



**LIBERTY**  
*In it with you*

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Reg. No. 1996/005412/07. Authorised FSP in terms  
of the FAIS Act, 2002 (Licence No. 590).

**STANLIB**  
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## Liberty Living Annuity

Underwritten by Liberty Group Limited, a registered Long-Term Insurer.

## Terms and Conditions

This document is the Client's Policy Document. It summarises the Liberty Living Annuity ("The Living Annuity Policy") and sets out the terms and conditions that govern this investment. The Living Annuity Policy is underwritten by Liberty Group Limited ("Liberty"), a registered Long-Term Insurer and Authorised Financial Services Provider.

STANLIB Wealth Management (Pty) Limited (Reg. No. 1996/005412/07)(590)("STANLIB") is the appointed administrator of the Living Annuity Policy. The new business investment form must be completed and signed by all contracting parties (the Client and financial adviser) and submitted to STANLIB. The Policy Document, the summary, the new business investment form and any other documents referred to constitutes the entire agreement between the parties.

### 1. General terms and conditions

- 1.1. The Client acknowledges the risks associated with the chosen investment, such as political, currency, regulatory, settlement, market, taxation and premium risk. The Client acknowledges that the capital value and income of collective investments (like unit trusts) or other financial products may fluctuate and past performance is no guarantee of future returns, except where express written guarantees have been given. The Client acknowledges that he/she carries all investment risks. For further disclosure of risk factors and risk ratings associated with collective investments, please refer to the relevant investment portfolio.
- 1.2. STANLIB does not guarantee the performance of the investment, and any guarantees, which are secured, are derived from the investment itself.
- 1.3. The Client agrees that STANLIB shall be entitled to implement all signed instructions and applications sent to STANLIB by or purported to be sent by the Client or the Client's authorised persons and received by facsimile or email. STANLIB is indemnified against any losses, claims or damages arising from STANLIB acting on such instructions and/or applications.
- 1.4. Should a portfolio or any other investment that the Client has selected no longer be offered on STANLIB's platform, STANLIB shall give the Client a reasonable period of notice within which to switch the investment. Should STANLIB not receive such notification from the Client, STANLIB shall disinvest the Client from the discontinued portfolio, and/or any future income to that portfolio and place them in the STANLIB money market portfolio, or a portfolio similar to the STANLIB money market portfolio that is available at the time.
- 1.5. STANLIB does not give advice. The Client confirms that no advice was given by STANLIB in respect of this application. If the Client is unsure of the suitability of this product they should obtain their own independent advice.
- 1.6. The agreement between the parties will become effective once all requirements have been received from the Client and STANLIB has matched the money received from the Client to the completed application form. The Client understands that any transactions that are mistakenly processed without all the requirements being satisfied will be reversed.
- 1.7. No payments will be made to third parties on behalf of the Client.
- 1.8. Conflicts of interest disclosure: STANLIB shall, wherever possible avoid situations causing a conflict of interest. Where it is not possible to avoid such conflict: STANLIB shall advise the Client, of such conflict in writing at the earliest reasonable opportunity and shall mitigate the conflict of interest in accordance with its Conflict of Interest Management Policy. A copy of this Policy is available on the STANLIB website ([www.stanlib.com](http://www.stanlib.com)). STANLIB is part of the Standard Bank of South Africa Group of companies and both the Liberty Group Limited (Liberty Group) and Standard Bank Financial Consultancy (a division of the Standard Bank of South Africa Limited) intermediaries are permitted to sell various STANLIB products.
- 1.9. Interest: Bank interest at current account rates will be allocated pro rata to the Client's account in respect of the Client's contributions awaiting investment in bank accounts. The deposit date is included and date of investment is excluded from the calculation.
- 1.10. The Client declares that information inserted by or for him/her in the Living Annuity Policy application form, and any other forms related to the Policy, is correct.
- 1.11. The Client shall make his/her selection from the available investment portfolios or vehicles, which may be permitted by STANLIB from time to time. The Client shall be entitled to instruct STANLIB to switch the investment on his/her behalf from time to time.
- 1.12. Liberty and STANLIB is entitled to terminate the administrative contract after notice is given in writing of not more than 60 (sixty) days. Please note that all other terms and conditions pertaining to the underlying investment will still be applicable.
- 1.13. STANLIB will verify all bank account details received, but reserves the right to request proof of bank details before processing an instruction.
- 1.14. Liberty/STANLIB reserves the right to appropriately adjust the benefits payable and fees levied under this Living Annuity Policy, including any guarantees, if:
  - Any legislation (including tax legislation) affecting this Living Annuity Policy or Liberty/STANLIB is introduced or changed, or
  - If the legal interpretation of any legislation (including tax legislation) affecting this Living Annuity Policy or Liberty/STANLIB, is changed.
- 1.15. No Cooling Off Period: Cooling off is not possible on this Living Annuity Policy due to the nature of the product as well as legislative and tax implications and constraints.
- 1.16. Should Liberty/STANLIB be prevented from carrying out any of its obligations in terms of this Investment because of things beyond its control ("Force Majeure"), Liberty/STANLIB will notify the Member of the circumstances and nature of the Force Majeure as well as the estimated duration and extent to which its performance is made impossible. Under such circumstances, Liberty's and/or STANLIB's obligations under the Investment will be suspended until the circumstances causing the Force Majeure ends and Liberty/STANLIB will not be liable to the Member for any damages whatsoever caused to the Member due to its inability to perform its obligations in terms of the Investment. Force Majeure includes, acts of God, acts of the State or Government, total national electricity failure, exceptionally adverse natural disasters, weather conditions, riot, insurrection, sanctions, sabotage, terrorism, political or civil disturbance, war, boycotts, embargo, strikes, lock-out, shortages of labour or materials, material delays in public transport or any similar circumstances beyond the reasonable control of Liberty/STANLIB.

