

Endowment Policy

Application Form for Individual Investors (INSIGHT CAPITAL)

IMPORTANT INFORMATION

Before investing, please read the Terms and Conditions of the Policy carefully to decide if the product meets your financial needs. Consider getting financial advice if you are not familiar with financial markets and products. Please make sure you have read and understand the disclosure document relating to this underlying investment.

- The endowment policy is underwritten by 27four Life Limited (“27four”)
- The administration of the policy is performed by D and D The Cycle (Pty) Ltd (“Administrator”).
- By signing this application, you agree to the terms of the **Insight Enhanced Yield Portfolio/Insight High Yield Portfolio** and have signed the MDD terms of the investment.
- You have read and understood the liquidity constraints of the underlying investment the **Insight Enhanced Yield Portfolio/Insight High Yield Portfolio** and you understand the nature of the investment and its terms and that a 12month waiting period for liquidity where the policyholder withdraws or due to death.
- Your investment into the **Fund** must meet the minimum required investment amount (R150K) to partake in the fund.
- **You understand that you are limited to a maximum of 90% of your total capital amount can be invested in the Insight Enhanced Yield Portfolio/Insight High Yield Portfolio.**
- **The remaining 10% of your capital must be invested in a local CIS of your choice.** All fees and taxes will be deducted from the local CIS and should the local CIS deplete a disinvestment will be processed from the **Insight Enhanced Yield Portfolio/Insight High Yield Portfolio to make capital available for future expenses and taxes**
- We require your income tax number to process this investment.

COMPLETE THE FORM AND SUBMIT DOCUMENTS

Complete all relevant sections of this form and submit it, together with the documents listed below, to lifecycle@thecycle.co.za.

- | | |
|---|--|
| ✓ | A clear copy of your South African ID or Passport (if Foreign National) |
| ✓ | A document less than three months old containing your residential address |
| ✓ | A cancelled cheque or a copy of your bank statement |
| ✓ | Proof of your deposit or your electronic fund transfer |
| ? | If applicable, a completed “Acting on Behalf of the Investor form” plus the supporting documents referred to therein |

PRODUCT BANK ACCOUNT DETAILS

Payment to be made into the following account:

Account Name	27four Life Limited
Account Number	625 5811 7901
Bank	RMB
Branch	RMB Corporate Banking 204109
Type of Account	Corporate Cheque Account
Reference Number	Your South African ID Number or Passport Number (if Foreign National) and Country of Issue

PRODUCT FEES

An Administration Fee will be recovered through a sale of units in your Investment Account. The administration fees that apply when investing into a life-pooled portfolio are set out below.

Policy Administration Fee	First R1m	Next R2m	Next R7	Asset Value greater than R10m
% of Investment Account	0.696%	0.492%	0.285%	0.251%

- Foreign exposure is limited to 35% of the total value of policy. If the foreign exposure exceeds 35% a fee of 0.1% (excl. VAT) will be charged on the foreign exposure exceeding 35%.

CUT OFF TIMES

We will only process your instruction once we receive all the required documents and the investment amount reflects in our product bank account. Instructions received before 11:00 (SA time) on a business day will be processed on the same day. Any instruction received after 11:00 on a business day will be processed on the next business day.

PROVIDE YOUR PERSONAL DETAILS

New Investor Existing Investor Client Number

Existing investors have to complete the section below only if their personal details have changed:

Title Surname

First Name(s) Male Female

Date of Birth Nationality

ID or Passport Number (if Foreign National)

Marital Status Single Married Divorced

Street Address	Postal Address
c/o <input type="text"/>	Same as Street Address Yes <input type="checkbox"/> No <input type="checkbox"/>
Unit <input type="text"/>	c/o <input type="text"/>
Complex <input type="text"/>	Line 1 <input type="text"/>
Street Number <input type="text"/>	Line 2 <input type="text"/>
Street <input type="text"/>	Line 3 <input type="text"/>
Suburb <input type="text"/>	Line 4 <input type="text"/>
City <input type="text"/>	Postal Code <input type="text"/>
Postal Code <input type="text"/>	Country <input type="text"/>
Country <input type="text"/>	
Telephone (H) <input type="text"/>	Fax <input type="text"/>
Telephone (W) <input type="text"/>	Cell <input type="text"/>
Email Address <input type="text"/>	

Specify your preferred method of receiving correspondence* Email Postal Address Copy to Financial Advisor

* If no selection is made, correspondence will be sent to the email address provided. If no email address is provided, correspondence will be sent to your postal address.

