

Terms for Term-certain annuity



A. General

1. These investment terms, the fee and benefit proposal and the application form are the basis of the agreement between you and Momentum Metropolitan Life Limited, administered by Momentum Wealth (Pty) Limited (hereinafter referred to as we).
2. This agreement is subject to the laws of South Africa and this product is subject to the Income Tax Act. We will deduct tax where applicable.
3. We are committed to comply with anti-money laundering, counter-terrorist financing, anti-bribery and anti-corruption legislation. This means that we can ask you for more information when needed.
4. We will review your application when we receive it with all the supporting documents. If your application is accepted we will collect the investment amount or ask you to pay the investment amount to us. When we have confirmed that we have the investment amount we will accept your application and this agreement can start.
5. If we change the terms of this agreement we will notify you. We publish our terms online at momentum.co.za. You can find the latest terms document online. You agree to be bound by the latest version of the terms.
6. We may immediately cancel this investment or place it on hold, refuse any transaction or instructions, or take any other action considered necessary to comply with the law and prevent or stop any undesirable or criminal activity.
7. We may cede our rights and obligations in this agreement to another authorised financial services provider.

B. Your product

1. Traditional annuities are life insurance products, underwritten by Momentum Metropolitan Life Limited, a licensed life insurer under the Insurance Act and administered by Momentum Wealth (Pty) Limited.
2. A Term-certain annuity pays you an income for a chosen term. A lump sum is paid to us and we undertake to pay you an income during the term.
3. Momentum Wealth Nominees (RF) (Pty) Limited holds the assets within your investment in the name of Momentum Metropolitan Life Limited.
4. We hold professional indemnity and fidelity insurance cover as required by law.
5. We will deduct tax from your income according to section 10A of the Income Tax Act if you meet its requirement. This means that only the interest portion of the income may be taxed.
6. We take all the income you receive from Momentum into account to calculate tax. This income is taxed as gross income.
7. In the event of a change in legislation governing the taxation of long-term insurers, or any other legislation that will affect the income of this investment, we will change it to take into account the effect of this change.
8. You cannot transfer this product to another owner or cede it as security.
9. You can cool-off this agreement within 31 days after receiving your investment confirmation or a reasonable date as determined by us for when you would have received this information. If you do this, the transfer we pay you is the sale proceeds from the investment components after we have deducted any tax and reversed the administration and adviser fees. Changes in the investment market and exchange rates between currencies can affect the investment value, which means you can get back less than what you have invested.
10. We can, at any time, ask for proof that the annuitants are still alive. If we do not receive this proof, we can stop paying the income until we receive this proof.

11. Where you have chosen for your income to increase, it will increase each year in the same month your investment started. For inflation-linked increases we use the consumer price index (CPI) as published by Statistics South Africa for the year ending four months before.
12. If you are an individual:
 - 12.1. You can nominate a beneficiary of ownership. When you die, we will transfer ownership of this investment to this beneficiary. The new owner can decide to continue with this investment or to replace the series of payments with a single lump sum payment (commute the payments).
 - 12.2. You may cancel or nominate beneficiaries of ownership. Request such a change in writing, and only once we have confirmed the change in writing will it be valid.
 - 12.3. If no beneficiaries are nominated, we will pay the remaining income payments to your estate as a lump sum.
13. You can commute this investment by exchanging it for a cash payment. The maximum amount allowed in the first five years is the investment amount (less all income payments you have received) plus growth of 5% a year, compounded. If there is any remaining investment value after you have converted this investment to cash, we will calculate your reduced future income using this value.
14. On receipt of a valid notification of death of the annuitant, we will update our records.

C. Your financial adviser

1. You could benefit from appointing a financial adviser who can give you ongoing investment advice.
2. Your financial adviser must be registered in terms of the Financial Advisory and Intermediary Services (FAIS) Act and with us.
3. We verify each financial adviser's license category and underlying financial product categories according to section 7(3) of the FAIS Act.
4. We use third parties to verify FAIS licenses but we cannot guarantee it and are not responsible if the information is wrong and causes a delay in carrying out an instruction.
5. We are not responsible for any loss or damage caused by your financial adviser not being appropriately licensed.
6. Your financial adviser must comply with the license requirements for the duration of your investment. The license requirements apply to new investments and to any changes on your investment.
7. Only category II financial services providers can instruct us on your behalf. We will follow their investment instructions.
8. Financial adviser can ask us for access to your investment information through a third-party information provider. We are not responsible for any loss or claim that may arise because we made your investment information available to your appointed financial adviser through such provider.

D. Communication

1. We will publish your investment statements and tax certificates online on your client profile at momentum.co.za. We will contact you electronically when we have published it.
2. You can also request statements and tax certificates online using your client profile, from us or your financial adviser.
3. We must have up-to-date contact information for you and your beneficiaries.
4. If you do not inform us of any personal detail change and we are unable to reach you on the contact details provided, we may appoint a tracing agent to trace you. The tracing costs will be deducted from your investment.

5. If we cannot contact you or your beneficiaries or executor when a benefit is due, your investment may become unclaimed. If a benefit is unclaimed we will follow an unclaimed benefit process in line with the Association for Savings and Investment South Africa (ASISA).