### 2. Specific terms and conditions for the Liberty Living Annuity

- 2.1. STANLIB will administer the Living Annuity Policy for and on behalf of Liberty.



2.2. The Living Annuity Policy is a compulsory annuity which is purchased from Liberty in the name of the Client and is administered by STANLIB. The investments will be registered in the name of Liberty and a record of the investments that form part of the policy benefits to the Client in terms of the Living Annuity Policy will be kept.

2.3. The Client may select a maximum of 12 (twelve) investment portfolios.

2.4. STANLIB shall not be liable in respect of any discrepancy in the number and/or value of units reflected on the statements provided by another Linked Investment Service Provider and the number and/or value of units transferred by such Linked Investment Service Provider to STANLIB at the Client's instruction.

2.5. In terms of current regulatory requirements, the Client must draw a pension benefit based on an annuity percentage (with a minimum and maximum percentage unit) as set by the regulatory authority from time to time. The current limits are a minimum of 2.5% and a maximum of 17.5% per year. The Client confirms that he/she is aware of these percentages.

2.6. Liberty/STANLIB reserves the right to delay the processing of transactions relating to any transfers, commutations or payments in terms of this Living Annuity Policy, other than the payment of Annuity Income Benefits, if:

- Normal trading in the underlying assets ceases, is suspended, delayed or impeded in some manner; or
- It determines that it is subject to such liquidity constraints on the underlying assets (either as a result of prevailing market conditions or as a result of circumstances applicable specifically to Liberty/STANLIB) as would render the transactions associated with the underlying assets unduly punitive or uneconomic for the Client or the Client's Dependents or beneficiaries (as applicable) or for Liberty/STANLIB.

2.7. STANLIB will send notification to the member's last confirmed contact details to notify Client or the Client's Dependents of any such delay in the transactions. Any transactions will be implemented at the applicable sell unit price of the relevant investment portfolio or prevailing market realisable value, as the case may be, at the actual process date".

2.8. The Client may at any time nominate a beneficiary/ies to receive the death benefit on the death of the Client. The Client may also remove or replace any beneficiary/ies. The nomination or removal of a beneficiary will not be binding to STANLIB unless it is sent to and recorded by STANLIB. The death benefit is payable outside the deceased estate if there is a nominated beneficiary. If the Client does not nominate a beneficiary, the benefit will be deemed to be part of the estate.

2.9. Benefits on Death: on the death of the Client, as the annuitant/life assured, the beneficiary/nominee has the options of:

- Receiving an annuity for life; or
- Receiving an annuity for an agreed policy period; or
- Commuting the annuity partially or in full - tax will be deducted at the appropriate tax rate.

2.10. If the annuity was for an agreed policy period, the amount of the annuity payments in respect of the agreed policy period will be determined by the actuary of Liberty from time to time and will be based on the amount of the investment account.

### 3. The Living Annuity Guarantee

3.1 The **Guarantee** applies over a five-year period (the **Guarantee Period**) from the date we process the Client's instruction (the **Guarantee start date**). The Client may remove the **Guarantee** at any time during the **Guarantee Period**.

3.1.1. If the Client does not remove the **Guarantee** by the end of the **Guarantee Period**, Liberty reserves the right to allow the **Guarantee** to roll-over and for a new **Guarantee Period** to begin.

3.1.2. If the Client decides to remove the **Guarantee**, the Client may not be able to choose it for a certain period (depending on STANLIB's business processes at that time).

3.2. Choosing to add a **Guarantee** means that each of the Client's investment's units is protected from falling by no more than 20% of the highest value reached at the end of every three months, or as we call it: the **Highest Quarterly Watermark**.

3.3. The **Highest Quarterly Watermark** is defined as the price of the Client's aggregate investment's units, with growth (before the deduction of any costs such as charges, fees and his/her income withdrawals), achieved during the **Guarantee Period**. It is determined at the end of every three months from the **Guarantee start date**. For example: If, at the three-month mark, the value of the Client's investment, with growth, (before the deduction of any charges, fees or his/her income withdrawals), is less than the value determined using the **Highest Quarterly Watermark** (as determined at the previous three-month mark), then the **Highest Quarterly Watermark** value still applies.

3.4 The **Guaranteed Value** is 80% of the value as determined by using the **Highest Quarterly Watermark**.

3.5 The Client may be entitled to a **Guarantee Top-up** if the value of his/her investment is less than its value as determined using the **Guaranteed Value**. The value of the **Guarantee Top-up** is calculated and allocated in the following ways:

- During the **Guarantee Period**, if his/her investment is less than the **Guaranteed Value**, every time the Client makes an income withdrawal from his/her investment, Liberty will reinvest a **Guarantee Top-up** in respect of the units the Client withdraws. The **Guarantee Top-up** is proportional to the **Guarantee** applicable at the time. For example: if his/her investment's unit price is at 70% of the **Highest Quarterly Watermark**, the **Guarantee Top-up** is 10% (80%-70%) and is due on the units the Client withdraws.