SELECT YOUR METHOD OF PAYMENT

1. You may invest a minimum lump sum of R 150 000 or any higher amount:

Amount

Please note that any bank charges associated with cash deposits will be recovered from your Investment Account. You must do an EFT (electronic funds transfers) into the policies bank account. Electronic internet transfers may take up to two business days to appear in the bank account. An investment may only be made upon receipt of documentation and funds into the account.

Specify the source of funds (e.g. salary, investment proceeds, sale of assets, inheritance, etc). We reserve the right to request documentary proof (e.g. income statement, bank statement, etc). This information is required by legislation and we need it in order to process your investment.

Select one of the options below:

Salary Bonus / Company Profit Investment Proceeds Sale of Assets
Inheritance Other (specify)

2. You may set a regular monthly debit order (minimum R1 000 per month). This debit order may not be invested in the **Insight Enhanced Yield Portfolio/Insight High Yield Portfolio** if less than R25 000 per debit order:

I hereby authorise the Administrator to deduct the stated amount for the investment at the ruling price on that day from the bank account above as well as any amendments that may be made during the period of this investment. Any debit order instruction/amendment must be received in writing by the Administrator prior to the 15th day of each month in order for it to be acted upon before the 1st working day of the following month.

Regular debit order Funds are deducted from the investor's bank account on the 1st working day of each month.

A monthly debit order amount of to be collected on the 1st working day of each month.

Commencement date Annual Escalation %

Banking details for debit order deduction/electronic collection (if different from investor's bank details):

Name of Account Holder _____
Name of the Bank _____ Branch Name / Code _____
Account Number _____ Account Type _____

- I/We hereby request, instruct, and authorize the Administrator (D and D the Cycle (Pty) Ltd) to draw against my/our account with the bank noted above (or any bank or branch to which I/we may transfer my account).
- I/We understand that all such withdrawals from my/our bank account shall be treated as though they had been signed by me/us personally.
- I/We agree to pay any bank charges and costs relating to the debit order authority, including debit order rejection fees.
- I/We acknowledge that I/we may cancel this authority by giving the Administrator not less than 10 calendar days' written notice.
- I/We agree that receipt of this instruction by the Administrator (as defined in the Terms and Conditions) shall be regarded as receipt thereof by my/our bank.
- In order to activate the debit order, the Administrator must receive the application form at least 10 calendar days prior to the first debit order date.
- The debit order will only be actioned on the signing of this Authority.
- Bank reference number on your bank statement will be 27FourEND - DO/(followed by unique identification number). The bank abbreviated name is NPDDTHECYC
- If the 1st falls on a weekend or public holiday, the funds will be deducted on the first business day thereafter. Any debit order instruction / amendment must be received in writing at least ten business days prior to the selected debit order date in order for it to be acted upon.

Signature of Account Holder

PROVIDE YOUR BANK DETAILS

South African bank account in the name of the Investor:

Account Holder	<input type="text"/>	Bank	<input type="text"/>
Account Number	<input type="text"/>	Type of Account	<input type="text"/>
Name of Branch	<input type="text"/>	Branch Code	<input type="text"/>

South African bank account details for electronic collection / debit order deduction (if different from the above):

Account Holder	<input type="text"/>	Bank	<input type="text"/>
Account Number	<input type="text"/>	Type of Account	<input type="text"/>
Name of Branch	<input type="text"/>	Branch Code	<input type="text"/>

Signature of Account Holder

SOURCE OF FUNDS

Where does the money come from? This information is required by legislation and must be completed.

