



# 1. About the investor (continued)

## 1.2 Tax status of investor

L R

Is the investor a registered tax payer? Yes  No

Income tax reference number

## 1.3 Investor contact details

L R

Contact person name and surname

Telephone (H)   Telephone (W)

Fax   Cellphone

Email

Postal address

Code

Physical address

Code

Preferred language of communication English  Afrikaans

Preferred method of communication Email  Post

## 1.4 Benefits payable on death

L R

You may nominate one or more person(s) or institution(s) as beneficiaries to receive the benefits of the Retirement Plan in the event of your death. The Pensions Fund Act (Section 37C) however, requires the board of trustees of the Discovery Retirement Annuity Fund and the Discovery Invest Retirement Annuity Fund to distribute the benefits equitably between your dependants and your nominated beneficiaries at the time of your death. This beneficiary nomination will assist the board of trustees in making their decision.

1. The beneficiary is a company/legal entity  Natural person

Title  Full name

Date of birth  ID/company registration number

Relationship  Sex

Percentage allocation  %

2. The beneficiary is a company/legal entity  Natural person

Title  Full name

Date of birth  ID/company registration number

Relationship  Sex

Percentage allocation  %

3. The beneficiary is a company/legal entity  Natural person

Title  Full name

Date of birth  ID/company registration number

Relationship  Sex

Percentage allocation  %

## 2. About your investment

### 2.1 Product details L R

**Discovery Retirement Plan**

Source of funds (compulsory)

**L Lump sum investment**

Investment amount	R <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
Date of commencement (lump sum investments will only be activated once Discovery Invest has received the funds)	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>

**R Recurring investment**

Investment amount	R <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
Date of commencement	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
Contribution frequency	monthly <input type="checkbox"/> annually <input type="checkbox"/>
Annual contribution increase	Fixed percentage    0% <input type="checkbox"/> 10% <input type="checkbox"/> 15% <input type="checkbox"/> 20% <input type="checkbox"/> or CPI <input type="checkbox"/>
Retirement age	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span> (Choose any age from 55)

### 2.2 Waiver Benefit L R

- This benefit is only available for recurring contribution investments.
- Please note that an additional premium will be charged if this benefit is selected, as disclosed in the quote provided to you.
- The benefit becomes payable on the disability or severe illness (or both) of the owner (as defined by disability category and severity level in the Individual LIFE PLAN Guide).
- The owner of the investment must be a natural person to have this benefit.

Add the Waiver Benefit to this investment	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>Select the event you want cover for:</b>		
Waiver Benefit on disability of owner only	<input type="checkbox"/>	
Waiver Benefit on severe illness of owner only	<input type="checkbox"/>	
Waiver Benefit on both disability and severe illness of owner	<input type="checkbox"/>	
Term for the Waiver Benefit	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span> years or until age <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
You can select a specific term for the Waiver Benefit. If, during this term, you become disabled or suffer a severe illness, Discovery will pay the investment amount until the end of the term, the selected age or age 65, whichever is earlier. This includes all Automatic Contribution Increases (ACIs).		

**Disclaimer**

Any claims arising from any physical defects, illnesses, bodily injuries, diseases or disorders that you have suffered from, were aware of, or have received medical treatment for, or any circumstances which have or are likely to have an adverse effect on your health, before the commencement of this investment, will be excluded from the Waiver Benefit.

## 3. Investment choices

### 3.1 Investment choices L R

Please complete section (a) or (b), whichever is applicable and sign the declaration in c.

**a) Your own investment choices**

		Percentage of net investment
1.	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
2.	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
3.	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
4.	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
5.	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
		<b>Total 100%</b>

### 3. Investment choices (continued)

#### b) Dynamic Asset Optimiser

My risk profile is:            Low-risk             Moderate             Aggressive

1) I only want **Discovery Funds** in my Dynamic Asset Optimiser

OR

2) I want to select my **own investment** choice in my Dynamic Asset Optimiser

If you have selected option 2, please select your investment choices

#### SA Equity

											Percentage of net investment	
1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total 100%

#### SA Property

1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total 100%

#### SA Fixed Income

1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total 100%

#### SA Money Market

1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total 100%

#### International Equity

1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total 100%

#### c) Declaration

I hereby declare that I made the above investment choices out of my own free will and according to my investment objectives based on the product information relating to these investment choices and the advice given to me by my financial adviser.