- The **Guarantee Top-up** on units withdrawn as income will be reinvested proportionately in his/her investment portfolios, irrespective of which portfolio the Client withdrew his/her income from.

- If the Client passes away during the **Guarantee Period**, his/her investment is paid out at the higher value of its **Guaranteed Value** or **Investment Value**. The **Guarantee Top-up** is calculated as the difference between the **Guaranteed Value** and the current **Investment Value**.

- At the end of the **Guarantee Period**, the **Guarantee Top-up** is determined as the difference between the **Guarantee Value** and the current **Investment Value**. The **Guarantee Top-up** is reinvested in his/her portfolios at the **Guarantee Maturity Date**.

- This means that the Client's units will never be worth less than 80% of the **Highest Quarterly Watermark**. The **Guarantee** also applies to units the Client withdraws as income and therefore protects the Client from drawing capital below the **Guaranteed Value**. The **Guarantee Top-up** at the end of the **Guarantee Period** is based on the units in his/her investment at the time.

3.6. The Client is not entitled to the **Guarantee Top-up** if:

- The Client chooses to remove the **Guarantee** before the end of the **Guarantee Period**,
- The Client transfers his/her investment to another provider before the end of the **Guarantee Period**, or
- The Client commutes the full value of his/her investment into cash.

3.7. Liberty reserves the right to extend the Living Annuity **Guarantee** after the five-year period and may amend the level of the **Guarantee**, the charges for the **Guarantee** and the applicable **Guarantee Period**.

### 4. Guarantee Charges

4.1 At the start of each five-year **Guarantee Period**, Liberty will confirm the **Guarantee charges** that will apply for that period. These charges may include an initial **Guarantee charge** and/or an ongoing **Guarantee charge**, or neither as the case may be at the time.

4.1.1. The initial **Guarantee charge** is calculated based on the investment value that is to be **Guaranteed**. It is deducted at the start of the **Guarantee Period**.

4.1.2. The ongoing **Guarantee charge** is calculated monthly, based on the investment value at the time, and deducted from the investment value similar to other ongoing charges.

### 5. Growth Sharing

5.1. When the **Guarantee** is selected, **Growth Sharing** applies.

5.2. At the start of the **Guarantee Period**, Liberty will determine a **Target Return** and **Growth Sharing Proportion** on the Client's investment, for the duration of the **Guarantee Period**.

5.3. The growth on his/her investment (before the deduction of any costs such as charges, fees and his/her income withdrawals), is measured against the **Target Return** annually. If the **Target Return** has been achieved on his/her investment for any year, the Client shares a portion of his/her growth above the **Target Return** with Liberty. We call this **Growth Sharing**.

5.4. The Client may select any combination of portfolios to achieve the **Target Return**.

5.5. **Growth Sharing** is measured on a daily basis, but because the **Target Return** applies over a period of a year (**Growth Sharing Year**), the growth the Client shares is only finalised at the end of each **Growth Sharing Year**, on the **Growth Sharing Date**.

5.6. **Growth Sharing** is based only on the value of the Client's investment at that time. On the **Growth Sharing Date**, growth that is to be shared with Liberty for that **Growth Sharing Year** will appear as a unit deduction taken from his/her investment portfolios proportionally.

5.7. Should the Client remove the **Guarantee**, transfer his/her investment to a different provider, pass away, or commute the full value of his/her investment into cash, the **Growth Sharing** applicable for the **Growth Sharing Year** to date will be deducted from his/her investment.

### 6. The Income Enhancer Benefit (IEB)

The Income Enhancer Benefit (IEB) operates in the following way:

6.1. It's an optional benefit and it is offered at no additional cost.

6.2. On the Client's death, a percentage of his/her current investment value is contributed to a bonus pool. This amount is pooled with the amounts of other Clients who have died and who selected this benefit.

6.3. Clients can select a percentage between a minimum of 1% and a maximum of 95% of the investment value. This percentage is multiplied by the investment value at the time of the Client's death to determine the amount that is to be contributed to the IEB pool. The remaining percentage is paid out to the Client's estate or nominated beneficiaries.