<input type="checkbox"/>	Bonus
<input type="checkbox"/>	Savings
<input type="checkbox"/>	Salary
<input type="checkbox"/>	Inheritance

Other

SELECT YOUR INVESTMENT OPTIONS

Investment Portfolio (For initial Investments)	Investment Amount (%)	Debit Order (%)
**Insight Enhanced Yield Portfolio (subject to minimum of 75k)	%	N/A
**Insight High Yield Portfolio (subject to minimum of 75k)	%	N/A
	%	%
	%	%
** Limited together in total to 90% of capital invested	100%	100%

NOMINATE A LIFE ASSURED

At least one, but a maximum of two lives assured may be nominated below:

	Life Assured 1	Life Assured 2
Surname	<input type="text"/>	<input type="text"/>
First Name(s)	<input type="text"/>	<input type="text"/>
ID Number	<input type="text"/>	<input type="text"/>
Relationship	<input type="text"/>	<input type="text"/>
Contact Number	<input type="text"/>	<input type="text"/>
Email Address	<input type="text"/>	<input type="text"/>

INDICATE YOUR BENEFICIARY NOMINATIONS

Either a beneficiary for proceeds **OR** a beneficiary for ownership may be nominated. If no beneficiary for proceeds is nominated, policy benefits will be paid to your estate.

The signature of the investor's spouse is required if the investor is married in community of property and nominates a beneficiary other than the investor's spouse.

Marital Contract: Community of Property Ante-nuptial Contract

I hereby agree to the nominations below:

Full Name of Spouse Signature of Spouse

a) Beneficiary for Proceeds

	Beneficiary 1	Beneficiary 2
Surname		
First Name(s)		
ID Number		
Relationship		
Share %		
Contact Number		
Email Address		
	Beneficiary 3	Beneficiary 4
Surname		
First Name(s)		
ID Number		
Relationship		
Share %		
Contact Number		
Email Address		

b) Beneficiary for Ownership

Only one beneficiary for ownership must be nominated.

	Beneficiary
Surname	
First Name(s)	
ID Number	
Relationship	
Contact Number	
Email Address	

COMPULSORY FOREIGN TAX DECLARATION AND SELF-CERTIFICATION

- This section applies to all investors whether you are registered for tax or not.
- The South African Revenue Service (SARS) requires all financial services providers to obtain applicable tax information from all their investors.
- If you have any questions on how to complete the below section, contact your tax advisor.

Select one of the options below:

- I am a resident for tax purposes in South Africa
- I am not a resident for tax purposes in South Africa

If you are a resident for tax purposes in South Africa, provide the Tax Identification Number (TIN).

TIN issued by SARS

If you are not a resident for tax purposes in South Africa, complete the section below:

Country of residence for tax purposes

Effective date of tax residency

D	D	M	M	Y	Y	Y	Y
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TIN provided to you by the tax authority

If you are unable to provide a Tax Identification Number (TIN) or its Functional Equivalent (FE), select the appropriate box below:

- I have never registered for a TIN / FE with the tax authority
- I do not know my TIN / FE, but will take steps to submit it
- My tax authority does not require me to provide a TIN / FE (does not apply to tax residents of South Africa or United States)
- My country does not issue TINs / FEs to its tax residents (does not apply to tax residents of South Africa or United States)
- I am unable to obtain a TIN / FE (specify reason below)

Are you resident anywhere else for tax?

Yes No

If yes, provide the list of countries, your TIN in those countries, and a reason for not obtaining a TIN below:

Country	Tax Identification Number (TIN)	Reason for not obtaining a TIN

Do you or any controlling person/s associated with this investment (authorised signatory) have a United States tax number, residency or citizenship?

- Yes
- No

If you are considered to be a "US Reportable Account", we may require you to submit further documents.

COMPLETE IF YOU HAVE A FINANCIAL ADVISOR

Name of Financial Services Provider (FSP)

FSP License Number

Name of Financial Advisor

Contact Number

Email Address

Indicate the negotiable fee that you would like us to pay to your advisor for this investment:

Initial Fee

%

Maximum 3.0% (excluding VAT) deducted prior to the investment being made. Where the annual fees are more than 0.5%, initial fees are capped at 1.5%. If it is agreed that no initial fee is payable, insert 0%. Initial fees are not allowed on transactions from one endowment policy to another.

Annual Ongoing Fee

%

Maximum 1.0% (excluding VAT) of the investment account. Where the initial fee is more than 1.5%, the maximum annual fee is 0.5%. If no annual fee is payable, insert 0%.

I, the appointed Financial Advisor for this investment application, declare that:

1. I have established and verified the identity of the investor/s (and persons acting on behalf of the investor/s) in accordance with the Financial Intelligence Centre Act 38 of 2001 (FICA). I will keep records of such identification and verification.
2. I am licensed in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS) to provide financial services in respect of this investment.
3. I have read and understand the most recent terms and conditions of this investment and have explained them to the investor/s.
4. I have made the disclosures required under the FAIS Act to the investor/s and have explained all the fees and charges that are payable.
5. I will periodically review the investor/s' investment/s in return for the annual advisor fee.
6. I am aware that the investor/s may instruct the Administrator at any time in writing to cancel the fee payment to me.