Signature of investor

### 3.2 Phasing-in a lump sum investment

**You can decide to phase-in the investment over a period between 3 and 24 months from the Discovery Money Market Fund to your selected investment choices.**

The phase-in option is not available if you have chosen either the RightChoice™ Investments or the Dynamic Asset Optimiser.

Please indicate if you want to phase-in your <b>entire</b> investment amount, OR	<input type="checkbox"/>
Please indicate if you want to phase-in a <b>percentage</b> of your investment	<input type="checkbox"/>
Percentage of investment amount to be phased-in:	<input type="text"/> %
Months over which the investment must be phased-in:	<input type="checkbox"/> 3 <input type="checkbox"/> 6 <input type="checkbox"/> 9 <input type="checkbox"/> 12 <input type="checkbox"/> 15 <input type="checkbox"/> 18 <input type="checkbox"/> 21 <input type="checkbox"/> 24

Phase-in investment amount R

### 3. Investment choices (continued)

#### Phase-in investment choice selection

	Percentage
1. <input type="text"/>	<input type="text"/>
2. <input type="text"/>	<input type="text"/>
3. <input type="text"/>	<input type="text"/>
4. <input type="text"/>	<input type="text"/>
5. <input type="text"/>	<input type="text"/>
	<b>Total 100%</b>

If you have special instructions about the phasing-in of the investment amount, please complete the special instructions below.

Other special instructions:

- The full investment amount will be invested into the Discovery Money Market Fund.
- The first phase-in will begin on the date of commencement of the investment. Thereafter the phase-in will continue on the day of the month on which the investment is made. Where the date is a non-business day, the phase-in will commence on the following business day thereafter, unless specified otherwise.
- Please note that if any investment options selected are unavailable, the investment amount specified for the unavailable investment option will remain in the Discovery Money Market Fund until you to instruct us to invest in an alternative investment option. The details of the unavailable investment option will be communicated to you if this happens.

### 4. Payment details

#### 4.1 How to pay the investment amount



- Pay Discovery (only applicable to lump sum investment (refer to section 4.2))
- Direct debit (refer section 4.3)

#### 4.2 Pay the investment to Discovery

If you chose to pay the investment amount directly to Discovery, please use the following bank account numbers to do so. (Please note Discovery will not be liable for any loss or damage you may suffer if you transfer to the incorrect bank account).

	Lump Sum	Recurring
Account name:	LISP RA Client	Life RA Client
	Deposit	Deposit
Bank:	First National Bank	First National Bank
Branch:	Johannesburg	Johannesburg
Branch code:	255005	255005
Account number:	62157060709	62143403947
Account type:	Current	Current

#### 1) How to obtain your reference number

If you have selected to deposit the money into the relevant bank account, or do an electronic fund transfer (EFT), Discovery Invest will provide a unique reference number. Please call 0860 67 5777 to obtain your unique reference number.

#### 2) Fax the proof of deposit, where it applies, to Discovery on 011 539 5777

Please note that your investment will only be activated once the bank has confirmed that the lump sum investment has been matched with the reference number.

#### 4.3 Direct debit order authority

- It is important that you provide us with the correct banking details from which to collect the investment amount. Discovery Invest will not be liable for any loss or damage if you supplied us with incorrect banking details.
- You need to inform us if the banking details change.
- Please note a maximum amount of R500 000 may be debited from a bank account.
- You indemnify Discovery against any loss that may occur if a debit order is reversed or not honoured.
- If the bank account holder is a third party individual, a copy of their identity document (ID) and a signature is required. If the bank account holder is a third party legal entity, a copy of the resolution of the authorised signatories is required before any transaction is processed.
- If banking details are in the name of a Company, please attach a company resolution authorising the debit order instruction.

