

Surname		
First name(s)		
Relationship		
ID/Passport number		
Percentage		
Postal address		
Contact number		

If there are additional beneficiaries, please attach this information on a separate signed page.

■ J. Terms, Conditions and Declarations

The Coronation Living Annuity is a policy issued by Coronation Life Assurance Company Limited (hereafter referred to as "Coronation Life") under the provisions of the Long-term Insurance Act, No. 52 of 1998. The Coronation Living Annuity is administered by an administrator appointed by Coronation Life from time to time. The current administrator is Old Mutual Investment Administrators (Pty) Limited (hereafter referred to as "the Administrator"). The current investment options available to investors are those unit trust funds managed by Coronation Management Company Limited (hereafter referred to as "Coronation Manco") and made available by Coronation Life as the investment options under the Coronation Living Annuity.

1. Application

- 1.1 If not already an investor, I hereby apply for a Coronation Living Annuity and agree to be bound by these terms and conditions (as amended from time to time).
- 1.2 I understand and agree that this application, together with the policy summary and terms and conditions that will be issued to me once Coronation Life has accepted my application, and any other related documents provided by me and accepted by Coronation Life, will govern the legal relationship between me and Coronation Life, within the ambit of the Long-term Insurance Act, the Income Tax Act, and any directives promulgated thereunder, as amended from time to time.

2. Investment Options

- 2.1 The Coronation Living Annuity allows investors the opportunity to invest in the unit trust funds offered by Coronation Manco. I understand that this does not imply any endorsement by Coronation Life and that I retain the risk of and remain responsible for the selection between the various funds at all times.
- 2.2 I understand that investments in the investment funds are made and will be administered subject to the provisions of the Collective Investment Control Scheme Act, No. 45 of 2002, in accordance with the deeds of such funds and subject to Coronation Manco's fee structure as amended from time to time.
- 2.3 I hereby authorise Coronation Life to invest the net pension consideration into the investment option(s) chosen by me from time to time. Coronation Life shall reinvest all income and accruals arising from the investment options from time to time, which shall be regarded as forming part of my Coronation Living Annuity.
- 2.4 Coronation Life does not provide any guarantees in relation to any investment performance. Values of units within unit trust funds fluctuate relative to the market values of the underlying securities comprising the portfolio. I understand that I carry the investment risk inherent in the chosen underlying investment option(s).
- 2.5 I understand that all investments held under the Coronation Living Annuity are owned by Coronation Life and that I have no right to specific investments held under the Coronation Living Annuity.

3. Fees and Charges

- 3.1 The annual management fee on the underlying investment option(s) selected will be charged by Coronation Manco as indicated on the attached Unit Trust Fund Schedule and as amended from time to time.
- 3.2 An annual administration fee of 0.228% per annum, charged monthly in arrears, will be levied on the market value of the investment portfolio which includes an amount calculated to compensate for VAT costs. The annual administration fee will be subsidised in full by Coronation Investment Services (Pty) Limited.
- 3.3 Financial advice fees as agreed to in section L below will be levied.



- 3.4 All fees and charges are subject to amendment by Coronation Life and Coronation Manco as the case may be, provided that due notice is given when the fee or charge is increased or a new fee or charge is added. Coronation Life shall not change the Financial Advisor initial and annual advice fees unless instructed in writing by the investor.
- 3.5 There is no charge for switching between the available investment options.

4. Specific Notification for Living Annuity Investors

I confirm that I have noted the following:

- 4.1 If the Coronation Living Annuity is my only source of income and if I require a pre-tax annual income of greater than inflation plus 2%, based on the capital available to purchase the annuity, I should, in consultation with my appointed Financial Advisor (if applicable), consider a different type of annuity.
- 4.2 It is important that I, in conjunction with my appointed Financial Advisor (if applicable), review my lifestyle objectives and income requirements at least annually. If an income level that exceeds the expected average annual growth rate on the investment portfolio should be elected, this may lead to an erosion of the capital base of the Coronation Living Annuity.
- 4.3 I understand:
- 4.3.1 that the value of the investment will increase or decrease in line with market fluctuations.
- 4.3.2 the risk associated with living annuities as compared to conventional annuities, particularly in the light of my personal assumption of longevity risk.
- 4.3.3 the impact that a downturn in the market will have on my investment and that capital may be eroded in order to maintain the required level of income.
- 4.4 The income restrictions imposed by the Commissioner of SARS in circular RF 1/96 (or its amendment or replacement), particularly that income levels may only be varied annually on the income anniversary date.
- 4.5 In terms of Directive 135 issued by the Financial Services Board, I have the right to transfer my Coronation Living Annuity to another registered insurer under the Long-term Insurance Act, No. 52 of 1998.
- 4.6 The tax consequences of my Coronation Living Annuity are as follows:
- 4.6.1 Annuities (i.e. regular income payments) are taxed at my marginal rate of tax.
- 4.6.2 In terms of current legislation, the investment returns generated by the Coronation Living Annuity are not subject to tax.
- 4.6.3 Where applicable, should a beneficiary elect to take the remaining capital as a lump sum within six (6) months of the death of the annuitant, the lump sum will be taxed at the annuitant's average rate of tax. The lump sum may also be subject to Estate Duty.
- 4.6.4 Income tax, if applicable, will be deducted at source in accordance with the relevant tax rates determined by SARS. The onus is on the investor to provide tax directives where applicable.
- 4.7 I will be obliged to draw an income of between 2.5% and 17.5% per annum of the investment value at the anniversary date. These limits are set by SARS and may change from time to time. Income will be generated by the repurchasing of the underlying investments. All income generated on the underlying investments will be reinvested.
- 4.8 Annuity for pension considerations received by Coronation Life on or before the 14th of the month will be paid at the end of that month. Annuity for pension considerations received after the 14th of the month will only be paid at the end of the following month.

5. General Terms, Declarations and Warranties

- 5.1 Subject to compliance with Coronation Life's requirements, investments into the underlying investment option(s) will be made within **four (4) working days (excluding Saturdays, Sundays and public holidays)** after the receipt of a fully completed application form and the investment amount by Coronation Life. Switches will be processed within **three (3) working days** after receipt of a valid instruction. The aforementioned is subject to Coronation Life's requirements having been complied with. Where applicable, interest on pension considerations may be applied from one day after the pension contribution has been paid into Coronation Life's bank account until transferred from that account.
- 5.2 I declare that the origination of the investment amount is an approved retirement fund. I warrant that the rules of the originating transferring fund allow me to purchase an annuity in my own name and for my benefit and that the benefits offered in terms of this product coincide with the benefits in terms of the originating transferring fund.



- 5.3 I authorise Coronation Life to make all reports and statements pertaining to my investment available, in whatever format, to my appointed Financial Advisor, on his/her request.
- 5.4 I hereby consent to Coronation Life making enquiries of whatsoever nature for the purpose of verifying the information disclosed in this application and I expressly consent to Coronation Life obtaining any other information concerning me from any source whatsoever to enable Coronation Life to process this application.
- 5.5 I authorise Coronation Life to accept instructions by facsimile or e-mail and hereby waive any claim that I may have against Coronation Life and indemnify Coronation Life against any loss incurred as a result of Coronation Life receiving and/or acting upon such communication.
- 5.6 Provided that the Administrator and/or Coronation Life and/or any of their officers and employees exercise reasonable care and diligence in the management of my investments, the Administrator and/or Coronation Life and/or their officers and employees shall not be liable to me or a third party for any loss sustained by me in terms of this agreement. Specifically, the Administrator and/or Coronation Life cannot be held responsible for any acts or errors of omission or commission, or the timing standards, practices or procedures of third parties.
- 5.7 I warrant that all the statements given in this application form, and in all documents which have been or will be signed by me in connection with this application, whether in my handwriting or not, are true and correct and shall form the basis of the investment with Coronation Life. I warrant that I am duly and validly authorised to invest the investment amount with Coronation Life, and that all monies deposited into the applicable Coronation Life account in respect of this Living Annuity were obtained from legitimate sources. I further warrant that in making and maintaining such investment, I have and will continue to comply with all relevant legislation, including, but not limited to the Financial Intelligence Centre Act and the Income Tax Act.
- 5.8 I acknowledge that I am aware that the Coronation Living Annuity is subject to a 30-day cooling off period. This gives me the right to withdraw from the Coronation Living Annuity by giving Coronation Life written notice within 30 days of receipt of my policy summary and terms and conditions. A disinvestment will be made at the earliest opportunity after the date the written request is accepted by Coronation Life, at the price applicable then. The amount to be refunded will take market fluctuations into account and may therefore be less than the initial pension consideration. No interest or investment return will be paid or accrue to me. The refund will not be made to myself, but to the transferor insurer, retirement fund or another registered insurer as the case may be. This option is not available where, during the 30-day period, I have switched from the portfolios originally invested in, or if any benefit or claim has been paid.
- 5.9 I confirm to Coronation Life, that I am acting on my own account and that this investment is my own independent decision. I understand that information, opinions and communication from Coronation Life, whether written, oral or implied are expressed in good faith and not intended as investment advice. I have not received any assurance or guarantees from Coronation Life as to the expected benefits, except that the benefits will be determined by reference to the value of the investment portfolio.