Signature of Financial Adviser

Date:

AUTHORISATION AND DECLARATION

1. I have read and fully understood all the pages of this application and agree to the Terms and Conditions of the Endowment Policy.
2. **I have signed and agreed on the nature and adhere to the terms and conditions of the** Insight Enhanced Yield Portfolio/Insight High Yield Portfolio.
3. If I appointed a financial adviser, I confirm that the appointed financial advisor has explained the Terms and Conditions of the Endowment Policy.
4. I understand that this application and any further documents read with the Policy document constitute the entire agreement between 27four Life and me.
5. I warrant that the information contained herein is true and correct and that where this application is signed in a representative capacity, I have the necessary authority to do so and that this transaction is within my power.
6. I have not received any advice, guidance or recommendation regarding this investment from 27four Life or the Administrator.
7. I authorise the Administrator to deduct any electronic collections from the specified bank account, and to pay any applicable fees and charges, including negotiated fees to a Financial Advisor (if relevant).
8. I authorise the Administrator to accept instructions from persons duly appointed and authorised by me in writing, e.g. my Financial Advisor. I will not hold 27four Life or the Administrator liable for any losses that may result from unauthorised instructions given to them.
9. I authorise the Administrator to accept and act upon instructions in the prescribed format by facsimile or e-mail and hereby waive any claim that I have against 27four Life or the Administrator and indemnify 27four Life and the Administrator against any loss incurred as a result of the Administrator receiving and acting on such communication or instruction.
10. I acknowledge that the Administrator may be required to submit the information provided under tax information to SARS who may be obliged to share this information with the relevant tax authorities to adhere to the Foreign Account Tax Compliance Act (FATCA) and the Organisation for Economic Co-operation and Development's ('OECD') Common Reporting Standard ('CRS').
11. I declare (as an authorised signatory if applicable) that the information provided under the compulsory foreign tax declaration and self-certification section, to the best of my knowledge and belief, is accurate and complete.
12. I undertake to advise the Administrator promptly and provide an updated Self-Certification where any change in circumstance occurs which causes any of the information contained under the compulsory foreign tax declaration and self-certification to be incorrect.
13. I consent to the Administrator making enquiries of whatsoever nature for the purpose of verifying the information disclosed in this application and I expressly consent to the Administrator obtaining any other information concerning me from any source whatsoever to enable the Administrator to process this application.
14. I confirm that I have noted and understood the following information:
 - The Minimum Disclosure Document;
 - Effective Annual Cost (can be obtained on request from lifecycle@thecycle.co.za;
 - Investment objectives and risk factors;
 - The calculation of the NAV, dealing prices and distribution of income accruals.

Investor	
Signature	
Full Name	
Signed at	
Date	

Endowment Terms and Conditions

Definitions

Administrator:	<p>Means D and D the Cycle (Pty) Ltd, an authorised FSP responsible for administration of the Policy, including receipt of Contributions, investment and other instructions, calculation of the Policy Benefit, and settlement of claims.</p> <p>The Insurer has outsourced the administration to D and D the Cycle (Pty) Ltd.</p>
Beneficiary for Ownership:	A beneficiary for ownership is the person who will become the owner of the policy on the death of the Policyholder. This is only applicable where the Policyholder is a natural person and is a different person to the Life Assured. Only one Beneficiary for Ownership may be nominated.
Beneficiary for Proceeds:	A beneficiary for proceeds is a person(s) nominated to receive all or part of the Policy Benefit on the death of the last Life Assured, provided that the Policyholder is also deceased. This is only applicable where the Policyholder is a natural person.
Cession:	<p>Means a Security Cession – an agreement where value available under the Endowment Policy is provided as security for a loan (or other obligation) by the Policyholder; or</p> <p>Means an Outright Cession – the Endowment Policy is ceded to a person or institution which becomes the new Policyholder.</p>
Contribution:	Means a once-off or regular premium paid by the Policyholder as agreed with the Insurer from time to time.
Financial Services Provider (FSP):	Means the licensed financial services provider (if any) who has been appointed by the Policyholder for the purposes of this Endowment Policy.
Insurer:	Means 27four Life Limited, Reg. No. 2004/014436/06, a registered long-term insurer under the Long-term Insurance Act, which issues the Endowment Policy and undertakes to provide Policy Benefits to the Policyholder as set out herein.
Investment Account:	Means the account with the Administrator through which the Policyholder's investments under the Policy is administered in the underlying Investment Options selected by the Policyholder.
Investment Option/s:	Means a range of collective investment scheme portfolios (unit trusts) or life pooled portfolios offered by the Insurer that are made available as Investment Options underlying the Investment Account.
Life Assured:	Means the natural person to whose life the existence of the Policy is tied. There may be a maximum of two Life Assureds. The Policy will end when the last surviving Life Assured dies.
Policy:	Means a long-term insurance policy issued by the Insurer. The Policy is a 'life policy' as defined in section 1 of the Long-Term Insurance Act 52 of 1998. It is often referred to as an Endowment Policy.
Policy Benefit:	Means the value of the Investment Account due to the Policyholder that is determined in the manner described in Section 3.2, less any amount held as a result of a security cession in respect of the Policy.
Policyholder:	Means the legal owner of the Endowment Policy. This could be a natural person or a legal entity or a trust.