Is your contribution paid by your employer Yes  No

Employer (if applicable)

Contact person (if applicable)

Name of account holder

Name of bank

Branch name  Branch code  -  -

Account number

Account type Cheque  Savings  Transmission

#### 4. Payment details (continued)

##### Recurring investment only

Please indicate which monthly debit order day you would prefer: Any day between the 25th and the 5th  10th  20th

Signature of investor/payer

Date

#### 5. Replacement policy

##### 5.1 Replacement of previous policy

Is this application to replace an insurance policy discontinued within the past four months or to be terminated within the next four months? Yes  No   
If **yes**, your financial adviser must discuss and complete the Replacement Policy Advice Record attached to this application form.

##### Declaration by financial adviser

I declare that, irrespective of the investor's response to the question above, I explained the following to the investor:

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

Signature of financial adviser

Name of financial adviser

#### 6. If your Retirement Plan is transferred from another retirement fund

Please confirm if this investment is a transfer from another retirement fund: Yes  No

##### Particulars of transferring fund

Registered name of the retirement fund

FSB registration number

SARS approval number

Estimated amount to be transferred R

Contact person

Contact telephone number

Email address

#### 7. About your financial adviser

##### 7.1 Financial adviser details

1. Primary financial adviser: If financial adviser's fees are split, please indicate the split  %

Financial adviser full name

Financial adviser code

Intermediary house

Intermediary house code

PRI number

(ABSA and FNB intermediaries)

Distribution channel

I confirm that I am an authorised financial services provider or representative.

##### FICA declaration

I warrant and confirm that I have identified and verified the identities of the applicant(s)

Yes  No

With regard to this application/contract in terms of the Financial Intelligence Centre Act 2001, and related Regulations.

I warrant that I have copies of the relevant documentation in my possession

Yes  No

OR

I have verified and attached the required FICA documents to this application

Yes  No

Signature of primary financial adviser

Date

## 7. About your financial adviser (continued)

2. Secondary financial adviser: If financial adviser's fees are split, please indicate the split    %

Financial adviser full name	<input type="text"/>
Financial adviser code	<input type="text"/>
Intermediary house	<input type="text"/>
Intermediary house code	<input type="text"/>
PRI number (ABSA and FNB intermediaries)	<input type="text"/>
Distribution channel	<input type="text"/>

I confirm that I am an authorised financial services provider or representative.

### FICA declaration

I warrant and confirm that I have identified and verified the identities of the applicant(s) Yes  No

With regard to this application/contract in terms of the Financial Intelligence Centre Act 2001, and related Regulations. Yes  No

I warrant that I have copies of the relevant documentation in my possession Yes  No

OR  
I have verified and attached the required FICA documents to this application Yes  No

Signature of secondary financial adviser

Date

## 7.2 Financial adviser fees



Please select the applicable fee structure for your investment.

### Lump sum investment

Initial financial adviser's fee (excluding VAT)	<input type="text"/> . <input type="text"/> <input type="text"/> % (between 0% and 4% of your contribution)
Ongoing financial adviser's fee (excluding VAT)	<input type="text"/> <input type="text"/> <input type="text"/> % (between 0% and 1.5% per year of your investment value)
Initial investment fee basis	100% allocation* <input type="checkbox"/> OR Standard fee basis ** <input type="checkbox"/> *We will allocate 100% of your investment to your investment choices. This means that we will not deduct the initial or financial adviser's fee from the gross investment amount. An additional monthly fee will instead be levied over the first five years of the plan. **We deduct the initial financial adviser's fee and Discovery's fees from the initial investment amount before investing it.