- 6.4. The portion of the investment committed to the bonus pool is entirely in the control of the Client. The portfolios and drawdown percentage will be as per the Client's selection and can be changed as per the current Liberty Living Annuity rules.
- 6.5. At the end of the bonus year (currently 1 May) the total bonus pool is calculated. This amount is then distributed equitably to the remaining Clients who have selected this benefit.
- 6.6. The distribution will be allocated proportionately into the Client's portfolios.
- 6.7. This distribution won't affect annuity income immediately. The distribution will only affect annuity income from the next review date.
- 6.8. Subject to the minimum and maximum percentages, the amount committed to the IEB pool must be between R50 000 and R5 000 000.
- 6.9. This benefit can be added at or after policy inception, but it cannot be reduced or removed once added.
- 6.10. The Client's share of the bonus pool will be calculated equitably and will be determined in accordance with a process approved by the statutory actuary and is based on factors such as:
- Client's age and gender
  - The amount the Client will commit to the pool upon their death (selected percentage and investment value)
  - How long the benefit has been in force and the average selected percentage prior to the Client's death
- 6.11. The operation of the Income Enhancer Benefit, the administration of the bonus pool and the determination of the bonus is subject to the Principles and Practices of Financial Management (PPFM), which can be found on the STANLIB website ([www.stanlib.com](http://www.stanlib.com)).
- 6.12. There is no bonus payable on death. The committed amount goes into the bonus pool, which is then distributed to other Clients who have selected this benefit. The remaining amount is paid out to the Client's estate or nominated beneficiaries.
- 6.13. If IEB is selected, the Liberty Living Annuity cannot be converted to a life annuity, is non-transferable and is, subject to applicable legislation and regulations at that time, non-commutable.
- 6.14. Liberty Life may cancel the Income Enhancer Benefit under this policy if Liberty Life's statutory actuary determines that the benefit is no longer viable for the Clients.
- 6.15. Liberty reserves the right to change the bonus declaration date and/or increase the frequency of bonus payments if the need arises. Liberty however guarantees that all Clients with an Income Enhancer Benefit who are alive for the entire policy year will receive at least one bonus payment in that policy year provided there are funds available in the bonus pool.
- 6.16. It is important that you understand how your selection of the Income Enhancer Benefit will affect your dependents. Had you not selected the Income Enhancer Benefit, the full investment value (less any required tax) is payable to your dependents on your death. If you have selected this benefit option, only the percentage you have not chosen to commit is then paid to your dependents. If your dependents may need to rely on either the full or a portion of your Liberty Living Annuity investment value, then the Income Enhancer Benefit may only be appropriate for you at a sufficiently low committed percentage or not at all.

#### 7. Unit Trust - Specific terms and conditions, charges and administrative processes

- 7.1. Investments placed with the Manager are made and will be administered subject to the provisions of the Collective Investment Schemes Control Act, No. 45 of 2002, in accordance with the deeds of the relevant Manager. In the unlikely event of insufficient liquidity, the Manager may borrow up to 10% of the market value of the portfolio.
- 7.2. The collective investment scheme investments will be subject to the deeds of the respective local collective investment scheme/s. An initial manager charge may be payable to the Manager of the local collective investment scheme/s. The purchase of participatory interests ("units") within products will be at a reduced initial manager charge compared to the standard charge levied on units purchased directly from the Manager. Statutory charges will also be levied by Managers and will need to be taken into account in calculating the charges for the investment. A service charge based on the portfolio's market value is also payable to the Manager of the local collective investment scheme/s. For a complete list of the underlying portfolios and charges, please visit [www.stanlib.com](http://www.stanlib.com). The service charge is deducted by the Manager from the income before the declaration of distribution/s. All distributions by the Manager will be reinvested in the portfolio from which the distribution is made. For details on income distributions, please refer to the relevant investment's portfolio fact sheet. The Client understands that manager service charges may be increased. The Manager through STANLIB will give the Client three months prior notice of such increase.
- 7.3. Collective Investment unit prices are calculated on a net asset value basis by determining the total market value of all assets in the portfolio, including any income accruals, less any permissible deductions from the portfolio, divided by the units in issue. The following costs may be deducted from the portfolio: Financial Service Provider charge, Marketable Securities Tax, Value Added Tax, auditors' charge, bank charges, trustee and custodian charge, Regional Services Council levies and the service charge of the Manager. The Client understands that where he/she switches to other products/portfolios, different or new cost structures could apply and that it is the Client's responsibility, or where applicable, that of the Client's Financial Service Provider, to determine the relevant cost structures prior to conducting a switch.
- 7.4. New business instruction: subject to any periodic changes relating to cut-off times, which will be on all current application forms, where a fully completed and accurate instruction is received by STANLIB head office **before close of business (15h30) on business day 1** (and where the relevant funds have been credited to the appropriate STANLIB bank account), the instruction to purchase participatory interests ("units") will be forwarded to the respective Collective Investment Scheme Managers, if applicable, ("the Manager/s" **for a market value within 2 (two) business days** (for daily priced funds). Investments and repurchases for Money Market Funds will receive the price of the same day if received prior to 11h30. Where funds are received via a once-off debit instruction, the Client's investment will be **priced within 2 (two) business days**. The Client indemnifies STANLIB against any loss of any nature which may arise should any funds, credited to a STANLIB bank account, as contemplated above, be reversed for any reason. Where an additional deposit is paid into the respective STANLIB bank account, the Client must advise STANLIB of such an additional contribution and use the current investment number as a reference. Unidentified deposits will not be allocated to an investment until such time supporting documentation is provided by the Client to prove the payment. This is a requirement of Financial Intelligence Centre Act (FICA) Section 21 of Client, Identification and Verification. Small balances and additional investments will be allocated in the existing fund split if no clear instruction is submitted to STANLIB within 24 (twenty four) hours of making the payment.

Business Cut-off to Receive an Instruction	Process the Instruction	The Administrator Buys Units	Unit Price Received from the Manager	Reflect on Client statement
Before 15:30	Day 1	Day 2	Day 3	Day 4
After 15:30	Day 2	Day 3	Day 4	Day 5

- 7.5. Withdrawal instruction: Withdrawals are not applicable to the Living Annuity. Commutations thresholds are set by SARS and these thresholds will be applied when an instruction is received from the Client.