Terms and Conditions

1. Introduction

- 1.1 This document contains the terms and conditions of the Policy and should be read with the application form and any other supporting documentation. Together with the Policy Summary, these documents form the legal agreement between the Policyholder and the Insurer.
- 1.2 The Policy commences when the application form and supporting documents have been received and accepted by the Administrator, and a Contribution is received in the relevant bank account together with a proof of payment. The application may be accepted or rejected at the discretion of the Administrator.
- 1.3 The Policy has a minimum 5-year term but no fixed termination date. There are liquidity restrictions that apply to the Policy at certain times. The Policy will end when the total amount available under the Policy is withdrawn, or when the last Life Assured dies.

2. Payment and Investment of Contributions

- 2.1 The Policyholder must make at least one Contribution. The Insurer may from time to time agree to accept further Contributions in addition to the first Contribution paid.
- 2.2 Contribution payments may be stopped at any time.
- 2.3 The initial Contribution is invested in the Investment Option/s selected on the application form. Subsequent Contributions will be invested in accordance with the Policyholder's initial or if relevant, any subsequent investment instructions.

3. The Investment Account

- 3.1 The Investment Account reflects the portfolios selected by the Policyholder from time to time as the underlying Investment Options of the Policy. The Insurer owns all the underlying investments of the Policy.
- 3.2 The value of the Investment Account may fluctuate and is not guaranteed. The value of the Investment Account is increased by Contributions and positive investment returns. Any income distributions received (if applicable), net of taxes and costs, will be re-invested. The value of the Investment Account is reduced by negative investment returns and any fees, taxes and charges.
- 3.3 The Insurer will pay the Policyholder's FSP any fees which may be due to it from time to time, as agreed in the initial application form or any other relevant instruction thereafter. These fees shall be deducted from the value of the Investment Account.
- 3.4 If, for any reason, an Investment Option is no longer available, the Administrator will give the Policyholder written notice, and the Policyholder will be required to select an alternative from the list of available Investment Options. If an Investment Option is not selected within the time period given, the Administrator shall switch the investment from the affected Investment Option to a money market fund.
- 3.5 The Insurer and the Administrator does not take responsibility for the selection of the Investment Options and the Policyholder is responsible for on-going review of the Investment Option selection.
- 3.6 The selected investment portfolio for this policy is the [Insight Enhanced Yield Portfolio/Insight High Yield Portfolio](#). The investor agrees and understands that the issuer of the policy (27four Life Limited) and the Administrator (D&D The Cycle) cannot be held liable for the liquidity terms of the underlying investment in the [Insight Enhanced Yield Portfolio/Insight High Yield Portfolio](#).

4. Appointing a Life Assured

- 4.1 The Policyholder must appoint at least one natural person as a Life Assured on the Endowment Policy.
- 4.2 An existing Life Assured may not be replaced or removed.
- 4.3 The death of the last Life Assured will cause payment of the Policy Benefits and the Policy will be terminated.