### Recurring investment

Initial financial adviser's fee options:	Upfront commuted initial fee* <input type="checkbox"/> Initial fee discount <input type="text"/> <input type="text"/> <input type="text"/> % OR Recurring fee (as-and-when): <input type="text"/> . <input type="text"/> <input type="text"/> % (Between 0% and 5% of your contribution)
Ongoing financial adviser's fee: (only available as an option if the recurring fee (as-and-when) is selected)	<input type="text"/> . <input type="text"/> <input type="text"/> % (between 0% and 1.5% per year of your investment value)
<b>Note:</b> * If you selected the upfront commuted initial fee option, this will be paid upfront to the financial adviser and levied over a period of 60 months.	

## 8. Declarations, terms and conditions

### 8.1 Quote declarations

#### Client declaration

I,  (full name)  
 (identity number/passport number) hereby declare that my financial adviser presented me  
with a final quote  (quote number).

The investment options as reflected in the quote correspond to the information in my application form and I confirm that the product fees, benefits and all other information contained in the quotation was explained to me by my financial adviser.

Signature

#### Financial adviser declaration

I,  (full name)  
 (identity number/financial adviser number) hereby declare that I have presented a final quote  
(quote number)  to the above client.

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

Signature

### 8.2 Declaration by investor



I, the investor, warrant that:

1. I have read and understood the contents of this application form.
2. I agree to be bound by the terms and conditions of this application form, the Investment Plan Guide and the Business Practices Manual, which read together, make up the contract.
3. I agree that any commission payable in terms of the Long-term Insurance Act of 1998 and that any fee payable in accordance with the FAIS Act, 2002, and referred to in section 7.2 of this application form, may be paid from my investment to my appointed financial adviser on my behalf. These commissions and fees have been explained to me by my appointed financial adviser and are set out in Appendix C. I further agree to pay from my investment, the fees as charged by Discovery in the amounts and on the basis explained to me by my financial adviser.
4. I agree that Discovery shall, at their discretion, have the option to pay or collect any amount through the Automated Clearing Bureau or electronic funds transfer (EFT), or by direct debit or credit against my bank account by means of a debit order or credit note addressed to my bankers. Any amounts so received by Discovery will be deemed not to have been received by them and no transaction in respect of such application may be made until the amount of the debit order, cheque or EFT payment has been unconditionally credited to Discovery's bank account with its bankers.
5. I agree that any alterations made to this application form by me or my financial adviser are not binding unless Discovery agree to accept the alterations. Acceptance will be communicated by the processing of this application form, the receipt of any monies paid to Discovery and the issuing of the Investment Plan Guide.
6. I understand that the products 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 products 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.
7. As I am able to select the investment options into which the investment amounts paid into the products are placed, I understand that the value of the benefits payable by the products will vary depending on the performance of the investment options. Discovery have made no representations and guarantees to me regarding the performance of the investment options. I understand that I bear any and all risks associated with the investment options that I choose.
8. I confirm that, to the extent that Discovery Life is not my appointed financial adviser, Discovery has not advised me to invest in a particular investment option and as such are not responsible for any choices I have made.
9. I confirm that I made the decision to invest in the products out of my own free will and from advice given to me by my financial adviser.
10. I confirm that the monies paid into the products are not from the proceeds of crime.
11. I confirm that Discovery can take instructions from my financial adviser regarding the investments or product, 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/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.
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.
13. Where this application form has been signed by my spouse, my spouse confirms that he/she has read the terms and conditions of this application form and agrees to be bound to them, where applicable. My spouse specifically confirms the nomination of beneficiaries made in this application form and understands the legal consequences of such nomination.
14. I warrant that I have disclosed all material information to Discovery Life as regards the Waiver Benefit (if applicable).
15. I understand that should I have breached the warranty contained in 14 above, that Discovery can declare the waiver benefit issued to me void and that I will forfeit any contributions paid in respect of the waiver benefit.
16. Should I have selected the Waiver Benefit then:
  - (a) I authorise Discovery Life to obtain from any person, including Discovery Health, Discovery Vitality and the Discovery Health Medical Scheme any information relating to my health, wellness and lifestyle including my HIV status, which Discovery Life deems necessary at the application for insurance stage, the claim stage and on an ongoing basis.
  - (b) I authorise Discovery Life to share with such insurers any information contained in this application form or any related policy or any document either directly or through a database operated by or for insurers as a group, at any time (even after my death) and in such detailed, abbreviated or coded form as may from time to time be decided by Discovery Life or by the operators of such database.