Business cut-off to receive an instruction	Application for Tax Directive (SARS)	Response from SARS	Unit Price Received from the Manager	Reflect on Client statement
Before 15:30	Day 1	Day 2	Day 3	Day 4
After 15:30	Day 2	Day 3	Day 4	Day 5

- 7.6. Switch instruction: Where a fully completed and accurate instruction is received by STANLIB head office before close of business **on business day 1**, the switch into the new portfolio will be completed by no later than the end of business **on business day 4**.

#### Switching units in unit trusts administered by the same Manager

Business cut-off to receive an instruction	Process the Instruction	The Administrator Sell or Buys Units	Transaction Complete	Reflect on Client statement
Before 15:30	Day 1	Day 2	Day 3	Day 4
After 15:30	Day 2	Day 3	Day 4	Day 5



## Switching units of unit trusts administered by different Managers

Business cut-off to Receive an instruction	Process the Instruction	The Administrator Sell Units	The Administrator Buys Units	The Administrator Received money and pay new manager	Transaction Complete	Reflect on Client statement
Before 15:30	Day 1	Day 2	Day 3	Day 4	Day 4	Day 5
After 15:30	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7

Please note: The monthly expense run takes place on the **10th of the month**. In the event of the 10th being a weekend or public holiday, the expense run will take place on the next business day. The monthly annuity income run takes place on the **20th of the month**. In the event of the 20th being a weekend or public holiday, the annuity run will take place on the preceding business day. Withdrawal and switch requests received two business days before the monthly expense run or monthly annuity income run will be processed before the expense/ annuity income run. Once the withdrawal/ switch transaction has been priced up the monthly expense/ annuity income run will continue. Switch and withdrawal requests received during the monthly expense run or monthly annuity income run will be processed once the run has priced up. This will generally add up to two business days to the above service levels. STANLIB reserves the right to change the expense and annuity income run dates without prior notification. Please refer to our website for more information regarding the dates. The website is updated on a regular basis and the information is available on the Knowledge Centre (Individuals tab), refer to LISP Schedules.

7.7. Income payment: The Client must draw income within the specified limits. Payments will be received by the **1st business day** of the month according to the selected payment frequency. The payment frequency option is monthly, quarterly, bi-annually, or annually. The Client has one opportunity at anniversary date to review the income level and frequency of payments. Any requests to amend the annuity amount must be received by STANLIB at least five business days before the Client's review date.

7.8. Sequential Processing: More than one instruction cannot be processed simultaneously. Once the first instruction has been completed and priced up, the next instruction will be processed. Withdrawals and additional contributions or transfers will take priority in the processing sequence should simultaneous instructions be received

7.9. Income Distributions: Income distributions are made at regular intervals for all portfolios. Portfolios either declare distributions monthly, quarterly, bi-annually, or annually. The monthly income distribution process takes place between the **1st and the 10th of the month**. A follow on distribution transaction is applicable where a 100% switch or withdrawal has been processed by you on your investment. The income distribution for this fund will generate and paid to your investment the following month after this instruction has been proceed. The income distribution transaction might have an impact on new transactions like switches, withdrawals, unit transfers, regular withdrawal and annuity payments if there are unpriced transactions and might delay the transaction with two business days. Please refer to the latest fact sheet(s) for more details.

7.10. Guarantee top-ups: If a Guarantee is selected and a Guarantee Top-up applies, this will be done in/ within five business days of the date that it is due.

### 8. Charges - General terms

8.1. The provisions in this clause 4 apply to all charges and fees referred to in this terms and conditions document and the application form.

8.2. The Client agrees to pay STANLIB the charges specified in this document and the application form. Such charges shall be calculated and charged as indicated. Liberty shall be entitled to increase the charges charged to the Client by giving the Client 3 (three) months prior notice of such an increase, taking into account administration, market related costs and other costs in relation to this Investment.

8.3. The Client agrees that STANLIB will deduct charges and fees from the nominated fee portfolio, if specified, otherwise the money market portfolios first. Thereafter charges will be deducted proportionately from other portfolios (excluding the Growth Sharing Deduction).

8.4. The Client understands STANLIB will repurchase units in the collective investment schemes' portfolios or such other appropriate investments as is necessary to comply with the withdrawal, regular annuity income and optional death benefit charge requests.

8.5. The Client agrees to pay the Financial Adviser an initial charge.

8.6. The Client agrees that the financial adviser's initial charge, will be deducted from the amount remitted by or on behalf of the Client to STANLIB and that the amount remaining after such deduction will be applied to the selected investment.

8.7. The Client acknowledges the platform charge will be calculated on the last business day prior to the 10th day of each month on the market value of the portfolios selected by the Client.

8.8. The Client agrees that all the fees, platform charge, service charges (model portfolio and other) and Financial Adviser charges will be calculated and deducted monthly from the Client's investment. These charges and fees will be calculated on the last business day prior to the 10th day of each month, on the market value of the investment on that day. The Client authorises STANLIB to repurchase units in the Collective Investment Scheme's portfolio or make other appropriate disinvestments as is necessary to pay the applicable charges and fees.

8.9. Value Added Tax (VAT): All charges and fees quoted have been quoted exclusive of VAT. VAT will be levied (where applicable) at the prevailing rate.

