Rands in the Republic of South Africa and that due to Exchange Control Legislation this commission cannot be paid in any offshore jurisdiction.

Signature of secondary financial adviser	<input type="text"/>	Date	<input type="text"/>
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3. Financial adviser initial advice fee discount

Financial adviser initial advice fee discount percentage	<input type="text"/> % (0-100%)
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Appendix A

Identification and Verification

(These requirements are in line with the Guernsey Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing)

Contact us

Tel: 0860 67 5777, PO Box 653574, Benmore 2010, www.discovery.co.za

SA/non-SA resident	Offshore Trust – will only be accepted where each party involved in the trust is a natural person (only allowed as beneficiary)	Offshore Company/Entity (only allowed as beneficiary)
Step 1 – Identification All the relevant fields in the application form must be completed. Depending on the details supplied, additional information and verification will be required.		
<ul style="list-style-type: none"> Legal name, any former names (for example, maiden), and any other names used Principal residential address in RSA Date and place of birth Nationality Occupation Name of employer where applicable If public office held ID/Passport number Source of funds 	<ul style="list-style-type: none"> Legal name, identity number and physical address Date of establishment Each initial donor and subsequent contributors to the trust Each trustee, protector and/or donors/ settlors Any named beneficiary or any natural person likely to benefit from the proceeds of the trust Each underlying principal Source of funds Nature of trust structure and the nature and purpose of activities undertaken by the trust Type of trust (trusts established by virtue of will, court order, curatorship or pension fund) 	<ul style="list-style-type: none"> The registered address of the company; The name under which the company conducts business; The address from which the company operates, or if it operates from multiple addresses – <ul style="list-style-type: none"> the address of the office seeking to establish a business relationship; and the address of its head office; The full names, date of birth and identity number or nationality (as may be applicable), concerning – <ul style="list-style-type: none"> the manager of the company; and each natural person who purports to be authorised to establish a business relationship or to enter into a transaction with the accountable institution on behalf of the company; and The full names, date of birth, identity or registration number, nationality, address and / or legal form, as may be applicable, concerning the natural or legal person, partnership or trust holding 25% or more of the voting rights in the company.
Step 2 – Verification Proof of identity – for the applicant and beneficiaries, any person authorised to act on behalf of the applicant and the person the applicant is acting on behalf of		
<ul style="list-style-type: none"> Valid green bar-coded identity document/card Valid passport 	<ul style="list-style-type: none"> Proof of identity as per the appropriate column required for each of the following: All trustees, protector and/or donors/ settlors Any named beneficiaries of the trust in receipt of benefit from the trust Each initial donor and subsequent contributors to the trust Proof of legal status, name and date of establishment of trust. 	<ul style="list-style-type: none"> Certified copy of the Certification of Incorporation (or equivalent) or; Certified copy of the latest audited financial statement, or; Certified copy of the Shareholders/Directors' Register. Identify and verify the individuals ultimately holding 25% or more interest in the capital or net assets. Identify and verify the individuals, including beneficial owners, underlying principals, directors, authorized signatories or equivalent, with ultimate effective control over the capital or assets of the legal body.
Proof of authority to act (if applicable)		
<ul style="list-style-type: none"> Document authorising persons to act (for example, Power of Attorney) Verification documents for authorised persons 	<ul style="list-style-type: none"> Document authorising persons to act on behalf of the trust such as: <ul style="list-style-type: none"> Trustees resolution Certified copy of Trust Deed confirming authority to act Verification documents for authorised persons. 	
Proof of residential address for the applicant, any person authorised to act on behalf of the applicant and the person the applicant is acting on behalf of		
<p>Guidelines below reflect acceptable forms of proof</p>	<ul style="list-style-type: none"> Proof of residential address for: <ul style="list-style-type: none"> All trustees, protector and/or donors/ settlors All named beneficiaries of the trust Each initial donor and subsequent contributors to the trust <p>Guidelines below reflect acceptable forms of proof</p>	