5. Nominating Beneficiaries

- 5.1 If the Policyholder is a natural person, Beneficiaries for Proceeds may be nominated for the Policy Benefits. The Beneficiary will receive the Policy Benefit on the death of the last dying of the Life Assured/s. **Where the policyholder has an investment into the [Insight Enhanced Yield Portfolio/Insight High Yield Portfolio](#), the policy benefit will be paid to beneficiaries after the 12-month liquidity period.**
- 5.2 If more than one Beneficiary is nominated each will benefit equally unless the Policyholder otherwise stipulates in writing to the Administrator. Every written Beneficiary nomination shall revoke any prior nomination.
- 5.3 The Policyholder, who is a natural person, may also nominate a Beneficiary for ownership if the Policyholder and the Life Assured is not the same person, or if there is more than one Life Assured. The Beneficiary for ownership will become the owner of the Policy after the death of the Policyholder.
- 5.4 If a Beneficiary for Ownership dies within seven days of the Policyholder without nominating a further Beneficiary, the nomination of the deceased Beneficiary for Ownership shall be of no force and effect.

- 5.5 The rights of cessionaries noted supersede those of nominated Beneficiaries.
- 5.6 The Administrator should be notified as soon as possible of the death of the Policyholder or a Life Assured and should be provided with a certified copy of the death certificate.

6. Ceding the Policy

The Policy may be ceded outright to a new Policyholder or as security to a security cessionary. The cession will be acknowledged once the Administrator receives proof of the cession documentation.

7. Cancelling the Policy (Cooling Off Period)

- 7.1 The Policy may be cancelled by written instruction to the Administrator within 30 calendar days of the Policy document being received. The date of receipt will be deemed to be seven business days after the Policy was issued.
- 7.2 The amount that will be paid back to the Policyholder is the Contribution(s) less any charges and market losses. Interest and or market growth will not be paid out.
- 7.3 The Policy may not be cancelled if any Policy Benefits were paid or if any Investment Options were changed during the cooling off period.

8. Liquidity Restriction Period and Withdrawals

- 8.1 During the first five years of the Endowment Policy, or five years from the first day of any month in which the 120% rule takes effect, the amount of money available to be taken in cash from the Policy is restricted. These periods are known as "a restriction period".
- 8.2 During a restriction period, only one full or partial withdrawal may be made and such withdrawal is limited to the lesser of the value in the Investment Account less fees and charges, or the value of Contributions made during the restriction period, including the value in the Investment Account at the start of the restriction period, plus 5% compound interest. Any balance remaining after withdrawal must remain invested until the end of the restriction period. In the event that the value of the Policy is less than R5000, the Administrator will pay the full value to the Policyholder and the Policy will terminate. **Due to the nature of this investment into the Insight Enhanced Yield Portfolio/Insight High Yield Portfolio, the policyholder understands the liquidity constraints of the Insight Enhanced Yield Portfolio/Insight High Yield Portfolio.**
- 8.3 The 120% rule takes effect when the Contributions in any policy year are more than 120% of the greater of any of the previous two years total Contributions. The Administrator will accept these Contributions into the same Policy and extend the restriction period, if already in force, or start a new five-year restriction period on the entire Policy.
- 8.4 Outside of a restriction period, the amount of money available through a full or partial withdrawal is not restricted, and you may also request to schedule regular withdrawals.
- 8.5 The Policyholder must give written notice to the Administrator for a full or partial surrender. The Administrator will use its best endeavours to give effect to such notice within 30 days of receipt thereof. The Insurer however retains the right to delay the payment of Policy Benefits in the event that liquidity constraints are experienced in the underlying Investment Options as a result of extraordinary events (e.g. ring-fencing of unit trust funds or large withdrawals that will negatively impact other policyholders). In the event of such delays, the Administrator will notify the Policyholder of the options available at that time, which may include the payment of Policy Benefits in the form of a transfer of assets rather than a cash amount.
- 8.6 A surrender will only be permitted in respect of an Endowment Policy that has been ceded if the prior written consent of the cessionary has been received by the Administrator.

9. Terminating the Policy

The Policy does not have a fixed termination date. It ends when the last surviving Life Assured dies, or you withdraw the total amount available under the Policy in accordance with clause 8, or the value reduces to zero. **The withdrawal is subject to the 12month waiting period due to the nature of the underlying investment into the Insight Enhanced Yield Portfolio/Insight High Yield Portfolio.**

10. Instruction and Processing requirements

- 10.1 The cut off time for receiving applications and/or instructions is 11h00.