8.10. The parties agree that the clauses in the Terms and Conditions create a binding agreement between them. Where any representations have been made (verbal or otherwise) that contradict the clauses contained herein, the clauses contained in this agreement shall prevail.

8.11. Below is a summary of all the fees and charges that will be deducted in respect of the Liberty Living Annuity. The actual fees and charges are set out in your Investment Proposal.

Charge	When and Why it's Deducted	How it's Calculated
Platform charge	- Accrued daily and deducted monthly. - For administering investments on the platform.	As a percentage of the Investment Value of each portfolio.
Buy/sell spread	When units are bought it is deducted by some asset management companies to cover initial dealing costs.	The buy/sell spread is the difference between the buying and the selling price of the units.
Portfolio charge	- Daily. - Deducted before the unit prices are calculated, to cover portfolio costs.	As a percentage of the Investment Value of each portfolio. Some portfolios may levy performance fees in addition. These will be shown on the Client's quotation.
Financial Adviser's initial charge	This fee is negotiated between you and your financial adviser and is payable to your financial adviser for the initial advice provided.	This fee is calculated as a percentage of your lump sum investment amount and is deducted when the investment amount is paid to Liberty. These fees may include Value-Added Tax (VAT) where applicable. This is included under "Advice Charges" in the Effective Annual Cost calculation.
Financial Adviser's ongoing service charge	This fee is agreed to between you and your financial adviser for the advice given.	It is calculated annually but deducted monthly from your investment portfolio and paid to your financial adviser. It may include Value-Added Tax (VAT) where applicable. This is included under "Advice Charges" in the Effective Annual Cost calculation.

8.11.1. Additional charges may apply to some externally managed components of the investment portfolios. These are levied implicitly in the unit price.

8.11.2. The Client may cancel the financial adviser's charges by communicating this to STANLIB in writing in the event that relationship with the financial adviser is terminated.

### 9. Charges - Financial Service Provider charges

9.1. Financial Service Provider Initial charge: By signing the application form, the Client agrees to pay the Financial Service Provider an initial Financial Service Provider charge. This initial Financial Service Provider charge will be deducted from the gross amount remitted by or on behalf of the Client to STANLIB and will be paid by STANLIB to the Financial Service Provider on the Client's behalf.

9.2. Financial Service Provider Annual Ongoing Service charge: By signing the application form, the Client agrees to pay the Financial Service Provider a service charge.

### 10. Platform: Annual Charge

10.1. STANLIB will levy an annual platform charge on the value of the total investment. The platform charge is calculated as a percentage of the investment value. Each portion of the investment value will be subject to the platform fee percentage of the investment band in which it falls. Value Added Tax (VAT) at the prevailing rate applies.



Investment Band	Platform Fee Percentage (incl. VAT were applicable)
R0 to R999 999.99	0.575% p.a.
R1 000 000 to R2 999 999.99	0.345% p.a.
R3 000 000 to R9 999 999.99	0.230% p.a.
R10 000 000 +	0.115% p.a.

## 11. Aggregation

11.1. Investment values from qualifying Liberty investment products will be aggregated with the Liberty Living Annuity investment value to determine the platform fee applicable to the Liberty Living Annuity. This will lower the Liberty Living Annuity platform fee for clients who have other investments with Liberty.

11.2. Products that qualify for the inclusion in the aggregation calculation include:

- Liberty Agile Pension Fund Preserver
- Liberty Agile Provident Fund Preserver
- Liberty Agile Retirement Annuity
- Liberty Evolve Investment Plan
- Liberty Evolve Investment Plan (Sinking Fund)
- Liberty Evolve Pension Fund Preserver
- Liberty Evolve Provident Fund Preserver
- Liberty Evolve Retirement Annuity
- Liberty Gateway Investment Plan
- Liberty Living Annuity
- Liberty Offshore Investment Plan

11.3. The list above is provided in the additional information section of your Investment Proposal. This list may be updated from time to time. Please refer to STANLIB's website, [www.stanlib.com](http://www.stanlib.com), to obtain the latest list of qualifying Liberty investment products.

## 12. Specific terms and conditions for transfers from existing Liberty living annuities

12.1. Where the Client has transferred the administration of an existing living annuity policy underwritten by Liberty from Liberty to STANLIB in respect of the Liberty Living Annuity and where an early termination charge applied on that previous living annuity policy, an early termination charge may not be charged on a transfer to Liberty Living Annuity (at Liberty's discretion).

12.2. STANLIB, on behalf of Liberty, may however levy an early termination charge against the Client's living annuity policy transferred if the Client transfers out to another Product Provider within the period in which the termination charge applies.

12.3. The Client acknowledges that he/she has appointed a Model Portfolio FSP as his/her discretionary financial service provider with effect from the date of Client's signature of the application form on the terms and conditions set out herein and in the application form and subject to applicable legislation. Model Portfolio FSP has agreed to act as a discretionary financial services provider to the Client. In terms of this clause read together with the application form, the Client has conferred on Model Portfolio FSP complete discretion to take such action as Model Portfolio FSP considers necessary to attain the investment objectives of the Client, namely to maximize the income on the investments of the Client over an extended period. Model Portfolio FSP may vote on behalf of the Client in respect of the Client's investment. Model Portfolio FSP as the Client's representative is authorised to enter into any agreements of the Client with any other person, financial exchange, member or regulatory body in the execution of its obligations in terms of the agreement. Model Portfolio FSP is authorised to sub-contract its responsibilities in terms of this clause to another party.