Proof of address	<p>Any of the following documents reflecting the name and physical/residential address of the client (must be less than three months old unless otherwise indicated):</p> <ul style="list-style-type: none"> • Utility bill (municipal water, light and rates and taxes account) • Municipal council letter • Body corporate/governing body letter or statement • Recent lease or rental agreement • Official SARS document (not E filing documentation) • Home loan statement from another financial institution • Bank Statement not held in the name of Discovery • Lawyer’s confirmation of property purchase, or legal document recognizing title to property • Short term insurance Policy not held by Discovery on an official letterhead • Physical residential visit conducted for verification (Verification of address form)
Notes	<p>Please note that in certain circumstances further information may be required during validation by Discovery Life International.</p> <p>The authorised person certifying any copy as a true original must have seen the original documentation. When certifying the passport or identity documents, the certifier must have seen the individual that it relates to in person. The copy must also be a clear picture that shows a reasonable likeness of the individual. Unclear or incorrectly certified document will result in a delay in processing the application. The certifier should sign and date their certification and provide their contact details in case of enquiry. Where certification takes place somewhere other than the contact details given, the location should also be provided.</p>
Additional documentation for specific scenarios	<p>Money from a loan</p> <p>Loan agreement</p> <p>Money from a donation</p> <p>If the money is between spouses a declaration must be submitted. If the money is not between spouses:</p> <ul style="list-style-type: none"> • Proof (the receipt) that donations’ tax is paid • Original or original certified copy bank statements duly stamped by the financial institution, not older than one month (from both parties) (<i>reflecting the most recent three months set of transactions on the account</i>). <p>Money from an inheritance</p> <ul style="list-style-type: none"> • A letter from the executor of the estate must be attached to the application; • A copy of the liquidation and distribution account must be attached; and • Original or original certified copy bank statement duly stamped by the financial institution, not older than one month (<i>reflecting the most recent three months set of transactions on the account</i>). <p>Money from a savings/cash/bank account</p> <p>Original or original certified copy bank statement duly stamped by the financial institution, not older than one month (<i>reflecting the most recent three months set of transactions on the account</i>) must be attached to the application:</p> <ul style="list-style-type: none"> • If the source of the funds to be invested is annual income/salary, then the past three year’s taxable income on the ITS system will be reviewed to determine the reasonableness of the statement • If the source of funds to be invested is indicated as being earnings/salary and the ITS system does not confirm these statements, the application will be declined by the SARS office or forwarded to the audit section <p>Money from shares</p> <p>A letter from the institution confirming that the institution will transfer the funds offshore will be sufficient. This letter must contain the amount of shares and estimated current market value.</p> <p>Money from the sale of property</p> <ul style="list-style-type: none"> • A copy of the deed of sale • A copy of the transfer duty declaration signed by both parties affirming the purchase price • A letter from the conveyancer to confirm the transfer of the property • The transfer duty receipt • Original or original certified copy bank statement duly stamped by the financial institution, not older than one month (<i>reflecting the most recent three months set of transactions on the account</i>) or • A letter from the conveyancer stating that the money will be transferred from his/her trust account. • Proof and explanation must be submitted of where the monies are coming from. <p>Money from another resource</p> <p>Proof and explanation must be submitted of where the monies are coming from.</p>

Replacement policy advice record

(To be completed in consultation with your intermediary – please note that this does not serve as a cancellation of the replaced policy; you must advise the insurer in writing about cancellation of a policy)

Name and surname of policyholder

ID number of policyholder (or registration no in case of juristic persons)

Name and surname of representative

Full name of FSP (brokerage or insurer)

FSP number

New policy:

Policy or application number	Insurer
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Policy being replaced:

Policy or application number	Insurer
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

1. Reasons why replacement may not be advisable

If you do replace any policy, we want to ensure that you make an informed choice. Please mark with an 'X' in each block below to indicate that the following information has been carefully discussed with you by your representative:

- You will **pay some charges and fees twice** (e.g. commission, underwriting expenses and other initial charges levied by the insurer) – initially on the existing policy and once again on the new policy
- You may **pay higher premiums** for risk (or a bigger part of the premium) on the new policy because you are older now or your health situation might have changed
- Your new policy may not have the same **life cover or premium guarantees** as the existing policy. Check the period for which the life cover or other cover amounts are guaranteed before the insurer is entitled to change your premiums or reduce or remove cover
- Your new policy may have **more exclusions, restrictions or waiting periods** particularly if your health has deteriorated
- Your new policy may not have the same **investment performance guarantees** as the existing policy (if applicable)
- The amount of money that you can withdraw under the new policy may be less (if applicable). A new policy will usually have legal restrictions on access within the first 5 years
- You may **lose the tax advantage** of your existing policy (if applicable)
- The surrender value or paid up value of your existing policy may be as low as 60% of the policy value before the change, and could be even less than premiums paid in since **unrecovered initial expenses** must first be deducted. Check what charges you will be paying on termination of the old policy and see whether the advantages of the new policy will make up for any such charges
- The **investment risk** under the new policy may be higher. Remember that the past performance of a fund or asset manager of a fund is not necessarily an indication of future performance
- The representative informed you **whether the existing / terminated policy** could be amended to provide similar benefits to the replacement policy
- If such amendment is / was possible, your representative discussed with you **why it is appropriate that the terminated policy be replaced** by the replacement policy

2. To be completed if the new business was effected via electronic business

Was the replacement policy effected as a result of the:

Internet Telephone Direct marketing

Please indicate the date, time of the phone call/negotiation and (if applicable) reference number:

Date: : : Reference:

3. Declaration (signatures are compulsory unless the replacement policy was effected as a result of the internet, telephone or direct marketing)

<p>Representative</p> <p>I confirm that I have taken all reasonable steps to confirm that the information in this Replacement Policy Advice Record (RPAR) is true and correct. I confirm that in pursuance of my advice to the policyholder to replace the policy(ies) mentioned in this RPAR, I have fully discharged my duties as set out in section 8 (d) of the General Code of Conduct for Authorised Financial Services Providers and their Representatives (the Code) and have retained a record of such advice as required by section 3 of the said Code.</p> <p>Signature <input type="text"/></p> <p>Name <input type="text"/></p> <p>Date <input type="text"/></p>	<p>Policyholder</p> <p>I confirm that the representative has fully explained the consequences of the replacement of the policy(ies) mentioned in this Replacement Policy Advice Record and I understand the consequences of such replacement(s).</p> <p>Signature <input type="text"/></p> <p>Name <input type="text"/></p> <p>Date <input type="text"/></p> <p>Contact telephone and/or email address <input type="text"/></p>
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