Signature of investor

Signature of spouse (if applicable)

Date

## 9. Statutory disclosure

All prices are calculated on a NAV basis. NAV is the total value of all assets in a portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units or participatory interests in issue. Permissible deductions include brokerage, Uncertified Security Tax (UST), auditor's fees, bank charges, trustee/custodian fees and the service charge levied by Discovery Life Collective Investments (Pty) Ltd.

### Upfront manager charges

The upfront manager charge is deducted from the full investment value and the remaining amount is allocated to the clients selected investment options. Any additional investment will incur an upfront manager charge. The charges range from 0% to 0.57% depending on the relevant investment chosen.

### Service charge

The annual service charge for the individual portfolio is accrued daily and levied monthly on the market value of the fund or portfolio. The annual service charge shall be deducted from the income received by the portfolios.

### Total expense ratio

The total expense ratio or TER of a portfolio is a measure of the Fund's assets which have been surrendered as payment for costs of management of the fund which is expressed as a percentage of the daily average value of the portfolio and is calculated over a period of usually a financial year.

### Switching

A switch involves setting the participatory interest in one portfolio and allocating and investing the proceeds in another portfolio. Discovery will waive the first four voluntary switch fees, thereafter a fee of 0.25% of the amount switched will be charged.

### Income distributions

Income distributors are made at regular intervals of all portfolios and may vary depending on the chosen portfolio. Portfolios either declare distributions monthly, quarterly (31 March, 30 June, 30 September, 31 December) half-yearly (30 June, 31 December) or annually (31 December). These distributions are paid by no later than the last working day of the following month.

### Electronic transactions

I/we agree that Discovery Invest shall be entitled to implement all instructions and applications of whatsoever nature received by Discovery Invest 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 of myself 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.

### General

1. Collective Investment Schemes in Securities (CIS) are generally medium to long term investments.
2. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future.
3. With regards to a money market portfolio, a constant price will be maintained for the money market portfolio. While a constant price is maintained the investment capital is not guaranteed.
4. CIS are traded at ruling prices and can engage in borrowing and scrip lending.
5. The manager may borrow up to 10% of the market value of the portfolio of bridge insufficient liquidity.
6. Commission and incentives may be paid and if so, would be included in the overall costs.
7. A schedule of fees and charges and maximum commission is available on request from Discovery Life Collective Investments (Pty) Ltd.
8. The exposure limit to a single security in certain portfolios can be greater than is permitted for other portfolios in terms of the Collective Investment Schemes Control Act, 2002. Details are available from the manager.
9. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.
10. 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.
11. A feeder fund is a portfolio that, apart from assets in liquid form, consists of participatory interests in a single portfolio of collective investment schemes.
12. The manager reserves the right to close certain portfolios. More details are available from the manager.
13. The holding of offshore investments in certain portfolios is subject to current South African Reserve Bank (SARB) regulations.
14. Any capital gain realised on the disposal of a participatory interest in a CIS will be subject to Capital Gains Tax (CGT).
15. All portfolios are valued on a daily basis on any business day at 16:00, with the exception at month end, when portfolios are valued at 17:00. Investments and repurchases will receive the same price for that day if received before 11:00 for the money market portfolio and 15:30 for the other portfolios.
16. The investor confirms that neither Discovery Life Collective Investments (Pty) Ltd or any staff provided him/her with any advice (as defined in the FAIS Act) and that he/she has taken particular care to consider on his/her own or with the assistance of his/her intermediary whether the investment chosen is appropriate considering his/her individual needs, personal objectives and financial situation. Discovery Life Collective Investments (Pty) Ltd (the Manager) is a member of the Association of Collective Investments (ACI).

