

## Frequently Asked Questions regarding the closure of the business of Superflex Limited

### 1. WHY IS SUPERFLEX CLOSING ITS BUSINESS?

The Alexander Forbes group of companies ("**the AF Group**") is, like many other insurers, busy rationalising or minimising the number of insurance companies in the AF Group in line with international practises to reduce capital requirements and to ensure regulatory, operational and administrative efficiencies.

A business decision was taken by the board of directors of Superflex Limited ("**Superflex**") to close Superflex.

The business of Superflex that were previously reinsured by Old Mutual Life Assurance Company (South Africa) Limited ("**Old Mutual**") will be transferred to Old Mutual, consisting of all level and income growth annuity policies.

All remaining business comprising of linked policies will be transferred to Investment Solutions Limited ("**Investment Solutions**"), a company forming part of the AF Group.

### 2. WHICH POLICIES OF SUPERFLEX ARE AFFECTED BY THIS TRANSFER?

All policyholders who are underwritten by Superflex and who has a linked policy with Superflex will be affected by the transfer. Investment Solutions will, after the transfer, become the insurer of these linked policies.

As mentioned, Superflex and Investment Solutions form part of the same group of companies. Furthermore, Alexander Forbes Individual Client Administration (Proprietary) Limited currently administers all benefit payments and will continue to administer the benefit payments after the implementation of the transfer.

### 3. HOW WILL THE POLICIES OF SUPERFLEX BE TRANSFERRED TO INVESTMENT SOLUTIONS?

The policies will be transferred by as part of a transfer of business arrangement concluded between Superflex and Investment Solutions.

If you are a linked policyholder of Superflex, your policy will remain in force and continue uninterrupted notwithstanding the transfer. No new policy documents will be issued to you by Investment Solutions after implementation of the transfer.

In terms of the Long-term Insurance Act, 52 of 1998 ("**the Insurance Act**") a transfer of insurance business may only occur with the approval of the Registrar of Long-term Insurance to ensure that the policyholders' rights and interests are at all times protected.

It is for this reason that the statutory actuaries of both insurers give a report on the effect of the transfer on the policyholder security and reasonable benefit expectations. These reports are made available to all policyholders as part of the regulatory process.

### 4. WHO ARE INVESTMENT SOLUTIONS AND SUPERFLEX?

Investment Solutions Limited (registration number 1997/000595/06) and Superflex Limited (registration number 1995/010767/06), are public companies and are registered long-term insurers in terms of the Insurance Act.

Both Investment Solutions Limited and Superflex Limited are wholly-owned subsidiaries of Investment Solutions Holdings Limited (registration number 1997/022540/06), which in turn is wholly-owned by Alexander Forbes Limited (registration number 1958/001974/06), a subsidiary of Alexander Forbes Group Holdings Limited, an entity listed on the stock exchange operated by the JSE Limited.

**5. DO YOU HAVE TO GIVE CONSENT TO THE TRANSFER OF YOUR LINKED POLICY?**

No policyholder consent is required for a transfer in terms of section 37(1) of the Insurance Act. It is for this reason that a detailed regulatory process is prescribed that is compliant with the provisions of the Insurance Act and the requirements of the Registrar of Long-term Insurance.

One of these requirements is that the transfer must be approved by the Registrar of Long-term Insurance.

The Registrar of Long-term Insurance will therefore carefully consider the transfer and will ensure that your interests are at all times protected.

**6. WHAT WILL HAPPEN TO YOUR POLICY IF THE TRANSFER IS APPROVED?**

Your policy terms and your policy benefits will remain unchanged and your policy benefits will remain secure.

The only change is that your policy will, after the approval of the transfer by the Registrar of the Long-term Insurance, be underwritten by Investment Solutions and no longer Superflex.

No new policy documents will be issued.

**7. DO MY BENEFITS REMAIN SECURE?**

Yes, your benefits remain secure and will be unchanged. No additional charges or costs will be levied against your policy pursuant to the transfer.

The statutory actuaries of Investment Solutions and Superflex have confirmed that your policy benefits and interests will remain secure and unchanged following the transfer.

**8. HOW WILL THE TRANSFER TAKE PLACE?**

The following steps in respect of the transfer have already occurred:

- Investment Solutions and Superflex gave notice of their intention to conclude the transfer to the Registrar of Long-term Insurance.
- The statutory actuaries of Investment Solutions and Superflex compiled a report to the Registrar of Long-term Insurance to indicate the impact (if any) on the policies and policyholders if the transfer is approved and confirmed in these reports that the policyholder security remains unaffected by the transfer.
- The Registrar of Long-term Insurance has given its preliminary support of the transfer and has allowed Investment Solutions and Superflex to communicate with the policyholders regarding this change, as it is required to do in terms of the Insurance Act.

- Notice of the transfer has, accordingly, been published in various newspapers and other forms of communication to ensure that all policyholders, shareholders and other stakeholders receive adequate notice of the transfer.

Investment Solutions and Superflex intend to lodge an application to the Registrar of Long-term Insurance for approval of the transfer on or before 22 December 2015.

Any owner of a policy, shareholder, creditor or other interested party affected by the transfer, shall be entitled to file an affidavit or other documents and to make representations to the Registrar of Long-term Insurance on any matter in connection with the transfer. These representations must reach the Registrar of Long-term Insurance by no later than 18 December 2015. If you do not have an objection to the transfer, you do not have to file affidavits or make representations as the transfer will happen automatically.

Please note that the Long-term Insurance Ombudsman or the Ombud for Financial Services Providers will not be able to assist you in this matter.

**9. WHAT IF I DO NOT WANT INVESTMENT SOLUTIONS TO UNDERWRITE MY POLICY?**

You are allowed to make representations to the Registrar of Long-term Insurance or to Investment Solutions or Superflex if you have any concerns about the transfer. These representations must reach the Registrar of Long-term Insurance, Investment Solutions or Superflex no later than 18 December 2015. The contact details are set out below.

**10. WHERE CAN I OBTAIN MORE INFORMATION ABOUT THE TRANSFER?**

Copies of the following documents shall be made available for inspection from 23 November 2015 until 18 December 2015 from 08h00 to 17h00 (Saturdays and Sundays included) at the reception of the head offices of Investment Solutions and Superflex at Alexander Forbes Building, 115 West Street, Sandown, Sandton, Johannesburg . The above information will also be available during the above period on website of Investment Solutions at [www.investmentsolutions.co.za](http://www.investmentsolutions.co.za). These documents are the following:

- The transfer of business agreement concluded between Superflex and Investment Solutions
- Report of the statutory actuary of Investment Solutions
- Report of the statutory actuary of Superflex
- All communication notices
- A copy of the formal notification to the Registrar of Long-term Insurance

Please note that some communication notices indicate the inspection period to be from 23 November 2015 until 7 December 2015. As indicated above, this period has been extended until 18 December 2015 to allow policyholders sufficient time to inspect all documents relevant to the substitution.

**11. WHO CAN I CONTACT IF I HAVE ENQUIRIES ABOUT THE TRANSFER?**

Please direct all queries as follows:

In respect of Investment Solutions and Superflex:

Per email: ISSuperflexTransfers@ishltd.co.za

Per telephone: 011 505 6787

Registrar of Long-term Insurance:

Per email: Janet.Ehlers@fsb.co.za