E. Processing your instructions

1. All documentation and communication that you send us must be clear and legible. A confirmation or delivery receipt is not proof that it is clear and legible. We will notify you once we have received your instruction and once your instruction has been processed.
2. You instruct us to act on your investment instructions completed on the relevant form that we receive by fax, email, our website or any other electronic medium with regard to your investment. You agree that any electronic record of investment instructions and applications that we have received and processed will be valid proof of the contents of such instructions and applications.
3. We will act on an instruction that came from you. If it is subsequently shown that it was not you that signed or sent it, we will not be liable for any damage that you may suffer as a result of our execution of that instruction. This authorisation will remain in force until we receive written notice of its termination, provided that this termination will not affect any transactions that were already in process at the time of receipt of that notification.
4. We will process your instructions if it is within legal and product limits.
5. We will process valid instructions within two business days after we have received it.
6. If your bank rejects your investment payment or bank collection, you will carry any risks regarding market movements and will be liable for any costs incurred.
7. We may may cede or assign our collection mandate to a third party. The collection mandate will also be ceded or assigned to that third party.
8. If the following happens, we will not be able to process your instruction within two business days:
 - 8.1. Extraordinary events that can cause large-scale market changes and an increase in dealing activity.
 - 8.2. During such times where we receive high volumes of instructions giving us your instruction does not guarantee the rate according to your fee and benefit proposal.
 - 8.3. Delays if your instruction was not clear or the information was incomplete.
 - 8.4. Any other event that we cannot control, like natural disasters, fire, war and riots.

We are not responsible for any loss or damage if any of the above happens.

9. If we cannot process any portion of an instruction, we will ask you or your financial adviser for a new instruction.

F. Fees

1. At the start of your investment we will pay your financial adviser the agreed commission, but not more than the maximum prescribed by regulation. Any financial adviser commission is included in the pricing of this investment and the calculation of your income.
2. Our fees are included in the pricing and calculation of your income.
3. The fees paid are within product limits.
4. From time to time, there may be changes to our fees or costs subject to regulatory approvals and processes.

G. Data protection

1. You have a say in how we treat your personal information. We follow confidentiality principles and the principles in the Protection of Personal Information Act to make sure that all personal information that you give us is kept secure and confidential.
2. By entering into this agreement, you give us permission to collect, record, store, update and use (or process) your personal information for the purposes of:
 - 2.1. providing you with services for this product, including its

administration and processing your instructions;

- 2.2. giving your personal information to our holding company, our holding company's parent company, its subsidiaries or contracted service providers and transferring your personal information to an entity outside of the borders of South Africa. We will share this information only so that these entities can administer your investment or benefits and give you related services;
- 2.3. giving your information to regulatory authorities, governmental departments, tax authorities and other persons with whom we are legally required to share your information;
- 2.4. giving information to industry bodies such as, among others, the Association for Savings and Investment South Africa, and contracted third parties such as tracing agents, attorneys, debt collectors and other persons that help to enforce agreements; and
- 2.5. doing research, servicing products or enabling you to view your investment and do transactions on our website. Where appropriate, this information will be de-identified so that it cannot be linked back to you personally.
3. Where we have given your information to any third party for any of the purposes above, we will make sure that they agree to treat your information with the same level of protection as we do.
4. You have the right to access and ask for a copy of the personal information we have for you. We are allowed to charge you a fee for giving you this information. You may ask that we update or correct your personal information.
5. You may object to us using your personal information at any time, unless the law allows us to use it for a specific purpose. If you object to our use of your personal information we cannot perform any of the activities listed above until we are able to resolve your objection. If you think your personal information is being tampered with, or that it has not been protected, you can complain to the government's Information Regulator at info@justice.gov.za.

H. Complaints

1. Momentum has a conflict of interest management policy. A copy is available at momentum.co.za.
2. If you have any other complaint regarding this investment, send it to our client contact centre and we will follow our complaints resolution process. A copy is available at momentum.co.za.
3. If you have any complaints about the advice you have received, contact the ombud for Financial Services Providers.

I. Contact details

Client contact centre

ShareCall: 086 026 6848
Telephone: +27 12 675 3000
Email: annuities@momentum.co.za
Postal: PO Box 7400, Centurion, 0046
Website: momentum.co.za

Momentum Wealth (Pty) Limited

Momentum Wealth (Pty) Limited is an authorised financial services provider and part of Momentum Metropolitan Holdings Limited. (FSP 657)
Reg no 1995/008800/07.

Momentum Metropolitan Life Limited

Momentum Metropolitan Life Limited is an authorised financial services and registered credit provider. (FSP 6406)
Reg no 1904/002186/06.

Ombud for financial services providers (FAIS ombud)

Sharecall: 086 066 3247
Telephone: +27 12 762 5000
Email: info@faisombud.co.za
Website: faisombud.co.za

Ombud for long-term insurers

ShareCall: 086 010 3236
Telephone: +27 21 657 5000
Email: info@ombud.co.za
Website: ombud.co.za