12.4. If the Income Enhancer Benefit (IEB) has been selected, this Liberty Living Annuity policy is not transferrable to another provider.

## 13. Specific terms and conditions for Model Portfolios

13.1. The Intermediary will determine the Investment Strategy applicable to the Client and the Client will be invested in a pre-determined selection of Collective Investment Portfolios selected by the Intermediary. The Client will not be entitled to alter the selection of portfolios in any way however the Client may repurchase the entire investment or a portion thereof. Any partial repurchase will result in a proportionate repurchase out of each Collective Investment Portfolio comprising the Investment Strategy.

13.2. The Client acknowledges that he/she has appointed a Model Portfolio FSP as his/her discretionary financial service provider with effect from the date of Client's signature of the application form on the terms and conditions set out herein and in the application form and subject to applicable legislation. Model Portfolio FSP has agreed to act as a discretionary financial services provider to the Client. In terms of this clause read together with the application form, the Client has conferred on Model Portfolio FSP complete discretion to take such action as Model Portfolio FSP considers necessary to attain the investment objectives of the Client, namely to maximize the income on the investments of the Client over an extended period. Model Portfolio FSP may vote on behalf of the Client in respect of the Client's investment. Model Portfolio FSP as the Client's representative is authorised to enter into any agreements of the Client with any other person, financial exchange, member or regulatory body in the execution of its obligations in terms of the agreement. Model Portfolio FSP is authorised to sub-contract its responsibilities in terms of this clause to another party.

13.3. Where the Client terminated his/her mandate with the Financial Service Provider, STANLIB has the right to terminate the Client's Model Portfolio investment.

13.4. The Client may switch between Model Portfolios. The Client may switch in full or partially from the selected targeted model investment into other funds offered on the STANLIB platform and vice versa.

13.5. All redemptions will be applied proportionately across the underlying funds in the selected model investment.

13.6. Additional investments into Model Portfolios will be applied proportionately across the underlying funds in the selected model investment.

## 14. Client reporting

14.1. STANLIB will provide the Client with a statement on a quarterly basis, unless the Client consents not to receive the report in writing, because the Financial Service Provider or Client is able to access the information continuously in electronic format.

14.2. Notwithstanding the above, the Client or Financial Service Provider may request a written report (or electronic report where STANLIB is able to provide it) concerning the Client's investment from STANLIB from time to time. The Client authorises STANLIB to, when necessary, furnish the Financial Service Provider with a written report concerning the Client's investments.

14.3. STANLIB must obtain and transmit to the Client any information which a Collective Investment Scheme or listed company must disclose in terms of law (such as financial statements) unless the Client specifically requests STANLIB not to provide such information. The Client requests that he/she does not want to receive the relevant information but, notwithstanding the above the Client may request the information from STANLIB from time to time.

14.4. Limited discretion: STANLIB shall act on all instructions provided by the Client or authorised FSP.

14.5. Electronic Transactions: the Client agrees that STANLIB shall be entitled to implement all instructions and applications of whatever nature received on their internet site, by telephone, by fax or any other electronic medium and which appear to emanate from the Client. STANLIB is indemnified against any losses, claims or damages arising from acting on such instructions and/or applications, notwithstanding that it may later be proved that any such instruction was not given by the Client. The Client agrees that the electronic records of all instructions and applications processed by/or on behalf of him/her or which purport to be processed on behalf of the Client via STANLIB's internet site, telephone, fax or any other electronic medium shall constitute prima facie proof of the contents of such instructions and applications.

14.6. **Unclaimed Assets:** Please ensure that STANLIB has your most up to date contact details and that you inform STANLIB of any changes in personal information. In the event that you become unreachable or any payment due you is rejected by the receiving bank, your investment will be regarded as an unclaimed asset. We will make a concerted effort to contact any client with unclaimed assets, including appointing an external tracing company to trace and contact you. Costs related to tracing and administering unclaimed assets may be recovered from you. Unclaimed assets will continue to be invested in your investment Account in the Investment Portfolios you last specified until such time the assets are claimed or transferred to another Investment Portfolio with your consent.

14.7. **Contact details:** STANLIB Wealth Management (Pty) Limited Reg. No. 1996/005412/07. An Authorised Administrative FSP in terms of the FAIS Act, 2002 (FSP No. 590) **Address:** 17 Melrose Boulevard, Melrose Arch, 2196 | P O Box 202, Melrose Arch, 2076 | Telephone + 27 (0)11 448 6000 | Fax 086 727 7516 | Email: [contact@stanlib.com](mailto:contact@stanlib.com) | Website: [www.stanlib.com](http://www.stanlib.com)

14.8. **Query Support and Middle Office:** STANLIB Compliance and Complaints, PO Box 202, Melrose Arch, 2076 Telephone: 0860 123 003.

14.9. **Complaints:** Please refer to our Terms and Conditions for our complaints process. Alternatively, you can send an email to [complaints@stanlib.com](mailto:complaints@stanlib.com)

You should always raise your complaint directly with STANLIB before you escalate it to the relevant regulatory body. Complaints must be submitted in writing, if possible, and must contain all the relevant information, such as your investment account number, details about the complaint, your contact details, any correspondence from us which relates to the complaint, and relevant documents.

