

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

## **1 Your policy**

Your Guaranteed Income Plan is an annuity designed to pay out a monthly income for 60 months after a fixed term of 5 years from the start date.

## **2 Start date**

Your annuity 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.

## **3 Interest**

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

The actual rate for your annuity 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 in a separate letter.

## **4 Benefits**

### **4.1 Guaranteed annuity**

The annuity will pay the net annuity value to you monthly in advance for a period of 60 months, provided that you are alive on the dates on which each payment is due.

We will deduct the tax payable from the monthly annuity payment and pay it to the South African Revenue Service (SARS) on your behalf. You will, however, remain liable for all tax obligations to SARS in relation to this annuity. We will not be liable for any amount due to SARS in respect of annuity income, regardless of whether the amount becomes due because the actual tax we have paid to SARS is less than the amount required, or for any other reason.

### **4.2 Death benefit**

If you die, we will pay out the market value of your annuity. Thereafter, no further payments will be made under this annuity. If only 1 beneficiary is nominated, the beneficiary may continue with the annuity instead of receiving the proceeds of the death benefit.

### **5 Surrender value**

You cannot surrender your annuity – you must keep it for the full 5 years.

### **6 Policy loans**

We do not offer loans under this annuity.

### **7 Beneficiaries**

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

A beneficiary has no rights in terms of this annuity:

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

You can remove or replace a beneficiary by sending an email to [clientservices@nedbankinsurance.co.za](mailto:clientservices@nedbankinsurance.co.za).

If you die without a valid beneficiary, the proceeds of your annuity will be paid to your estate. Beneficiaries listed in your testament will, however, not have any effect on the beneficiary nomination we have on record.

If only 1 beneficiary has been nominated, the beneficiary may take ownership of your annuity rather than receive the proceeds in the event of a valid claim. If the beneficiary chooses to take ownership of your annuity, it will continue until the end of the term 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**

No partial cessions of this annuity are allowed. Only an outright cession will be allowed if we receive the appropriate documents and record the cession. We will, however, not assume any responsibility for the validity of the cession.

## **9 Currency and law**

All amounts payable in terms of this annuity, either to or by us, are payable in the lawful currency of South Africa (rand), and any question of law arising under this annuity 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 a claim is made under this annuity, you (or your beneficiary) must submit a 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 documents that we may reasonably request before any payment under this annuity will be made. We will not be liable for the payment of interest while any required documents are outstanding.

## **12 Other important information**

### **12.1 Change in law**

If, while your annuity 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 annuity, 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 annuity, we will let you know about the change and how it may impact your policy.

### **12.2 Linked plan**

It is important to note that the value of this annuity is linked to the value of underlying fixed-deposit instruments issued by Nedbank Limited, which means that the annuity is a linked plan as defined in the Long-term Insurance Act, 52 of 1998, and that your annuity benefits are not guaranteed by Nedgroup Life. The underlying assets are invested with Nedbank, which provides the guaranteed benefits under this annuity.

### **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 annuity 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 annuity is free of restrictions related to your occupation, residence, or travel.

## **13 Fees and charges**

The terms offered under this annuity take the cost of commission and our administration fees into account. No explicit charges are levied against this annuity, provided it is held for the full 5-year term.

## **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 annuity that you are not satisfied with, please call us on 0800 333 111 or email us at [clientservices@nedbankinsurance.co.za](mailto: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 a 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.