Business Process	
Instruction cut-off time	11h00
Buying / selling units	2 business days
Switching units in portfolios administered by the same product provider	2 business days
Switching units in portfolios administered by different product providers	3 business days
Cut off for debit order changes	5 business days before debit order date

- 10.2 All instructions will be processed by the Administrator on behalf of the Insurer. Only signed written instructions from the Policyholder or the appointed FSP, will be acted upon. All instructions are subject to:

≈ The operational requirements of the Insurer, the Administrator and the product providers of the Investment Options (including investment minimums, cut-off times and time periods for processing);

- ≈ Applicable legislation at the date of the transaction;
- ≈ The availability of the selected Investment Options.

10.3 Policy applications will be considered for processing on receipt of:

- ≈ a correctly completed application form with all the required supporting documentation,
- ≈ receipt of the Contribution into the correct bank account and
- ≈ after receipt of proof of deposit.

Other instructions will be considered for processing if they are submitted on the relevant transactional form required by the Insurer, together with any supporting documentation required.

10.4 The Administrator will carry out instructions at the earliest possible opportunity, subject to its own administration procedures and any portfolio limitations. Where Contributions are made via debit order or cheque deposit, the Administrator will wait for the funds to clear before processing the instruction. Neither the Administrator, nor the Insurer accepts responsibility for delays in processing instructions as a result of extraordinary events that cause extensive disruptions.

10.5 The Administrator will not proceed with an instruction if there is any doubt about the validity of the signature/s or information provided, or if it deems the instruction to be incomplete in any way.

10.6 Any processing errors must be reported to the Administrator within 14 days after receipt of the investment confirmation or any statement.

10.7 The Administrator must be informed of any changes in bank or contact details, including postal and email addresses, and supporting documentation must be provided where appropriate.

11. Internet access

Internet access is provided to view a Policy Benefit statement online. Visit <https://secure.thecycle.co.za> and log on with the username and password provided. Please note that access will be cancelled should the incorrect password be entered three times in succession. Should this happen please contact the Administrator and they will reset the password.

12. Financial Services Provider (FSP)

12.1 The Insurer and the Administrator does not provide financial advice. It is the responsibility of the Policyholder to appoint an FSP and to negotiate appropriate fees.

12.2 The Policyholder may appoint, change or remove an FSP at any stage by written instruction to the Administrator.

12.3 The FSP is responsible for ensuring that the Policyholder receives and understands all appropriate advice, product and fee information including changes in the working practices and procedures of the Administrator or the Insurer.

12.4 The Administrator will only accept applications/ instructions submitted on behalf of policyholders from FSP's who have been granted a licence by the Financial Sector Conduct Authority.

12.5 The Insurer and the Administrator cannot be held responsible or liable for loss or damage suffered by the Policyholder as a result of the FSP acting outside his / her licence parameters or because of delays in the processing or rejection of this application form, caused by the fact that the FSP is not authorised as a FSP or is not approved by the Administrator.

13. Fees

13.1 Where applicable, the Administrator shall pay to the FSP any initial Financial Services Provider fee as set out in the Policy summary, which amount will be deducted from the Contribution prior to the investment of the money and prior to the issue of this Policy.

13.2 The following on-going fees (VAT excluded) are levied against the Investment Account, calculated on a daily basis at a rate of 1/365 per day:

13.2.1 An annual administration fee as set out in the Policy summary;

13.2.2 An annual Investment Option management fee as set out in the Investment Option Brochure; and

13.2.3 Where applicable, an on-going advice fee payable to the FSP, as set out in the Policy summary.

13.3 All fees may be amended from time to time, in which case the Administrator will give the Policyholder notice.

14. Tax Implications

14.1 The Insurer is required to pay income tax and capital gains tax (CGT) at a rate depending on the nature of the Policyholder.

14.2 Income tax is incurred and recovered from the Policy when income distributions are received from the securities underlying the Investment Option/s.

14.3 The Insurer will also pay tax on any capital gains that arise. When the Policy Benefits are due the amount payable may be reduced by a provision for CGT.

