

Mr J Cubmmcmllfmf
155 West Street
Johannesburg
2194

22 November 2022

Investment: Endowment
Investment number: 8550102537

Dear Mr. Cubmmcmllfmf

Your investment in the Discovery Dollar Capital+ (December 2017 tranche) is about to mature

You are currently invested in the Discovery Dollar Capital+ (December 2017 tranche) which is a five-year product that provides exposure to the performance of the European and US equity markets in US Dollars. The product is a global portfolio comprising of the Eurostoxx 50 and S&P 500 price indices. If the global portfolio is flat or positive at the end of the five-year period, the Discovery Dollar Capital+ provides 40% growth¹ in US Dollars before the effect of any administration fees, financial adviser fees, and taxes, where applicable. The five-year period comes to an end on 15 December 2022.

As at 31 October 2022, the cumulative return of the underlying basket of the Discovery Dollar Capital+ (December 2017 tranche) was 14.53%. We are pleased to inform you that **if this positive performance continues until 15 December 2022**, you will receive **40% growth¹** in US Dollars on your initial investment before the effect of fees and taxes as mentioned above. Based on the Rand/Dollar exchange rate at 31 October 2022, this equates to a growth¹ in Rands of **92.91%** before fees and taxes. Please note that the actual Rand return achieved will depend on exchange rates on the day that the investment is converted back into Rands.

We would like to take this opportunity to answer some important questions you might have:

IS THERE ANY FURTHER TAX PAYABLE ON THE PROCEEDS OF THE DISCOVERY DOLLAR CAPITAL+?

All proceeds are treated as a capital gain for tax purposes and taxed at applicable tax rates, making this investment tax-efficient for the majority of clients. Importantly, Discovery will levy all tax on your behalf and pay this over to SARS. To date, you currently have unpaid Capital Gains Tax of R35 717.80 outstanding on your investment which will be recovered from your policy in June or on earlier withdrawal. This amount may change depending on the final settlement unit price.

WHAT ARE THE BENEFITS OF STAYING INVESTED IN MY CURRENT ENDOWMENT PLAN?

If you withdraw your investment and reinvest in a new Discovery Endowment, you may incur additional costs and a new endowment restriction period will apply. Capital gains tax as well as any outstanding fees from the 100% allocation will be recovered from your policy on withdrawal. In addition, the remainder of the boost on your endowment will fall away and no further boosts will be given on the new Discovery Endowment when you reinvest.

Staying in your investment will not only avoid these costs, but also gives you access to the wide range of funds available on our platform. To view the funds available to switch into on our platform, go to our website (www.discovery.co.za). Once you are logged in, click on the **INVESTMENTS** tab at the top of the screen. Select **Your investment portfolio**. Scroll down and select **Transactions**. Select **Capture transactions**, under the **Transaction** drop-down menu, select **Switch** and choose your investment. Alternatively, contact your financial adviser for a *Switch request form*.

WHAT HAPPENS WHEN MY INVESTMENT REACHES 15 DECEMBER 2022?

On 15 December 2022, we will begin the process to convert your investment back into South African Rands at the prevailing exchange rate at that time and switch the proceeds into the Discovery Cautious Balanced Fund on your Endowment Plan. This process will take up to 12 business days to complete from 15 December 2022. Interest will not be earned while the investment proceeds are in transit. Thereafter you can switch your proceeds into any fund of your choice.

WHEN WILL THE DISCOVERY DOLLAR CAPITAL+ MATURE?

The term of your endowment started when your money was allocated to your Endowment. Your money was then converted into US Dollars and switched into the Discovery Dollar Capital+ on the trade date of 15 December 2017. The term of the Discovery Dollar Capital+ Fund therefore starts on this date and ends five years later on 15 December 2022.

WHERE CAN I FIND THE FULL TERMS AND CONDITIONS OF THE DISCOVERY DOLLAR CAPITAL+?

Please log in to the Discovery website (www.discovery.co.za) and refer to the fund fact sheet for the full terms and conditions of the Discovery Dollar Capital + December 2017 Tranche. Once you are logged in, click on the **INVESTMENTS** tab at the top of the screen. Select **Funds and fact sheets**. You will land on the **Our investment opportunities** page, scroll down and click on **DISCOVERY FUNDS**. Search for the fund fact sheet by entering the name **Discovery Dollar Capital + December 2017 Tranche**. Alternatively, you can select **Discovery Funds** under the **Fund type** drop-down menu.

Contact us

For more information, please contact your financial adviser or call us on 0860 67 57 77. You can also email us at invest_support@discovery.co.za.

Regards

Discovery Invest

Your financial adviser's details:

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DISCOVERY TGY - ANDRIES VENTER

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DCS BRYANSTON

FAIS notice and disclaimer

¹ Growth, downside protection or any other resulting return is before the effect of admin fees, advice fees, taxes and the boost. These fees, taxes and the boost will impact the final return outcome.

² Please refer to the fact file or your policy schedule for the full details and terms and conditions of the Upfront Investment Integrator.

Discovery is not liable for any actions taken by any person based on the correctness of this information. For full details on the products, benefits and any conditions, please refer to the relevant brochure or fact file. Investors should be aware of the risks when purchasing a financial product, as past performance is not necessarily a guide to the future. No guarantees are provided and the investor bears the full risk if BNP Paribas suspends its business, defaults, or is unable to meet its obligations or for any other reason whatsoever.

This letter is meant as information and must not be taken as financial advice. For tailored financial advice, please contact your financial adviser.

This is not a unit trust; therefore, this fund is not regulated by the Collective Investment Schemes Control Act. For the full index disclaimers, please refer to the relevant product fact file.

The Global Endowment Plan is a unit-linked life insurance policy contract, issued by Discovery Life International, the Guernsey branch of Discovery Life Limited (South Africa), licensed by the Guernsey Financial Services Commission under the Insurance Business (Bailiwick of Guernsey) Law 2002, to carry on life insurance business. Discovery Life is a licensed life insurer registered under the South African Insurance Act of 2017 and an authorised financial services provider (company registration number 1966/003901/06). Discovery Life Investment Services Pty (Ltd): Registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. All benefits and boosts are offered through the insurer, Discovery Life Limited. The insurer reserves the right to review and change the qualifying requirements for benefits at any time. Product rules, terms and conditions apply.