### Manager

Discovery Life Collective Investments (Pty) Ltd  
155 West Street, Sandton, 2146  
Telephone 0860 67 5777

### Trustees

ABSA Bank Ltd  
180 Commissioner Street, Johannesburg, 2001  
6th Floor, ABSA Towers North (6E1)  
Telephone 011 350 4000

Signature of investor

Signature of financial adviser

### 10.1 Terms and conditions

#### **General terms and conditions**

##### **1. What we mean by certain words**

- 1.1 When we refer in the terms and conditions that follow to 'the products', we mean the Discovery Investment Plan: Retirement Plan:
- 1.2 When we use the term Discovery, we include Discovery Invest and Discovery Life.
- 1.3 Where we refer to 'investor', we mean the person who invested in the product or the owner of the investment. This could be the investor in the Retirement Funds.

##### **2. Licenses and authorities**

- 2.1 The products are administered by either Discovery Invest or Discovery Life. Discovery has the necessary licences and authority to administer the products.
- 2.2 Discovery warrants that it holds professional indemnity and fidelity insurance cover as required by the Financial Advisory and Intermediary Services Act (FAIS Act).
- 2.3 The products and agreements entered into by Discovery, in respect of any investment options, are subject to all statutory and regulatory requirements.

##### **3. Financial advisers**

- 3.1 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.
- 3.2 Unless your financial adviser is an employee of Discovery, you cannot hold Discovery responsible, accountable or liable for suffering any loss or damage if your 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.
- 3.3 Your financial adviser has the responsibility to act within his/her/its licence conditions and authority. Unless your financial adviser is an employee of Discovery, you cannot hold Discovery responsible or liable for suffering any loss or damage as a result of your financial adviser acting outside the scope of his/her/its authority and licence conditions.
- 3.4 Your financial adviser must ensure that you receive and understand all appropriate advice, product and fee information.

##### **4. Documents you can expect from us**

- 4.1 On commencement of your investment, we will send you documents that include a summary of your personal and investment details and investment choices and an Investment Plan Guide. You have 10 business days from receipt of the documents to inform us if any of your personal or investment information is incorrect.
- 4.2 This application form together with the documents you will receive on commencement and the Discovery Invest Business Practices Manual form your investment contract.
- 4.3 The Discovery Business Practices Manual, which may be amended from time to time, describes our processes relating to how we manage your investment.

##### **5. Communication between you and Discovery**

- 5.1 It is your responsibility to ensure that this application form, 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. However, Discovery does not consider a fax confirmation or printed copy of a sent email as proof of it receiving the document or instruction.
- 5.2 To process any instruction on a specific day, Discovery must receive the instruction before 10:00 (am), otherwise the instruction will only be processed on the following business day. (Any instruction so received will only be processed once the money reflects in the relevant bank account, has been matched and all documentation and proof of the deposit or electronic funds transfer [EFT] have been received by Discovery). This may take up to 24 hours to process.

##### **6. Investment options and performance**

- 6.1 You bear all inherent investment risk associated with the investment options as Discovery do not guarantee the performance or availability of any investment options.
- 6.2 You cannot hold Discovery responsible or liable for any losses incurred due to delays, oversight or any other errors attributable to the manager of any investment options.
- 6.3 If any statutory or regulatory requirements impact the return generated by any investment options, Discovery or the Retirement Funds reserve the right to revise the value of the investment accordingly and you will have no recourse against Discovery.
- 6.4 Please note that if any investment options selected have been capped, the investment amount specified for the capped investment option will default to an interest bearing investment option until you notify Discovery of an alternate investment choice. The details of the capped investment option will be communicated to you in the occurrence of this event.
- 6.5 You cannot hold Discovery responsible or liable for any losses or harm, which you may suffer directly or indirectly as a result of occurrences relating to your investment that are beyond their control.

