



OLDMUTUAL

# OLD MUTUAL SINGLE PREMIUM INVESTMENT PLAN

KEY PRODUCT FEATURES



DO GREAT THINGS EVERY DAY

# SINGLE PREMIUM INVESTMENT PLAN

This is a summary of the product features of the **SINGLE PREMIUM INVESTMENT PLAN**. It does not replace the terms and conditions in the plan's contract, which will be sent to you if we accept your application.

## HOW DOES THE SINGLE PREMIUM INVESTMENT PLAN WORK?

The SINGLE PREMIUM INVESTMENT PLAN helps to grow your lump sum savings. Your savings are invested in the Smoothed Bonus Fund, which aims to earn inflation-beating returns over the long term.

## WHO SHOULD INVEST IN THE PLAN?

### THIS PLAN IS SUITABLE IF YOU:

- are able to save a minimum lump sum of R2 000
- are able to save for a minimum of five years
- have savings available for short-term goals so that you do not have to access these funds

### THIS PLAN IS NOT SUITABLE IF YOU:

- want to save for a goal that will materialise within five years
- want to make monthly contributions towards your savings
- want to choose your investment funds

## WHAT ARE THE BENEFITS OF THIS PLAN?

The main benefit is that the total value of your savings will be available at the end of the plan's term, if we recognise your disability (refer to WHEN WILL YOU RECOGNISE MY DISABILITY?) or you die. The total value of your savings is:

- the lump sum premium paid
- plus the bonuses declared on your savings
- less all charges
- less any savings you withdrew during the term

If there is an outstanding Zero Interest Loan, this will be settled from the proceeds of the policy.

## WHAT IS THE MINIMUM LUMP SUM PREMIUM?

The minimum lump sum premium is R2 000.

## CAN I MAKE ADDITIONAL PREMIUM PAYMENTS?

No, you cannot pay additional premiums other than the initial lump sum contribution.

## CAN I TAKE OUT A LOAN AGAINST MY PLAN?

Within the first five years, you can take out one Zero Interest Loan against the policy. The amount available as a loan will be:

- the lump sum premium paid
- plus the bonuses declared on your savings
- less any savings you have already withdrawn
- less all charges

When taking out a Zero Interest Loan, a charge will be applied. The amount of any loan taken out will be transferred, within the policy, to the Capital Secured Fund. There will be no growth on the amount in the Capital Secured Fund and no charges will be applicable to money in the Capital Secured Fund, but the money will also not be

accessible. You are not expected to repay the loan during the term of the policy; the loan will be settled from the policy proceeds on termination of the policy.

## CAN I MAKE A PART-WITHDRAWAL DURING THE TERM OF THE PLAN?

After the first five years, you can make one part-withdrawal from the policy every five years. The amount available as a part-withdrawal will be:

- the lump sum premium paid
- plus the bonuses declared on your savings
- less all charges
- less any part-withdrawals already taken
- less the amount of any Zero Interest Loan already taken

**A part-withdrawal is not a loan and we do not allow you to pay it back.**

## CAN I SWITCH MY SAVINGS BETWEEN FUNDS?

No, you cannot switch between funds. Your savings will be invested in a single fund: the Old Mutual Smoothed Bonus Fund.

## WHAT WILL MY PAY-OUT BE?

At the end of the plan's term or if, before the end of the term, we recognise your disability (refer to WHEN WILL YOU RECOGNISE MY DISABILITY?) or you die, we guarantee that the fund value will not be less than:

- the lump sum premium received
- plus bonuses
- less all charges
- less all withdrawals from your savings

If there is an outstanding Zero Interest Loan, this will be settled from the proceeds of the policy.

Guarantees fall away on surrender.

There is a risk that your savings do not grow as quickly as the amount you need to meet your goal. So it is important to ensure that you have saved enough to reach your goal.

## WHAT CHARGES APPLY TO THE PLAN?

CHARGES FOR 2024	
Uncapped percentage charge	3% of single premium
Capped percentage charge	Min (5% of single premium; R1 500)
Investment and administration fee	1.25% per year
Guarantee fee	0.25% per year
Asset management fee	0.25% per year
Zero Interest Loan charge	R222
Part-withdrawal charge	R222
Surrender charge	R245

Fees and charges may change at any time.

## HOW WILL THE CHARGES AND FEES BE APPLIED?

### CHARGES AND FEES ON YOUR PREMIUMS

- The premium charges are deducted from your lump sum premium.
- The premium, minus the charges, is invested in the Old Mutual Smoothed Bonus Fund.

### CHARGES AND FEES ON THE INVESTMENT FUND

These are deducted from the fund value every year and consist of an asset management, guarantee, investment and administration fee (refer to WHAT CHARGES APPLY TO THE PLAN?).

### TRANSACTION CHARGES

#### Zero interest loan, part-withdrawal and surrender charges:

- Within the first five years, you may take out a Zero Interest Loan against your fund value, which excludes all charges and all savings already withdrawn. We may set minimum and maximum Zero Interest Loan values.
- You are not expected to repay the loan during the term of the policy; the loan will be settled from the policy proceeds on termination of the policy.
- For the Zero Interest Loan, we will deduct an administration charge of R222.
- After the first five years, you may make a part-withdrawal from your fund value which excludes all charges, all withdrawals already made and all outstanding Zero Interest Loans. We may also set a minimum part-withdrawal value. Your SINGLE PREMIUM INVESTMENT PLAN will be cancelled if you make a part-withdrawal of 100% of your fund. This is a surrender.
- A part-withdrawal is not a loan and we do not allow you to pay it back.
- For each part-withdrawal, we will deduct an administration charge of R222.
- You may surrender the SINGLE PREMIUM INVESTMENT PLAN at any time after we have received your lump sum contribution.
- When you surrender, we will deduct an administration charge of R245.

