

The Personal Portfolios Retirement Annuity Fund

What is the purpose of the Fund?

Satrix Managers RF (Pty) Ltd ("Satrix") provides an investment management solution within the Satrix Retirement Plan. This is offered under the Personal Portfolio Retirement Annuity Fund ("the Fund"). By investing in this plan, you become a member of the Fund which is administered by Glacier Financial Solutions (Pty) Ltd ("Glacier"). Investment choice is limited to unit trust funds managed by Satrix. Glacier and Satrix are part of the Sanlam Group of Companies.

The purposes of the Personal Portfolios Retirement Annuity Fund ("the Fund") is to provide you with a benefit at retirement or your dependants and/or beneficiaries with a benefit on your death.

The Fund is a registered and approved retirement annuity fund, which qualifies for the tax advantages of such funds. As a member of the Fund you participate in the Fund in terms of its rules.

The Fund is managed by a Board of Trustees according to the Fund Rules and relevant legislation.

The Personal Portfolios Retirement Annuity Fund is registered (Registration Number 12/8/35099) in terms of the Pension Funds Act and approved by the South African Revenue Service (SARS).

The rules of the Fund are approved by the regulatory authorities, which govern your membership, the management and operation of the Fund.

How can you contribute to the Fund?

You may contribute to the Fund by means of:

- A lump sum with or without recurring contributions,
- Ad-hoc amounts,
- Regular contributions via a debit order, or
- A transfer of lump sum withdrawals from an approved pension, provident or retirement annuity fund.

Subject to current legislation, non-members can transfer the portion of the pension interest allocated to them by a divorce order to the Fund.

Gross and net investment amounts

The total investment amount is the gross investment amount invested by you plus interest earned on this amount between the time Glacier receives the investment amount in its bank account and when the investment amount is invested in the investment options selected. Fees are not charged on interest earned on the investment amount.

The net investment amount is the gross investment amount, less fees and VAT on fees plus interest (where applicable). The net investment amount was invested in the investment options you selected in the application form.

Unit prices for collective investment funds are calculated daily

The unit price is calculated daily in South African Cents, based on the market value of the assets in the collective investment fund. All costs relating to the holding, buying, selling and transfer of assets in the collective investment fund, as well as any compulsory charges are recovered from the market value of those assets. The following charges are also taken into account in the calculation of the unit prices:

- a fund management fee
- a performance fee for the fund manager, if applicable

Investment returns are not guaranteed

Investment returns on the underlying collective investments are not guaranteed as it is subject to market movements. You and your financial intermediary are responsible for the regular review of your investment needs and to ensure that it suits your circumstances and risk profile.

Regulation 28 of the Pension Funds Act

The purpose of this regulation is to protect investors in the Fund from the effects of poorly diversified investment portfolios and over-exposure to higher risk asset classes.

Regulation 28 of the Pension Funds Act requires that a member's investment in a retirement fund needs to comply





with the investment restrictions imposed by this regulation. To comply, the maximum asset class exposure of an investment in a retirement fund is restricted to:

- 75% Equities
- 25% Property
- 30 % Foreign (of which not more than 25% may be invested in foreign assets outside of Africa)

It is important to comply with these restrictions to avoid too much investment risk. If your investment does not comply, you will need to switch or rebalance your investment (and/or additional contributions) into a combination of investment options in order for it to comply with the Regulations.

The Fund reserves the right to change your investment's composition to ensure that it complies with these restrictions. When the Fund and/or the individual member's investment breaches the prudential limits set by legislation and we do not receive an instruction from you that results in your investment becoming compliant, we will switch a percentage of your non-compliant investment into the Sanlam Investment Management Money Market Fund.

Investment in investment funds with foreign exposure shall be limited to the foreign portfolio investment allowance for retirement funds as determined by the South Africa Reserve Bank from time to time, provided the Fund does not exceed its foreign portfolio investment allowance at the time of investment. Where the Fund exceeds its foreign portfolio investment allowance that part of a member's transfer value earmarked for investment in investment collective investment funds with foreign exposure shall be invested in the Sanlam Investment Management Money Market Fund.

Types of investment options available

Local collective investments

Glacier offers a range of collective investment funds managed by Satrrix (Pty) Ltd for this product.

The unit price of a collective investment fund is calculated daily and will move in line with the market movements of the underlying assets in the fund. Money market funds have a unit price equal to one Rand and the underlying investments are invested in money market instruments only.