##### **7. Fees**

- 7.1 You acknowledge that you have read and understood the fees and commissions structure of your investment of this application form. You agree that the fees and commissions can be paid to Discovery and/or your financial adviser.

##### **8. Spouses married in community of property**

- 8.1 If you are married in community of property, written consent is needed from your spouse to nominate a beneficiary other than your spouse. If you do not obtain your spouse's written consent, he/she may be entitled to claim a share from you if your joint estate is divided. If this applies to you, you must complete the standard Discovery Invest Beneficiary Nomination Form.
- 8.2 All income that is earned on the investment options will be automatically reinvested in the same investment option until Discovery receives instructions from you.
- 8.3 Discovery will not be liable for any harm or loss that you might suffer.

##### **9. Membership of the Retirement Annuity Funds**

- 9.1 If you make a contribution to the Retirement Plan, you will become a member of a retirement annuity fund. Once you are a member of a retirement annuity fund, your relationship with the retirement annuity fund will be governed by the rules of the relevant retirement annuity fund. You can view the rules at [www.discovery.co.za/invest](http://www.discovery.co.za/invest)
- 9.2 If you make a lump sum contribution, then you will become a member of the Discovery Investment Retirement Annuity Fund. If you are to make recurring contributions, then you will become a member of the Discovery Retirement Annuity Fund. Your financial adviser will advise you which retirement annuity fund you will become a member of.

## 10. Terms and conditions (continued)

- 9.3 The Discovery Retirement Annuity Fund and the Discovery Investment Retirement Annuity Fund (“the Retirement Funds”) are Retirement Annuity Funds registered by the FSB in terms of the Pension Funds Act (“the Act”) and approved by the South African Revenue Service (“SARS”) in terms of the Income Tax Act.
- 9.4 The Retirement Funds are each managed by a Board of Trustees. In terms of the Act, when performing its functions, this Board of Trustees must act in accordance with the fiduciary duties owed to the Retirement Funds and the duty of care and good faith owed to the members and other beneficiaries of the Retirement Funds.
- 9.5 Your membership of the relevant Retirement Fund commences once Discovery or the Retirement Funds have received this application form and the first contribution.
- 9.6 You will be bound by the Retirement Fund rules, the Act, this application form, the Investment Plan Guide and all other business practices of Discovery and the Retirement Funds.

### 10. Contributions to the Retirement Plan

- 10.1 Once you have become a member of the Retirement Funds, the Fund will invest all contributions paid by you.
- 10.2 Once you have made a contribution to the Retirement Funds, the contribution cannot be refunded to you.
- 10.3 You may choose how the contributions to the Retirement Funds are to be invested. If you do not choose an investment option in the application form, or if the investment option details are unclear, or if the investment option chosen by you is no longer offered, or if no written instructions regarding the investment options have been received from you, all contributions will be placed in the Discovery Money Market Fund until a valid instruction is received from you or your financial adviser. You cannot hold Discovery or the Retirement Funds liable for any loss you may suffer as a result of Discovery placing your contributions in the Discovery Money Market Fund in terms of this paragraph.