Signed at _____ on this _____ day of _____ year _____

Signature of investor or authorised representative*: _____

* Please forward proof of authorisation.

■ K. Coronation Living Annuity Bank Details

Please make all cheques payable to the Coronation Living Annuity. All deposits relating to intended contributions to the Living Annuity must be made into the following bank account:

Account name: Coronation Living Annuity
 Bank: First National Bank
 Branch: Cape Town Corporate Branch
 Branch code: 204109
 Account number: 6209 137 8705



L. Financial Advice Fees (Please select one option)

I acknowledge that I did not receive financial advice from either Coronation Life or a financial advisor.

I hereby confirm that the Financial Advisor whose details are completed in the "Financial Advisor Details and Declaration" section below, is my appointed Financial Advisor and agree to payment of fees as follows:

Initial advice fee: _____ % (Negotiable to maximum 1.71%, which includes an amount calculated to compensate for VAT costs. Applied to each pension consideration and deducted before investment is made.)

Annual advice fee: _____ % per annum of the market value of the investment portfolio, charged and paid monthly in arrears (negotiable to maximum 0.57%, which includes an amount calculated to compensate for VAT costs).

This authority may be withdrawn by written notice to Coronation Life.

The initial and annual advice fees will accrue to the Administrator as an administration fee over and above the administration fee referred to in section I above. The Administrator will pay the initial and annual advice fees to the Financial Advisor.

Signature of investor or authorised representative: _____

M. Financial Advisor Detail and Declaration

Contact name: _____ Company: _____

Agent account number: _____ Registration number: _____

Authorised agent signature: _____

I/We

- declare that I/we am/are licensed Financial Service Provider(s) and have made the disclosures required in terms of the Financial Advisory and Intermediary Services Act, No. 37 of 2002, and subordinate legislation thereto, to the investor.
- warrant what I/we have established and verified the identity of the investor (and persons acting on behalf of the investor) in accordance with FICA and subordinate legislation thereto, and I/we will keep records of such identification and verification according to the provisions of FICA.
- warrant that I/we have explained all fees that relate to this investment to the investor and I/we understand and accept that the investor may withdraw his/her authority for payment to me/us in writing to Coronation Life.
- declare that I/we have made the investor aware that: he/she bears the risk in respect of both capital and income; he/she must be in a financial position to withstand a reduced income in times of reduced capital or investment returns; where the Coronation Living Annuity is the investor's only source of income and he/she requires a pre-tax income at a rate of more than inflation plus 2%, he/she should rather select a different type of annuity.

Signed at _____ on this _____ day of _____ year _____

Signature of financial advisor: _____

Coronation Management Company Limited
Seventh Floor, MontClare Place, Cnr Campground and Main Roads, Claremont, 7708
PO Box 44684, Claremont, 7735 Tel: +27 (21) 680 2000 Fax: +27 (21) 680 2500 Toll Free: +27 800 22 11 77
Website: www.coronation.com E-mail: clientservice@coronation.co.za



