



ANNEXURE 2

REPLACEMENT POLICY ADVICE RECORD

(to be completed in consultation with your representative - please note that this does not serve as a cancellation of the replaced policy; you must advise the insurer in writing about cancellation of a policy)

NAME AND SURNAME OF POLICYHOLDER: _____

ID NO OF POLICYHOLDER: _____
(or registration no in the case of juristic persons)

NAME AND SURNAME OF REPRESENTATIVE: _____

FULL NAME OF FSP (BROKERAGE OR INSURER): _____

NEW POLICY:

Type of policy: Investment or Risk	Policy or Proposal number	Insurer

POLICY BEING REPLACED:

Type of policy: Investment or Risk	Policy or Proposal number	Insurer

1. REASONS WHY REPLACEMENT MAY NOT BE ADVISABLE

If you do replace any policy, we want to ensure that you make an informed choice. Please read the following information, carefully and discuss with your representative.

- You will **pay some charges and fees twice** (e.g. commission, underwriting expenses & other initial charges levied by the insurer) - initially on the existing policy and once again on the new policy.
- You may **pay higher premiums** for risk (or a bigger part of the premium) on the new policy because you are older now or your health situation might have changed.
- Your new policy may not have the same **life cover or premium guarantees** as the existing policy. Check the period for which the life cover or other cover amounts are guaranteed before the insurer is entitled to change your premiums or reduce or remove cover.
- Your new policy may not have the same **investment performance guarantees** as the existing policy (if applicable).
- Your new policy may have **more exclusions, restrictions or waiting periods** particularly if your health has deteriorated.
- The amount of money that you can withdraw under the new policy may be less (if applicable). A new policy will usually have legal restrictions on access within the first 5 years.
- You may **lose the tax advantage** of your existing policy (if applicable).
- The surrender value or paid up value of your existing policy may be as low as 65% of the policy value before the change, and could be even less than premiums paid in since **unrecovered initial expenses** must first be deducted. Check what charges you will be paying on termination of the old policy and see whether the advantages of the new policy will make up for any such charges.



- The **investment risk** under the new policy may be higher. Remember that the past performance of a fund or asset manager of a fund is not necessarily an indication of future performance.

2. REASONS FOR THE CHANGE OF POLICY / POLICIES
(not required if replacement policy effected as a result of the internet, telephone or direct marketing)

2.1 Did you establish whether the existing / terminated policy could be amended to provide similar benefits to the replacement policy? *please print clearly*

.....

2.2 If such amendment is / was possible, why do you regard it as appropriate that the terminated policy be replaced by the replacement policy? *please print clearly*

.....

3. TO BE COMPLETED IF THE NEW BUSINESS WAS EFFECTED VIA ELECTRONIC BUSINESS

Was the replacement policy effected as a result of the:

Internet telephone direct marketing

3.1 Please indicate the date, time of the phone call/negotiation and (if applicable) reference number:

Date:..... Time: Reference:

3.2 There may be more factors regarding replacements that could influence your decision.

Do you require any further advice? Yes No



4. DECLARATION

(signatures compulsory unless the replacement policy was effected as a result of the internet, telephone or direct marketing)

REPRESENTATIVE	POLICYHOLDER
<p>I confirm that I have taken all reasonable steps to confirm that the information in this Replacement Policy Advice Records (RPAR) is true and correct. I confirm that in pursuance of my advice to the policyholder to replace the policy (ies) mentioned in this RPAR.</p> <p>I have fully discharged my duties as set out in section 8 (d) of the General Code of Conduct for Authorised Financial Services Providers and their Representatives (the Code) and have retained a record of such advice as required by section 3 of the said Code.</p> <p>Signature:</p> <p>Name:</p> <p>Date:</p>	<p>I confirm that the representative has fully explained the consequences of the replacement of the policy(ies) mentioned in this Replacement Policy Advice Record and I understand the consequences of such replacement(s).</p> <p>Signature:</p> <p>Name:</p> <p>Date:</p> <p>Contact telephone and /or e-mail address:</p>