14.10. **FAIS Ombudsman website:** [www.faisombud.co.za](http://www.faisombud.co.za); Email: [info@faisombud.co.za](mailto:info@faisombud.co.za); Telephone: +27 (0)12 762 5000 / +27 (0)12 470 9080. Facsimile: +27 86 764 1422; Address: Sussex Office Park, Ground Floor, Block B, 473 Lynnwood Road Cnr Lynnwood Road & Sussex Ave, Lynnwood, 0081.



#### 15. Investor consent to disclosure of information

Liberty is required by legislation to process some of the Investor's information (including personal information). We need to collect and process some of your personal information in terms of various laws to provide products or services to you. As this information forms the basis of our assessment and terms we offer you, it must be correct, complete and up to date. If any information you give us is wrong, incomplete or outdated, we may cancel your policy or decline a future claim. We will comply with all relevant regulations in dealing with your information and keep it secure and confidential at all times.

The Investor authorises Liberty, its representatives and contracted third-party (including non-South African third party service providers) service providers as well as any applicable reinsurer, to process and further process the Investor's Personal Information:

- Liberty may collect any personal, medical, financial and other information about the Investor directly from all available internal and external sources to meet its regulatory obligations, for security purposes, administrative purposes, fraud detection, servicing and internal processing purposes.
- For external sources, you agree that this authorisation is considered a legally binding personal instruction to the parties concerned to provide any relevant information requested directly to Liberty.
- Liberty may be required to collect Personal Information from the Investor or other sources in order to service the Investment, assess risks, provide terms, consider claims for benefits and conduct research.
- This Personal Information may also be used for any other product proposal.
- Liberty may conduct any necessary medical and blood testing or examination, if relevant to the Investment.
- Where the Investor's Personal Information (e.g. contact details) that Liberty has on record is incorrect, Liberty will take reasonable steps (including obtaining such information from third party sources) to obtain the correct details. Where your Personal Information has changed, we request that you update us.
- To further process information through the Financial Services Exchange (Pty) Ltd, trading as Astute, and through such registers and databases maintained by or on behalf of the Association for Savings and Investment South Africa, as well as other insurers in order to save costs and combat fraud.

#### How Liberty can share your data externally with third parties

- We engage third party service providers to provide managed services to us. When we do this, they have to agree to our privacy principles, associated policies and practices should they need access to any personal information to carry out the services provided.
- We will not disclose your personal information to external organisations that are not our service providers, unless you gave us your consent, or unless we may do so by law, or if it is necessary for the conclusion or performance of our agreement with you.
- We may compile, use and share any information that does not relate to any specific individual. In other words, your information will be de-identified for such purposes.
- Liberty owns and retains all rights to non-personal statistical information collected and compiled by Liberty.
- Liberty may disclose such statistical information provided that any statistics shall not contain any personal information of the Investor.
- Liberty may share with any credit bureau or credit providers industry association information relating to your creditworthiness or any consumer credit information including but not limited to credit history, financial history, and judgement or default history in accordance with the requirements of the National Credit Act.
- If we are involved in a proposed or actual merger, acquisition or any form of sale of some or all its assets, we may use and disclose your personal information to third parties in connection with the evaluation of the transaction. The surviving company, or the acquiring company in the case of a sale of assets, would have access to your personal information which would continue to be subject to these terms and conditions.

#### When we may reveal personal information without consent

We will only reveal personal information to third parties without your permission, if:

- We must do so by law or in terms of a court order;
- It is in the public interest; and
- We need to do so to protect your and our rights.

We do not sell your identifiable data to data brokers (companies that collect personal information about consumers from a variety of public and non-public sources and resell the information to other companies), marketing, advertising networks, or analytics firms.

Liberty undertakes to:

- Only process Personal Information as permitted by law.
- Keep the Investor's Personal Information confidential, secure and only for as long as required or prescribed.
- Provide you with access to, update or rectify any of your information.
- Notify you if any of your information has been compromised.

Please note:

- This authorisation and undertaking extends beyond the Investor's death.
- It applies only for the purposes above and therefore may partially limit the Investor's right to privacy.
- The Investor is entitled at any time to request access to, update or rectify their Personal Information that Liberty processes.
- If the Investor provided Liberty with an e-mail address, Liberty will correspond with the Investor via e-mail.
- Should you believe that we have utilised your personal information contrary to applicable law, you will first resolve any concerns with us. If you are not satisfied with such process, you have the right to lodge a complaint with the Information Regulator. The investor has an obligation to monitor, review and update this investment periodically (where permitted in terms of legislation and this Investment) to ensure that it continues to meet the investor's needs.

#### Definitions as referred to in the Protection of Personal Information Act

'**Personal Information**' includes but is not limited to information relating to: race, gender, marital status, nationality, age, physical or mental health, disability, language, education, identity number, telephone number, email, postal or street address, biometric information and financial, criminal or employment history and as more specifically defined in the above Act; and

'**Process**' means any operation or activity, whether automated or not, concerning personal information, including: collection, receipt, recording, organisation, collation, storage, updating or modification, retrieval, alteration, consultation, use, dissemination by means of transmission, distribution or making available in any other form, merging, linking, as well as blocking, degradation, erasure or destruction of information.

'**Processing**' will have a similar meaning.