Applicant's initials

Fees

Fund Name	Fund Category	Investment Objectives	Maximum allocation as % of total fund (FIGs*)			Minimum fee % (excl. VAT)		Sharing rate	Benchmark / Fee Hurdle	TER%**		Income Dis-tributions
			Equity	International	Property	Discounted	Standard			Total	Performance Fee Compo-nent***	
CORONATION CORE FUNDS												
Coronation Strategic Income	Domestic Fixed Interest/Varied Equity	The fund aims to provide high income with greater diversification than a pure income fund as well as to seek opportunities to maximise capital gains whilst retaining a focus on capital preservation. The fund is a highly diversified, actively managed fund investing in quality income generating instruments.	0	0	20	0.00	1.00	0.00	BEASSA ALBI (1 - 3 year) TR Index	1.13	0.00	Mar/Jun/ Sept/Dec
Coronation Balanced Defensive	Domestic Asset Allocation Prudential/Low Equity	The fund aims to provide a reasonable level of current income and seeks to preserve capital in real terms, with lower volatility over the medium to long-term. The fund's return objective is to outperform cash plus 3% and it is not a guaranteed fund.	40	20	25	0.00	1.50 †	0.00	Alexander Forbes Interest Index + 3%	1.76	0.00	Mar/Jun/ Sept/Dec
Coronation Capital Plus	Domestic Asset Allocation Targeted Absolute & Real Return	The fund aims to maintain a real growth rate in excess of 4% p.a. and never lose money over a 12 month rolling period. The fund's key focus is preservation of capital.	65	20	10	0.75	1.25	10%	CPI + 4%	0.96	(0.34)	Mar/Jun/ Sept/Dec
Coronation Balanced Plus	Domestic Asset Allocation Prudential Variable Equity	The fund aims to maximise capital by outperforming a composite benchmark and never losing money over rolling 3 year periods. It offers a fully managed investment solution which is diversified across the various asset classes and sectors.	75	20	25	1.25	1.25	0.00	Composite (63% equity, 22% bonds, 10% international, 5% cash)	1.63	0.00	Mar / Sept
Coronation Market Plus	Domestic Asset Allocation Flexible	The fund aims to achieve real returns over the long-term and to maximise income and capital growth over the medium-term by investing across various asset classes and sectors, but with a bias towards equity markets over the cycle.	95	20	0	0.75	1.25	20%	Composite (63% equity, 22% bonds, 10% international, 5% cash) + 2%	1.31	0.02	Mar / Sept
Coronation Optimum Growth	Worldwide Asset Allocation Flexible	The fund focuses on capital preservation and aims to achieve consistently positive or absolute returns over time. The fund invests in a combination of local and international investments across all asset classes.	85	85	0	1.00	3.50	15%	CPI + 5%	1.34	0.00	Mar / Sept
CORONATION SPECIALISED FUNDS – FLEXIBLE FUNDS												
Coronation Absolute	Domestic Asset Allocation Flexible	The fund aims to achieve a total real return of 6% p.a. and to never lose money over a rolling 36 month period. The fund employs an aggressive application of the absolute philosophy whereby the equity portion of the fund focuses on high conviction ideas and comprises a maximum of 35 shares.	95	20	0	0.75	1.25	20%	CPI + 5%	1.47	0.05	Mar / Sept
Coronation SA Capital Plus	Domestic Asset Allocation Targeted Absolute & Real Return	The fund aims to maintain a real growth rate in excess of 3.5% p.a. and to never lose money over a 12 month rolling period. The fund only invests in South African assets.	65	0	10	0.75	1.25	10%	CPI + 5%	1.10	(0.39)	Mar/Jun/ Sept/Dec
CORONATION SPECIALISED FUNDS – EQUITY FUNDS												
Coronation Equity A	Domestic Equity General	The fund seeks to generate long-term capital growth by investing in selected growth and undervalued shares. The fund's emphasis is on active stock selection and endeavours to be fully invested in equities at all times.	100	0	0	1.25 †	1.25	0.00	FTSE/JSE Shareholders Weighted All Share Index (SWIX)	1.13	0.00	Mar / Sept
Coronation Financial	Domestic Equity Financial	The fund aims to achieve long-term steady capital growth by investing in a broad range of financial shares, insurance and investment companies.	100	0	0	1.25	1.25	0.00	FTSE/JSE Africa Financial Index	1.47	0.00	Mar / Sept
Coronation Industrial	Domestic Equity Industrial	The fund aims to achieve superior capital growth by investing in a broad range of industrial shares over the medium-term.	100	0	0	1.00	1.00	0.00	FTSE/JSE Africa Industrial Index	1.30	0.00	Mar / Sept

