

Your application and declaration, as well as all other required documents that you have given for this policy, form part of your agreement with Nedgroup Life (**we, us, our**).

1 Your policy

Your Guaranteed Growth Plan is a single-premium endowment policy designed to pay out a guaranteed amount on the maturity date.

2 Start and maturity dates

Your policy starts on the first day of the month after we have received your lump sum investment and all relevant documents. Once we have received your lump sum investment, no additional deposits can be made.

Your maturity date is 5 years from the start date.

3 Interest

Interest accrues and is added to your initial investment amount from the date of the deposit to the start date at a rate equal to Nedbank's 5-year monthly fixed-deposit rate.

The actual rate for your policy will be set on the date we have received your initial investment and required documents and may differ from the rate in your quotation. This rate will be communicated to you in a separate letter.

4 Benefits

4.1 Guaranteed maturity value

The value of your policy is linked to the value of the fixed-deposit instruments that Nedbank offers, and your policy is structured in such a way that your initial investment amount is guaranteed on maturity.

4.2 Death benefit

If you die before the maturity date, an amount equal to the greater of the initial investment and the surrender value, less any partial surrender, will be payable under this policy.

If a beneficiary becomes the new owner of the policy, no death benefit will be payable, and the new owner will assume all rights in terms of the policy. Such a transaction is, however, subject to relevant legislation.

(Refer to clause 8 for detailed information.)

5 Surrender value

You may surrender your full investment or a part of it before the maturity date. Only 1 surrender is allowed during the investment term. If you surrender your full investment, no further benefits will be payable under this policy.

We will calculate the full surrender value, which will be equal to the market value of the underlying fixed-deposit instruments, less expenses. Expenses will initially be equal to 6% of your investment value and will decrease monthly to 0% by the date of maturity. The market value depends on prevailing market yields on illiquid, fixed-return assets.

The full surrender value is not guaranteed in any way and could be less than the initial investment, especially during the initial months of the policy. The reason for this is that the initial costs of the policy are deducted at the start and then recovered over the term of the policy. If you surrender the policy early, there is no time to recover these costs.

In the event of a partial surrender, only a portion of the full surrender value will be paid, and the guaranteed maturity value and death benefit will be reduced accordingly. The reduction in the guaranteed maturity value will be greater than the partial surrender amount taken, as the amount surrendered will no longer be invested and returns will therefore not be earned on that portion. The reduced guaranteed maturity value will be communicated to you at the time of surrender.

The surrender value is limited to your initial investment amount, less benefits paid, plus 5% interest compounded annually. If the actual surrender value is more than this figure, the difference will be paid, together with further growth, on the maturity date.

To enjoy the full benefit of your policy it is in your best interest to keep the full policy for the full term.

6 Policy loans

We do not offer any loans under this policy.

7 Beneficiaries

You can nominate 1 or more beneficiaries to receive the proceeds of your investment if you die during the 5-year term.

A beneficiary has no rights under this policy:

- while you are still alive;
- if any benefits are paid before your death; or
- if the beneficiary dies before you do.

You may remove or replace a beneficiary at any time by sending an email to clientservices@nedbankinsurance.co.za. If you die without a valid beneficiary, the proceeds of your investment will be paid to your estate.

If only 1 beneficiary has been nominated, the beneficiary may take ownership of your policy rather than receive the proceeds in the event of a valid claim. If the beneficiary chooses to take ownership of your policy, it will continue until the maturity date and all the original terms and conditions will continue to apply.

A valid cession of your policy will override the rights of any beneficiary.

8 Cessions

You may cede your policy, on condition that we receive the appropriate documents and record the cession of your policy. We will, however, not assume any responsibility for the validity of the cession.

9 Currency and law

All amounts payable in terms of this policy, either to or by us, are payable in the lawful currency of South Africa (rand), and any question of law arising under this policy will be decided according to the laws of South Africa.

10 Incontestability

Statements made in the application (including subsequent written statements) are incontestable, unless they are fraudulent or erroneous with regard to the date of payment or would have affected the terms materially.

11 Settlement of claims

If your policy matures and/or a claim is made under your policy, you (or your beneficiary) must submit a maturity or claim form, bank statement, proof of address (less than 3 months old), certified copy of your or your beneficiary's valid ID and any other document that we may reasonably request before any payment under this policy will be made. We will not be liable for the payment of interest while any required documents are outstanding.

You can call our claims department on 0800 333 111 or send an email to claims@nedbankinsurance.co.za.

12 Other important information

12.1 Change in law

If, while your policy is in force, there is any change in any law, act or regulation or its interpretation, or if any new law, act or regulation is introduced that increases our cost of holding this policy, including any disallowance for income tax purposes or the taxation of any capital investment, dividends received or any receipt or income that reduces our net after-tax receipts or capital returns in respect of this policy, the maturity value will be reduced accordingly.

We will let you know about the change and how it may impact your policy.

12.2 Linked plan

This policy is a linked plan as defined in the Long-term Insurance Act, 52 of 1998, which means that your policy benefits are not guaranteed by Nedgroup Life. The underlying assets are invested with Nedbank, which provides the guaranteed benefits under this policy.

12.3 Right to change terms and conditions

We may change the terms and conditions of this policy if it is necessary to comply with any legislation changes in South Africa, and we will let you know at least 31 days before the change is made.

12.4 No provisions or conditions may be waived or modified

No provisions or conditions of this policy may be waived or modified, except by an endorsement signed by an authorised official of Nedgroup Life.

12.5 Free of restrictions

Unless stated otherwise, this policy is free of restrictions related to your occupation, residence, or travel.

13 Fees and charges

The terms offered under this policy take the cost of commission and our administration fees into account. No explicit charges are levied against this policy, provided it is held until maturity.

14 Cooling-off period

A cooling-off period (the time that must pass before your policy becomes final) of 31 days applies to your policy. During this time, you can cancel your policy by giving us a written cancellation notice within 31 days from the policy start date on your policy schedule.

If you cancel your policy during the cooling-off period, we will refund your investment amount to you, less any market-related loss that may have occurred during the investment period (the period from the policy start date and the date on which we cancel your policy).

Market-related loss would include a downturn in financial markets that results in underlying assets losing value. This means that you may get back less than what you have invested if you cancel your policy during the cooling-off period.

15 Complaints procedure

If there is anything about your policy that you are not satisfied with, please call us on 0800 333 111 or email us at clientservices@nedbankinsurance.co.za.

Complaints must be in writing. We will acknowledge receipt of your complaint within 3 working days. The Complaints Resolution Officer has 10 working days to resolve the complaint, and you will be notified in writing of the decision taken.

If the complaint is resolved in your favour, we will offer a full and appropriate redress. If the complaint is not resolved in your favour, you will receive written reasons and the details of the National Financial Ombud scheme if you want to take the matter further.