



# PPS MANAGED SHARE PORTFOLIO

The PPS Managed Share Portfolio offers investors access to a personalised portfolio of shares listed on the Johannesburg Stock Exchange, managed by an FSB- approved stockbroking company which will trade the shares on your behalf. This is an opportunity for high-net-worth individuals to own shares in companies they select with their stockbrokers.

This managed share portfolio therefore allows investors to combine unit trusts and the personalised share portfolio for their retirement savings.

## HOW IT WORKS

The PPS Managed Share Portfolio is accessible by intermediated investors only, and is offered as an investment option within PPS Investments' range of pre- and post-retirement funds.

Share portfolio managers from the selected stockbroking company will trade securities on behalf of investors according to agreed mandates.

While investors are able to choose their preferred mandate and have insight into the underlying securities included in their share portfolio, the share portfolio manager will direct all specific trades and will manage the composition of securities within the portfolio.

## WHO SHOULD USE THE PPS MANAGED SHARE PORTFOLIO?

### Personalised share portfolio

- A share portfolio tailored to the needs of the investor

### Diversification:

- Combine unit trusts and personalised managed share portfolio for retirement savings

### Access to specialist investment skill:

- Your personalised managed share portfolio is managed by investment professionals with expertise in share trading

## PRODUCTS AVAILABLE FOR INVESTMENT

The PPS Managed Share Portfolio is available within the following retirement products:

### Pre-retirement products

- PPS Personal Pension
- PPS Preservation Pension Fund
- PPS Preservation Provident Fund
- PPS Retirement Annuity
- OPN Personal Pension
- OPN Preservation Pension Plan
- OPN Preservation Provident Plan

### Post-retirement product

- PPS Living Annuity

## MINIMUM INVESTMENT AMOUNTS

### Initial investment: R1 000 000

- This is the minimum initial amount required for the PPS Managed Share Portfolio itself.

### Additional contributions: R100 000

- No debit order contributions may be made into the PPS Managed Share Portfolio.

## INVESTMENT MANDATES

Investors have the option of selecting between an equity-focused or a Regulation 28 compliant investment mandates for their share portfolio.

### Option 1: Equity Focused Managed Share Portfolio

- Equity: This is a diversified local equity portfolio. The portfolio aims to outperform the FTSE/JSE All Share Index on a total return basis over an investment horizon of three years or more by investing in high-quality companies that are undervalued. This portfolio is suitable for investors who can withstand potential capital volatility in the shorter term. The portfolio offers a carefully selected, well-diversified basket of shares from all sectors on the JSE. The investments in the portfolio are subject to rigorous, in-depth research and must adhere to the stockbroking company's pragmatic value investment philosophy.

### Option 2: Regulation 28 Managed Share Portfolios

- Moderate Balanced (Regulation 28 compliant): This multi-asset class portfolio invests in equities, bonds, money market instruments and property both locally and offshore. This portfolio targets long-term capital growth by active stock picking and asset allocation.
- Balanced (Regulation 28 compliant): This multi-asset class portfolio invests in equities, bonds, money market instruments and property both locally and offshore. This portfolio targets long-term capital growth. However, a higher exposure to growth assets (equities and property) is likely to lead to higher volatility over the short term. Investment performance will be driven by active stock picking and asset allocation.

## INVESTMENT LIMITS

- **Investment allocation limits**

For the living annuity a minimum of 3% plus the selected annual annuity percentage must remain in a unit trust for the purposes of fee collection and annuity payments. For retirement funds a minimum of 3% of the fund value must be allocated to a unit trust for the purposes of fee collection.

Regulation 28 limits could require a greater allocation to unit trusts.

- **Regulation 28**

An investment into any retirement fund on the PPS Investments platform is required to comply with the asset class limits prescribed by Regulation 28 of the Pension Funds Act. This includes a maximum exposure of 75% to equity.

Regulation 28 compliance will be evaluated at an overall investment level taking into account the equity exposures in the PPS Managed Share Portfolio and in unit trusts forming part of the investment.

## FEES

The annual Managed Share Portfolio fee starts at 1.25% (excl. VAT) for investments under R5 000 000 and reduces on a sliding scale for larger amounts. An administration fee of 0.15% (excl.VAT) is also charged to service the portfolio.

## FOR MORE INFORMATION

Contact your PPS Investments Accredited Financial Adviser. The PPS Investments Contact Centre is available at 0860 468 777 (0860 INV PPS) or [clientservices@ppsinvestments.co.za](mailto:clientservices@ppsinvestments.co.za).

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