Money market funds can be used as short-term safe haven for funds during times of market volatility.

Where interest and/or dividends are declared the reinvestment dates may vary according to the practices of the collective investment managers.

Glacier fees and charges

Fees are charged for the administration of your investment. Glacier reserves the right to change the fees, the frequency thereof and investment minimums from time to time after prior written notice to the investor.

Annual fees

The annual fees, where applicable, are set out in this investment confirmation and in investment statements. We recover the following annual fees:

Fees accrue daily and are recovered monthly by cancelling units.

If a money market fund(s) forms part of the investment portfolio, fees will be recovered monthly in arrears from a money market fund(s). If no money market fund is available, the fees are deducted proportionally from each of the underlying collective investment funds.

Annual collective investment management fee

Collective investment managers either charge a fixed annual fee or a variable performance fee related to the fund's benchmark. The annual fee is deducted by the collective investment manager before the calculation of prices and declaration of income. These fees are included in the total expense ratio and are shown in the investment statement.

Value added tax (VAT) payable on fees

You will pay VAT on fees.

Access to the Fund

Emigration

You may elect to receive the total Fund value as a lump sum withdrawal benefit on emigration, provided that the emigration is recognized by the South African Reserve Bank for purposes of exchange control.



Early retirement due to disability

If you are permanently disabled, the benefit is paid out as set out in the section "Retirement". The Board of Trustees must be satisfied, based on medical evidence provided at your cost, that you became permanently disabled.

Retirement

You may retire from the Fund at any date after you reach age 55. You must inform the Fund of your planned retirement date in writing before reaching the planned retirement date. If we do not receive written confirmation, the date will be postponed until such time that the Fund receives written confirmation from you. No benefits will be payable or withdrawals allowed before the age 55 unless you retire due to disability according to the disability provisions of the rules of the Fund.

Your retirement options are:

- The full benefit may be used to buy a compulsory annuity in your name, and must be purchased from an insurer; or
- A maximum of one-third, of the benefit may be taken as a cash lump sum payment, and the remaining two thirds must be used to buy a compulsory annuity as compelled by law and must be purchased from an insurer; or
- The full benefit may also be taken as a cash lump sum if the full underlying investment value is equal or less than R75 000 at the date of retirement.

Once the Fund has made the payment to the insurer and if, applicable, has paid any balance of the benefits directly to you in cash, the Fund will have no further obligations towards you.

Death

If you die before becoming entitled to a retirement benefit in terms of the rules of the Fund, the value of the underlying investment options will be available to the beneficiaries.

In the event of your death the Board of Trustees will determine in terms of legislation, to who the benefits will be distributed and in what proportion. Your appointed nominees will not automatically receive the death benefits. In terms of current legislation, dependants must receive preference when allocating benefits. Only once dependants needs have been met will nominees be considered. If you have dependants and appointed nominees to receive the death benefit, the Board of Trustees will exercise their discretion to decide who must receive the benefit and in which proportion.

The portion of the investment value that is not in a money market fund shall automatically be switched to a money market fund on the receipt of the notice of your death. You may instruct the Fund prior to your death in writing, not to transfer the underlying investments held in other investment options on your behalf to a money market fund.

Currently the dependants/nominees have the option to convert the investment or a portion thereof into a lump sum payment and to transfer the remainder of the underlying value (if any) to a compulsory annuity.

Contributions have tax advantages

In any particular tax year you may claim in terms of current legislation, a tax deduction, as determined in the Income Tax Act, in respect of contributions as a member of the Fund. The Fund will provide you with an annual contribution certificate for contributions made during the relevant tax year. The contribution certificate is issued after the tax year end.

Currently, lump sum benefits payable at retirement, death or withdrawal may be subject to income tax.

The taxation of retirement fund benefits is subject to change.

Attachment of Fund benefits

The underlying investment of your Fund benefit may not be transferred or pledged to someone else or offered as security or payment (e.g. security for a loan).

Binding force of the rules

The rules of the Fund shall bind the members, the Fund and its officials and anyone who lays a claim in terms of the rules or whose claim is derived from the aforesaid claim. Should any statement contained in this document conflict with the rules of the Fund, the rules will prevail.