CORONATION SPECIALISED FUNDS - EQUITY FUNDS											
Coronation Resources	Domestic Equity Resources & Basic Industries	The fund aims to achieve long-term capital growth by investing in a broad range of resource counters affected by changes in the commodity cycle.	100	20	0	1.00	0.00	Resources & Basic Industries Sector Mean	1.18	0.00	Mar / Sept
Coronation Smaller Companies	Domestic Equity Smaller Companies	The fund aims to achieve superior long-term capital growth by investing in small and mid-capitalisation companies in high growth and developing industries and in recovery shares.	100	0	0	1.00	0.00	Composite (FTSE/JSE Africa Mid & Small Cap Indices)	1.23	0.00	Mar / Sept
Coronation Top 20	Domestic Equity Large Cap	The fund is aggressively managed and will typically hold no more than 20 large cap stocks at a time. The fund aims to significantly outperform the FTSE/JSE Top 40 Index and achieve long-term capital appreciation.	100	0	0	1.00 †	20%	FTSE/JSE Africa Top 40 Index	0.92	(0.23)	Mar / Sept
CORONATION SPECIALISED FUNDS - FIXED INTEREST & REAL ESTATE FUNDS											
Coronation Money Market	Domestic Fixed Interest Money Market	The fund aims to produce high levels of current income and outperform fixed deposits and call accounts over the long term while ensuring capital preservation, stability and liquidity.	0	0	0	0.30	0.00	Alexander Forbes Short-Term Fixed Interest Index	0.35	0.00	Monthly
Coronation Bond	Domestic Fixed Interest Bond	The fund seeks to provide investors with a well diversified exposure to the SA bond market and aims to offer a balance between capital growth and income for a maximum overall return.	0	0	0	0.75	0.00	BEASSA ALBI Index	0.87	0.00	Mar / Sept
Coronation Property Equity	Domestic Asset Allocation Flexible Property	The fund aims to produce high income yields and long-term capital growth by investing in quality listed property assets in the real estate sector of FTSE/JSE Securities Exchange.	0	0	100	1.25	0.00	FTSE/JSE SA listed Property Index	1.44	0.00	Mar/Jun/ Sept/Dec
CORONATION SPECIALISED FUNDS - INTERNATIONAL & WORLD WIDE FUNDS											
Coronation World Equity (ZAR) Fund of Funds	Foreign Equity General	The fund aims to achieve strong capital appreciation, with below market volatility. The return focus is more directed to "absolute" rather than "relative" returns. This is achieved by selecting a small number of highly talented equity managers who cover differing geographic regions; selecting managers with sufficiently flexible investment mandates so as to allow them to pursue non-market correlated returns. This flexibility includes asset allocation, as well as a disregard for the underlying index.	100	100	0	1.50 †	0.00	MSCI World Index (Rands)	2.43	0.00	Mar / Sept
Coronation Global Emerging Markets Flexible Fund	World Wide Asset Allocation Flexible	The fund aims to provide long-term capital appreciation by investing in global emerging markets, and achieve these returns with lower volatility than available from investing in relevant equity indices.				1.50	15%	USD 3 month LIBOR + 5%	2.18	0.00	Mar / Sept
Coronation Latitude (ZAR) Fund	Foreign Asset Allocation Flexible	The fund aims to provide investors with steady growth, measured in foreign currency terms, by investing across multiple asset classes and global markets in a manner that is consistent with prudent investment management.	100	100	0	1.50	10%	Composite of 50% 3 month USD LIBOR Index and 50% 3 Month EURIBOR Index + 3%	2.50	0.00	Mar / Sept

* These Prudential Investment Guidelines apply to all retirement funds. To ensure compliance and protect all present and future investments within the Fund, when verifying your investment, the Fund will refer to the maximum exposure allowed within the mandate limit for the selected unit trusts at the date of each transaction to ensure that your investment does not exceed the set limits.

** The Total Expense Ratio (TER) is calculated as an annualised percentage of the average NAV of the portfolio incurred as charges, levies and fees (including VAT) in the management of the portfolio for the period 1 April 2008 to 31 March 2009, as well as the actual performance fee incurred over the 12 months to end of March 2009, where applicable. A higher TER ratio does not imply a poor return nor does a low TER imply a good return. The current disclosed TER cannot be regarded as an indication of future TERs.

*** The total TER includes a performance fee component as detailed. Figures in brackets represent a performance-related fee discount.

† The ongoing fee structure of these funds will be changed with effect from 1 November 2009.

For details of these changes and all performance fee calculations, please refer to the Coronation website, www.coronation.com, or contact our client service consultants on 0800 22 11 77 or clientservice@coronation.co.za

Changes to fees

Written notification of any increases in fees or initial fees will be distributed to all investors at least three months before the new fees will be implemented.