15. General

- 15.1 The Administrator will provide half yearly investment statements.
- 15.2 All Investment Options are unitised, and pricing takes place at the close of each business day which means that the price is only available the following business day.
- 15.3 The Insurer and the Administrator does not guarantee any future performance of the Investment Option/s in terms of this Policy, nor does the Insurer guarantee that any Investment Option will hold its value or behave in any particular manner.
- 15.4 The Insurer and the Administrator shall incur no liability for any claims for loss or damage which the Policyholder may suffer, howsoever such loss or damage may arise or be suffered, in respect of the Investment Options. The Insurer and/or the Administrator shall, however, be liable for, and shall indemnify the Policyholder in respect of, any such loss or damage which arises as a result of the fraud, dishonesty or gross negligence of the Insurer and/or the Administrator or any of its directors, employees, officers, servants or agents.
- 15.5 The Administrator will give the Policyholder three months' written notice of any change to the fees and may give less than three months' written notice if the circumstances of the changes are required due to a change in legislation.
- 15.6 Subject to clause 15.5 above, the Insurer reserves the right to amend the terms and conditions that apply to the Policy at any time without giving notice to the Policyholder.
- 15.7 Any personal information may be used by the Insurer or the Administrator in the normal course of business to provide the products and services and they may retain any information for purposes of investment transactions, processing and administration and to communicate directly with the Policyholder. Personal information will not be given or sold to any third parties. The Insurer and the Administrator will disclose or report personal information if and when required to do so by law or any regulatory authority, and to its employees (if relevant), or agents who require such information to carry out their duties.

16. Currency

All Contribution and Policy Benefit payments in terms of this Policy shall be made in the Republic of South Africa in South African Rand.

17. Whole Agreement

This Policy document, the application form and all instructions accepted from the Policyholder by the Administrator shall constitute the whole and entire agreement between the Insurer and the Policyholder and no amendment shall be valid unless it is reduced to writing.

18. Law

The Policy is subject to the laws of the Republic of South Africa. In the event of any changes in legislation, the Insurer reserves the right to amend the agreement accordingly and to revise the benefits payable in terms of this Policy.

19. Risk warnings and exclusions

- 19.1 No loans from the Insurer will be granted against the Policy.
- 19.2 The Investment Account is subject to the volatility of the underlying Investment Options and there are no guarantees.
- 19.3 The Investment Option portfolios should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. Collective Investment Scheme (CIS) portfolios are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is available on request from the CIS Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year.

A Money Market portfolio is not a bank deposit account and the price is targeted at a constant value. The total return is made up of interest received and any gain or loss made on any particular instrument; and in most cases the return will have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The yield is calculated as a weighted average yield of each underlying instrument in the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed.

A Fund of Funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. A Feeder Fund is a portfolio that invests in a single portfolio of a collective investment scheme which levies its own charges, and which could result in a higher fee structure for the feeder fund.

The CIS manager retains full legal responsibility for any third party-named portfolio. The Insurer shall not be held responsible for any loss, consequential or otherwise, arising from changes in tax or other legislation that may have an impact on the performance.

Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information.

The Insurer is a member of the Association for Savings and Investments SA.

20. Contact Details

20.1 The full registration name, postal and physical addresses of the Insurer are:

27four Life Limited
Registration Number: 2004/014436/06

Letterstedt House
Third Floor,
Newlands-On-Main,
Main Road,
Newlands, 7735

Telephone: 021 671 4101
Email: life@27four.com

20.2 The full registration name, postal and physical addresses of the Administrator are:

D and D the Cycle (Pty) Ltd
Registration Number: 2013/157477/07

13 Moquini Coastal Estate
Mosselbaai
6510

Telephone: 071 628 9722
Email: lifecycle@thecycle.co.za

21. Complaints

21.1 If a Policyholder is not satisfied with this investment or the services from the Insurer or the Administrator, s/he may submit a written complaint, together with supporting documents, to the Compliance Officer, at complaints@27four.com.

21.2 Complaints will be acknowledged in writing and the Policyholder will be informed of the contact details of the persons involved in the resolution thereof.

21.3 If the Policyholder is not satisfied with the response received, s/he has the right to contact the Ombudsman for Long-Term Insurance at:

Private Bag X45
Claremont 7735
Telephone: 021 657 5000
Facsimile: 021 674 0951
Toll share: 0860 103 236
Email: info@ombud.co.za

The Ombudsman is legally empowered to investigate and adjudicate complaints in a procedurally fair, economical and expeditious manner.