Removing money from the Old Mutual Smoothed Bonus Fund, via a part-withdrawal, Zero Interest Loan or surrender, could make it more difficult for you to reach your savings goal. The total proceeds from your plan might even end up being less than the premium you have paid.

In times of a serious financial crisis (for instance a very bad recession), we may reduce the values we pay out when you make a part-withdrawal from or surrender your policy or take out a Zero Interest Loan against your policy. Once the economy stabilises, we will not reduce the Zero Interest Loan, part-withdrawal and surrender values anymore.

A legal maximum has been set for fees that may be charged on certain transactions, including Zero Interest Loans, part-withdrawals and surrenders.

Our charges comply with the legal maximum.

### WHAT ARE THE TAX IMPLICATIONS?

In terms of the current tax law, payments made to you are not taxed in your hands as we have paid the tax.

## WHAT HAPPENS WHEN YOU RECOGNISE MY DISABILITY OR I DIE?

### ON DISABILITY

If, during the term of your plan, we recognise your disability, you may choose to get the fund value or wait until the end of the term.

### ON DEATH

The fund value will be paid to your beneficiaries as you have requested. However, if you have not nominated beneficiary(ies), or if they have died, the fund value will be paid to your estate.

### WHEN WILL YOU RECOGNISE MY DISABILITY?

Different criteria for determining whether someone qualifies for disability benefits may be applied by employers and insurers, between different insurers and between different policies offered by the same insurer. For instance, your employer may regard you as disabled when you are in a wheelchair, but we may not consider you disabled for a disability benefit in terms of our requirements.

Please read this section carefully. We will not recognise your disability if it occurs within the first six months of your plan application date, unless it is caused by an accident.

Your disability must last continuously for at least six months. The six-month period will not apply if your disability is the result of an accident in which at least one hand or one foot was removed, or if both feet or both hands or one foot and one hand are removed due to illness.

We will not recognise your disability if it does not meet the requirements above or if it is due to, brought about or made worse by:

- war (declared or not), terrorist activities, riots, civil commotion, rebellion or insurrection
- your refusal of medical treatment by a registered medical practitioner
- radioactivity or nuclear explosion
- deliberate exposure to exceptional danger (except in an attempt to save a human life), attempted suicide, intentional self-inflicted injury or your own criminal act

### WHAT WILL HAPPEN IF MY DISABILITY CLAIM DOES NOT MEET THE ABOVE DEFINITIONS?

You will not be able to claim the fund value and must wait until the end of the term unless you wish to surrender your plan. If you choose to surrender your plan, additional charges will apply.

### WHAT IF I CHANGE MY MIND AFTER BUYING THIS PLAN?

You may ask us to cancel this plan within 31 days of receiving your policy contract. You may cancel this plan only if you have not yet claimed and we have not yet paid any benefits. We will refund the lump sum premium that we received before you instructed us to cancel the plan. If we suffer any losses due to negative market movements because of the request, we may reduce your refund.

## WHICH DOCUMENTS DO WE ACCEPT AS PROOF OF IDENTITY?

### FOR ADULTS:

- A green barcoded ID book or Smart ID card
- If the green barcoded ID book/Smart ID card is not available, the reason must be recorded in the space provided for on the relevant FICA Addendum

### FOR MINORS:

- A green barcoded ID book or Smart ID card of the assisting adult and the minor's birth certificate

We do not accept temporary IDs. We need the original documents.

We will make a copy of the original.

## WHICH DOCUMENTS DO WE ACCEPT AS PROOF OF RESIDENTIAL ADDRESS?

To comply with FICA, we accept any of the following documents as proof of residential address, as long as they contain your name or initials, surname and full residential address.

## ANY ONE OF THE FOLLOWING DOCUMENTS (MUST BE LESS THAN THREE MONTHS OLD):

- Municipal account statement
- Salary slip/payslip
- Telephone account statement
- Cellphone account statement
- Bank statement
- Home loan statement
- Store account statement
- Other third-party account statement (e.g. Multichoice account, doctor's account, etc.)
- Recent long-term or short-term insurance policy document

## ANY ONE OF THE FOLLOWING AUTHORITY LETTERS (MUST BE LESS THAN THREE MONTHS OLD):

- Councillor letter
- Traditional/tribal authority letter

## ANY ONE OF THE FOLLOWING DOCUMENTS (MUST BE LESS THAN 12 MONTHS OLD):

- Rental/lease agreement
- Motor vehicle licensing document
- TV licence
- South African Revenue Service (SARS) tax return

## WHERE CAN I FIND MORE INFORMATION ABOUT THE SINGLE PREMIUM INVESTMENT PLAN?

Speak to an Old Mutual financial adviser or broker. SMS "SAVINGS" to 31278 (standard SMS rates apply).

Call 0860 60 71 11 (Sharecall rates apply) or visit [oldmutual.co.za](http://oldmutual.co.za)