### 11. Benefits payable

- 11.1 You can only receive the benefits due to you in the event of death or retirement. This includes retirement due to ill-health where you are able to prove, to the satisfaction of the Board of Trustees, that you are medically disabled and qualify for a disability benefit in terms of the rules of the Retirement Funds. In the event of a retirement, you may receive the full amount in cash, if the value of the investment is less than R75 000.
- 11.2 You can retire from the Retirement Funds at any time from the age of 55, apart from for the reason of ill-health, when you can retire at any age.
- 11.3 Your benefit or right to the benefit from the Retirement Funds is subject to sections 37A and 37B of the Act. You cannot use the benefit or right to the benefit as security or transfer it to someone else or make it over to a third party. Your creditors cannot attach the benefit or right to the benefit.
- 11.4 On retirement (including ill-health retirement) you accrue a right to an annuity. The amount of the annuity depends on the value of the investment options selected by you as at the date of your retirement. You may be able to take a portion of the annuity amount as a lump sum payment. The lump sum amount is prescribed by legislation and is currently one third of the annuity amount. The balance of the annuity amount must be used to purchase an annuity in your name from an insurer registered in terms of the Long-term Insurance Act. In terms of the rules of the Retirement Funds, you have to select the registered insurer from whom the annuity will be purchased. You may also withdraw your funds before retirement, provided that your fund is less than R7 000.
- 11.5 In the event of your death, the benefit payable by the Retirement Funds is subject to section 37C of the Act. In essence, this section of the Act gives the Board of Trustees discretion, which must be equitably exercised, as regards who should receive the benefit. The Act provides that dependants, as defined in the Act, and beneficiaries as nominated in writing by you, can receive the benefit. If you do not have any dependants and have not nominated a beneficiary then the benefit will be paid into your estate.

### 12. Investment options and performances

- 12.1 The Retirement Funds or Discovery do not guarantee the investment performance of the investment options.
- 12.2 As you can choose where your contributions are to be invested, the Board of Trustees requires that you appoint a financial adviser, authorised and licensed by the FSB, who will assist you in making appropriate investment choices.
- 12.3 Unless your financial adviser is an employee of Discovery, Discovery and the Board of Trustees do not provide investment advice and take no responsibility for the investment choices made by you.
- 12.4 All income that is earned on the investment options will be automatically reinvested in the same investment option until Discovery receives instructions from you.
- 12.5 Discovery and/or the Retirement Funds will not be liable for any harm or loss that you might suffer .

### 13. Transfer to other retirement annuity funds

- 13.1. You are able to transfer your benefit in the Retirement Funds to other retirement annuity funds registered by the FSB and SARS.

### 14. General terms and conditions for the Waiver Benefit

- 14.1 The Waiver Benefit is underwritten by Discovery Life and is governed by the Long-term Insurance Act.
- 14.2 Only natural persons can apply for the Waiver Benefit.
- 14.3 For full details about the Waiver Benefit, please refer to the Investment Plan Guide or contact Discovery Invest or your financial adviser.
- 14.4 Please note that the cover provided under the Waiver Benefit commences once Discovery Life has received the first premium and has accepted the risk.

**The Discovery Business Practices Manual describes the various administration processes and the general administration of your investment. (This is available on [www.discovery.co.za/invest](http://www.discovery.co.za/invest))**



# REPLACEMENT POLICY ADVICE RECORD

(To be completed in consultation with your adviser – 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 of policyholder

ID no of policyholder

(or registration no in the case of non-natural persons)

Name of intermediary

Name of FSP (brokerage or insurer)

## New policy

Type of policy: Investment or risk	Policy no	Insurer

## Policy being replaced

Type of policy: Investment or risk	Policy no	Insurer

**Question to the intermediary:** Does this proposal constitute replacement of an investment policy with a recurring premium investment policy that will lead or has led to the levying/deduction of a termination charge of more than 15% of the replaced policy's fund value? Refer to the definitions in Part 3 of the Regulations to the Long-Term Insurance Act, 1998 (commission regulations).

Yes  No

### 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 read the following information, carefully and discuss with your intermediary.

- You will **pay some charges and fees twice** (eg 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 not have the same **investment performance guarantees** as the existing policy (if applicable).
- Your new policy may have more **exclusions, restrictions or waiting periods** particularly if your health has deteriorated.
- 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 five 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 65% 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.

### 2. Reasons for the change of policy/policies

Did you establish whether the existing/terminated policy could be amended to provide similar benefits to the replacement policy? If such amendment is/was possible, why do you regard it as appropriate that the terminated policy be replaced by the replacement policy?

### 3. Declaration (compulsory)

<p><b>Intermediary</b></p> <p>I confirm that I have taken all reasonable steps to confirm that the information in this Replacement Policy Advice Records (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><b>Policyholder</b></p> <p>I confirm that the advisor 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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