View Fund Rules and financial returns

The Fund Rules and financial returns can be viewed at Glacier's offices. A copy of the Fund Rules can also be obtained at the same office at a fee as determined by the Board of Trustees of the Fund from time to time. (Currently no fees are applicable). The rules of the Fund may be amended from time to time.



Fund rules of the Personal Portfolios Retirement Annuity

The rules of the Fund may be amended from time to time and will be registered in terms of the Act and approved for income tax purposes in accordance with the provisions of the Income Tax Act.

Transfer to another retirement fund

Subject to legislative requirements you may request the Fund to transfer your accumulated benefit in the Fund to another retirement fund on the conditions laid down by the rules.

Disability and death claim procedure

In the event of a disability or death claim, please inform Glacier as soon as possible. To obtain the necessary claim forms and to ensure that all the required information is supplied, contact the Glacier Communication Centre at 0860 007 461. Depending on the nature of the claim, documentary proof (e.g. a death certificate) will be required.

Management and administration of the investment

Switch between collective investment funds and options

You may switch between the various investment options offered. Your switch will be processed on receipt of a signed and completed switch form. There may be a fee for switches between collective investment managers, or from money market funds to collective investment funds within the same collective investment manager. This fee is the same as the collective investment managers' initial fee as in the section "Glacier investment fees and charges" and is included in the unit price of the fund you are switching to. Glacier does not charge any fees for processing your switch.

Processing timeline for switches

Day 1	Day 2	Day 3	Day 4	Day 5	Day 6
Process the instruction.	Send instruction to collective investment management company to sell the units	Receive the unit price for day 2 from the collective investment management company. The units in the collective investment fund(s) will be sold at day 2's price.	Send instruction to the collective investment management company to buy units	Receive the unit price for day 4 from the collective investment management company. The units in the collective investment fund(s) will be bought at day 4's price.	Transaction completed and switch confirmation letter is generated.

The table above shows the timeline for switching of collective investment funds between different collective investment management companies. This timeline serves as a guideline and cannot be enforced:

The number of days that it takes to complete the transaction could be less in respect of the switching of collective investment funds within the same collective investment management company or for switching from or to a money market fund. Any internet switch instruction received before 17:00 on any business day in South Africa, will be captured on our system on the same day, provided there are no other transactions in progress.

Possible delays

If we receive an instruction while another transaction is in progress, the second transaction may be delayed until the first transaction has been completed.

Collective investment funds no longer available on the Glacier platform

Collective investment funds might close or become unavailable. If your investment is affected, we will provide you with the option to switch to any other collective investment fund(s) available. If you do not select another collective investment fund within the prescribed time period the units will be switched into an existing money market fund with the highest value in your plan. The Sanlam Investment Management Money Market Fund will be used should there be no money market fund in your plan.

Recurring investment contributions via debit order

You may select to make recurring investment contributions via a debit order. Glacier cannot deduct the debit order from a bond or credit card account.

You may cancel or suspend your recurring investment contribution without any penalties. Glacier must receive your signed cancellation or suspension instruction 10 business days before the selected debit order date.



If you miss a debit order contribution, you can still receive the benefit of the units purchased at the selected debit order date, if you pay the funds into the Glacier bank account within 7 business days after the debit order date. If no payment has been received, the debit order will be regarded as unpaid and the units will be reversed. If two consecutive debit orders have been registered as unpaid the debit order instruction will be cancelled. In the event that a debit order is returned unpaid, Glacier reserves the right to charge a fee.

Banking details for payments:
Glacier Financial Solutions Trust Account
ABSA Bank
Account number 01003782341
Branch code 632005

Payment of proceeds

All payments will be in South African Rand. The amount payable at death or retirement is not determined by the date of your death or the date of retirement, but is determined once the units of the underlying collective investment funds are sold and applicable fees and changes have been deducted.

Online transactions

Glacier provides online facilities for viewing your investment and to initiate certain transactions. By visiting www.glacier.co.za and selecting "Manage your portfolio" you can obtain access to our secure website.

Complaints procedure

If you are not satisfied with this investment, our services or the advice that you received from your financial intermediary, please contact our Client Protection and Compliance Office at:

Telephone number: 0860 GLA ENG
Fax number: +27 21 947 9210
E-mail address: client.services@glacier.co.za

If we do not address your complaint to your satisfaction, you may contact the office of the Pension Fund Adjudicator. The contact details are:

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